

MINISTRY OF INTERNATIONAL TRADE

GOVERNMENT TRANSFERS REVIEW FORM

Transfer Recipient: Business Council of British Columbia

C17VH0001

Transfer Type:

☐ Grant (STOB 77) ☐ Entitlement (STOB 79) ☒ Shared Cost Arrangement (STOB 80)

Program/Division: ___Assistant Deputy Minister's Office

Program Contact/Phone Number: Brian Krieger Phone: 604-660-0220

Approval Process:

Government Transfers must be approved by a ministry Expense Authority who **must** complete and sign the Government Transfers Review Form (this document) **and** submit it to the ministry's Chief Financial Officer (CFO) for review and sign off. The CFO is required to attest that due diligence has been performed on the Government Transfer and the following:

- The Transfer Request clarifies the Program's objectives, provides justification for the expenditure, and determines the minimum requirements to proceed with the government transfer initiative; and
- The Transfer Request provides the framework for meeting the Program's accountability requirements in the planning, monitoring, and reporting of government transfers.

See the Government Transfer Request Guide for requirements and expectations to consider in completing the Government Transfer Review Form.

Background and Strategic Context

Describe the nature of the transfer and the recipient. What program need or benefit does the transfer fulfill and how does it align with the Ministry's Service Plan?

The transfer is required to support the BC Business Council in its strategic oversight and daily operational support of HQ Vancouver, a joint initiative between the Province, the federal government through Western Economic Diversification, and the BC Business Council. The BC Business Council has agreed to provide operational oversight for the project on behalf of all parties, and the Province and the federal government have agreed to compensate the BC Business Council for a portion of the total project costs. This project is a direct outcome of MIT's mandate direction to "Continue to work with Canada and the BC Business Council and HQ Vancouver to attract major Asian firms to invest in BC and locate their North American presence in our province as committed in Strong Economy, Secure Tomorrow." Through the transfer, the recipient will use the funds to ensure that key deliverables and milestones are met, thereby leading to successful attraction of Asian head offices to Vancouver, and specifically, the increased jobs that these offices bring for British Columbians.

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Financial Impact

What is the total fiscal impact on the Ministry's budget (by year if multiyear)? Is the transfer a one-time payment or will there be on-going payments? Are there stipulations attached to the funding? If so, who will monitor the performance on the stipulations?

The payment of up to \$696,500 is for this fiscal year and is tied to successful completion of several deliverables (detailed in schedule A of the contract) due during the remainder of the fiscal year. s.13

s.13

Transfer Recipient/Benefits

Describe the scope or extent of benefits that would be created by the transfer and describe the nature of the client group that will benefit (seniors, community groups etc.).

By partnering with BCBC to deliver the daily operations of the project, the Province is able to leverage private sector connections, expertise and know-how, in attracting foreign head offices to relocate to Vancouver. This partnership between industry and government provides a strategic advantage for the successful attraction of head offices. Through the project, at least 5 head offices will relocate in Vancouver, bringing over 500 new, high-skilled jobs that are commensurate with the skillset of B.C.'s highly educated workforce, and over \$100 million in new investments into the economy.

Identify Risks

Identify specific risks of the initiative, including the risk of not moving forward. How will you mitigate these risks?

s.13

MINISTRY OF INTERNATIONAL TRADE GOVERNMENT TRANSFERS REVIEW FORM

Evaluation and monitoring

How will you know whether the objectives of the transfer have been met? Do you have clearly established success criteria? Have you addressed performance targets or milestones that are required to be met and included a reporting requirement?

There are specific deliverables and outcomes associated with this project that are tied to key dates, including delivery of a work plan and progress reports, and regular Progress Board meetings and status meetings at the working level. s.13

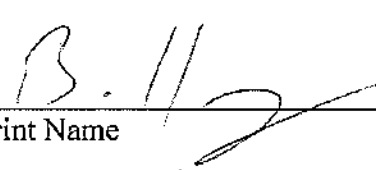
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Additional approvals

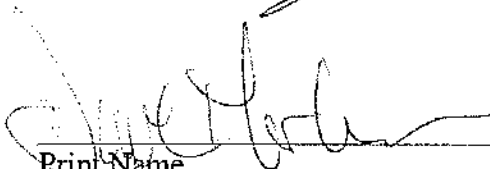
Are there any additional approvals needed from either Cabinet or Treasury Board? Is legislation required?

No legislation is required. The money will be managed within the existing Ministry funding envelope.

Expense Authority Approval


Print Name

CFO Review


Print Name

DAVID.

PROVINCE OF BRITISH COLUMBIA
SHARED COST ARRANGEMENT

ORIGINAL

This Agreement dated for reference the 30th day of March, 2017.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA,
represented by the Minister of International Trade and Minister Responsible for the Asia
Pacific Strategy and Multiculturalism

International Business Development Division
Suite 730 - 999 Canada Place,
Vancouver, B.C. V6C 3E1

(the "Province")

AND

Business Council of British Columbia (Society # S-0007346) 810-1050 81-
810-1050 West Pender Street
Vancouver, B.C. V6E 3S7

(the "Recipient")

WHEREAS:

- A. The Province has approved funding under the Program for the Project and such funding is to be paid by the Province to the Recipient pursuant to the Stipulations.
- B. The Recipient has met the Eligibility Criteria established in this Agreement in order to qualify for funding under the Program.

The parties agree as follows:

DEFINITIONS

- I. In this Agreement and its recitals the following definitions apply:

"Agreement" means this shared cost arrangement and any schedules attached hereto;

"Commencement Date" means the date identified in Schedule A on which the application of the Recipient was received by the Province;

"Completion Date" means the date identified in Schedule A upon which the Recipient will complete the Project and such date must not be later than March 31, 2018;

"Eligible Costs" means all the direct costs properly and reasonably incurred by a Recipient or a Third Party on behalf of the Recipient with respect to the Project, and are incurred between the project Commencement Date and the Completion Date;

"Eligibility Criteria" means the terms imposed by the Province and in respect of the Project as set out in this Agreement respecting qualification of the Recipient for funding under the Program;

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"Event of Default" means an event described as such as set out in section 21;

"Funding" means the financial contribution of the Province set out in Schedule B;

"Fiscal Year" means the period beginning April 1 of a year and ending March 31 of the following year;

"Program Staff" means employees of the Ministry of International Trade who are directly involved in the administration of the Program, and includes anyone authorized to act on their behalf;

"Program" means the program of the Province known as the International Business Development Division of the Ministry of International Trade;

"Project" means the project described in Schedule A;

"Stipulations" mean the terms and conditions set out in this Agreement that must be met in order for the Recipient to retain the funds it receives under the Project; and

"Third Party" means any person or entity or its officers, employees or agents, other than a party to this Agreement that is involved in the implementation of the Project.

SCHEDULES

2. The Schedules set out and entitled as follows form part of this Agreement are:

Schedule A	Project Description, Stipulations and Dates, and
Schedule B	Payment and Reporting Requirements

TERM OF AGREEMENT

3. Notwithstanding the actual date of execution of this agreement, the term of this Agreement begins on the Commencement Date, and expires on the Completion Date.

OBLIGATIONS OF THE RECIPIENT

4. Upon receipt of funding, and in order to retain funding, the Recipient agrees to meet the stipulations including without limitation those identified in Schedule A.
5. The Recipient agrees to:
- (a) carry out the Project in a diligent and professional manner;
 - (b) commence carrying out the project within one week of the commencement date;
 - (c) complete the Project no later than the Completion Date; and,
 - (d) provide evidence satisfactory to the Province that the Recipient has commenced the Project in accordance of section 5(b) of this Agreement.
6. If, in the opinion of the Province, the Recipient has failed to provide evidence satisfactory to the Province to demonstrate the Project has commenced, the Province may at any time following the expiry of 30 days following the date the Province gives the Recipient notice requesting production of the aforementioned evidence, terminate this Agreement, and upon such termination the Recipient will repay to the Province all money received under this Agreement that has not, as of the date of termination been expended for services required to be delivered by the recipient under this Agreement.

7. The Recipient will comply with all applicable laws, statutes, and regulations of British Columbia.
8. The Recipient will:
 - (a) establish and maintain books of account, administrative records, invoices, receipts and vouchers for all expenses incurred in a form and content satisfactory to the Province;
 - (b) permit the Province to inspect at all reasonable times, any books of account or records (both printed and electronic), whether complete or not, that are produced, received or otherwise acquired by the Recipient as a result of this Agreement;
 - (c) maintain all such accounts and records for a period of six years after the Completion Date;
 - (d) ensure that all Contracts entered into by the Recipient with any Third Parties contain the provision in section 7; and
9. The Recipient is solely responsible for all aspects of the Project, and nothing in this Agreement is deemed to give the Province interest in, or responsibilities for the Project, unless otherwise provided in this Agreement.
10. The Recipient will ensure that the financial contribution of the Province is to be used solely for the purpose of defraying the Eligible Costs incurred by the Recipient in carrying out and completing the Project as described in Schedule A.
11. The Recipient acknowledges that Eligible Costs that have received funding from any other federal or provincial government sources will not be reimbursed under this Agreement, and that the Recipient agrees to promptly notify the Province through Program Staff in writing of any such funding received.
12. The Recipient acknowledges that it is not the agent of the Province and will do no act which might be construed as authorizing any contract or permitting any other liability or obligation to be incurred on behalf of the Province.
13. The Recipient will obtain prior written approval from the Province for any significant changes to the scope of the Project.
14. No sub-contract entered into by the Recipient will relieve the Recipient from any of its obligations under this Agreement or impose upon the Province any obligation or liability arising from any such sub-contract.

OBLIGATIONS OF THE PROVINCE

15. Provided the Recipient is in compliance with its obligations under this Agreement, the Province will pay the Recipient the amount and in the manner set out in Schedule B.
16. The Province will not have any obligation to make a payment under section 15 unless the Recipient has complied with the provisions of this Agreement including, without limitation, those set out in Schedule B.

COMMUNICATIONS

17. The Recipient agrees that all public information material pertaining to the Project will clearly indicate that the Project is funded by the Province. The Recipient acknowledges that the Province desires at least 30 working days notice of any scheduled communications material or public events relating to the Project.

INDEMNIFICATION

18. The Recipient will be solely responsible for and shall indemnify and save harmless the Province, and its ministers, officers, servants, employees and agents from and against all losses, claims, liabilities, suits, damages, actions, causes of action, costs and expenses, and demands of any kind ("losses"), or other proceedings by whomsoever brought or prosecuted in any manner based upon, or occasioned by any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights, caused by or arising directly or indirectly, from any of:
- (a) the Recipient's performance under this Agreement or the breach of any term or condition of this Agreement by the Recipient, its officers, servants, employees and agents, or by any Third Party's performance of its contract with the Recipient and any officers, employees, servants or agents of the Third Party;
 - (b) any omission or other willful or negligent act of the Recipient, a Third Party, their respective employees, officers, or agents; and
 - (c) anything arising in connection with this agreement or the Project, including the delivery or implementation of the Project.

INSURANCE

19. The Recipient will, without limiting its obligations or liabilities herein, provide and maintain insurances with insurers licensed in Canada with coverage of a type, and in amounts, that any similar business, acting reasonably, would procure for a project of the scope, size and exposure of this Project, during the term of this Agreement and for any subsequent ongoing operations.
20. The Recipient shall require and ensure that each Third Party maintains insurances comparable to those required above.

DEFAULT

21. 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 body:
- (a) the Recipient fails to comply with any provision of this Agreement;
 - (b) any representation or warranty made by the Recipient in connection with this Agreement is untrue or incorrect;
 - (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of the Recipient pursuant to or as a result of this Agreement is untrue or incorrect; or,
 - (d) the Recipient fails to provide positive confirmation that the Project has been completed by the Completion Date.

TERMINATION

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

- a) notify the Recipient in writing of the occurrence of the Event of Default and the recipient shall have 30 days following receipt of such notice (the "Notice Period") in which to remedy the Event of Default. If following expiry of the Notice Period the Recipient has not remedied the event of Default, the Province may, in accordance with section 23, terminate this Agreement and the Recipient will repay to the Province all money received under this Agreement that has not, as of the date of termination been expended or made subject to legally binding obligations to a Third Party; and
 - b) pursue any other remedy available at law or in equity.
23. If the Province terminates this Agreement under section 22(a), then such termination will be effective on the 30th day following the day written notice of termination is given pursuant to that section.

REMEDIES NON-EXCLUSIVE

24. The rights, powers and remedies conferred on the Province under this Agreement or any statute or law are not intended to be exclusive and each remedy shall be cumulative and in addition to and not in substitution for every other remedy existing or available to the Province.
25. The exercise of any one or more remedies available to the Province will not preclude the concurrent or later exercise by the Province of any other right, power or remedy.

APPROPRIATION

26. Notwithstanding any other provision of this Agreement, the payment of money by the Province to the Recipient under this Agreement is subject to:
- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act* to enable the Province, in any fiscal year or part thereof when any payment by the Province to the Recipient falls due under this Agreement, to make that payment; and
 - (b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited expenditure under any appropriation referred to in subsection (a) of this section.

NO FURTHER OBLIGATIONS

27. The Recipient acknowledges that nothing in this Agreement will bind the Province to provide any financing for any addition or improvement to the Project, or any cost overruns of the Project and that no partnership, joint venture or agency will be created or will be deemed to be created by this Agreement or any action of the parties under this Agreement.

JOINT AND SEVERAL OBLIGATIONS

28. In the event the Recipient is comprised of more than one entity, then the covenants and obligations of each of such entities with the others will be both joint as well as several.

AMENDMENTS

29. Unless otherwise specified in this agreement, this Agreement may be amended only by further written Agreement between the parties.

SURVIVAL OF TERMS

30. Sections 8(b), (c) and (d), 17, 18, 19 and 20, continue in force indefinitely, even after this Agreement ends.

NOTICE

31. (a) Any written communication from the Recipient to the Province must be mailed, personally delivered, or electronically transmitted to the following address:

Brian Krieger, Acting Assistant Deputy Minister
International Business Development Division
730 - 999 Canada Place
Vancouver, B.C. V6C 3E1
Email: Brian.Krieger@gov.bc.ca

- (b) Any written communication from the Province to the Recipient must be mailed, personally delivered, or electronically transmitted to the following address:

Greg D'Avignon
President and CEO
Business Council of British Columbia
810 - 1050 West Pender Street
Vancouver, B.C. V6E 3S7
Email: Greg.davignon@bccbc.com

- (c) Any written communication from either party will be deemed to have been received by the other party on the tenth business day after mailing in British Columbia; on the date of personal delivery if personally delivered.
- (d) Either party may, from time to time, notify the other by notice in writing of a change of address and following the receipt of such notice, the new address will, for the purposes of section 31(a) or 31(b) of this Agreement, be deemed to be the address of the party giving such notice.

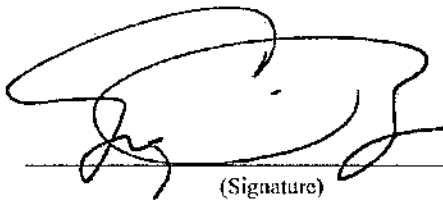
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32. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.
33. The Schedules to this Agreement are an integral part of this Agreement as if set out at length in the body of this Agreement.
34. 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.
35. Nothing in this Agreement operates as a consent, permit, approval or authorization by the Province or any ministry or branch thereof to or for anything related to the Project that by statute, the Recipient is required to obtain unless it is expressly stated herein to be such a consent, permit, approval or authorization.

36. The Recipient will not, without the prior, written consent of the Province, assign, either directly or indirectly, this Agreement or any right of the Recipient under this Agreement
37. All disputes arising out of or in connection with this Agreement will be referred to and finally resolved by arbitration pursuant to the *Arbitration Act*.

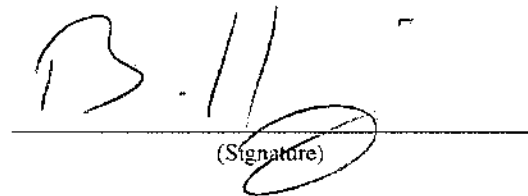
The parties here to have executed this Agreement the day and year as set out above.

SIGNED AND DELIVERED by the
Authorized Representative of **Business**
Council of **British Columbia**



(Signature)

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



(Signature)

SCHEDULE A: PROJECT DESCRIPTION AND DATES

A.1 The Commencement Date is **March 30, 2017**.

A.2 The Completion Date is no later than **March 31, 2018**.

A.3 **Project Title: HQ Vancouver Head Office Attraction Project**
The Business Council of British Columbia (BCBC) will manage the budget for the Project to ensure operational delivery occurs and deliverables are met. The project will be delivered by BCBC's HQ Vancouver project team in alignment with the direction of the HQ Vancouver Project Board and the terms identified in the Western Economic Diversification funding agreement included as *Appendix A*.

Key deliverables required during the duration of this funding agreement include:

- o Fulfillment of the same reporting conditions and performance measures to the Province that are identified in the agreement with Western Economic Diversification (*Appendix A*).
- o Submission and approval of an annual work plan by June 30, 2017 to the Province that identifies milestones, major activities and any activities or interactions that require planning, resources or support from Ministry Staff. Examples include planned overseas missions, incoming delegations, research projects, marketing efforts, training and similar financial or in-kind support.
- o Development of potential Head Office Account Engagement Plans that will be shared with Province for the purposes of aligning activities.
- o Recordings of events and activities associated with accounts within the Ministry's Customer Relationship Management database, Salesforce.
- o Regular reporting to the Province on spending and activities, including bi-annual progress reports due June 30, 2017 and December 31, 2017.

A.4 **Stipulations:**

The Recipient must meet the following stipulations in order to retain the funding received under this Agreement:

- a) Use the funding solely for the purpose identified in section A.3 above; and
- b) Use the funding solely for reasonable costs and expenses that are incurred between the Commencement and the Completion Date.
- c) Meet all requirements, including reporting, identified in the Western Economic Diversification Agreement.

SCHEDULE B: PAYMENT AND REPORTING REQUIREMENTS**B.1 Financial Contribution by the Province:**

Provided the Recipient has, in the opinion of the Province met the Eligibility Criteria and has agreed to be bound by the Stipulations, the Province will make a financial contribution toward the Eligible Project Costs of the Recipient equal to six hundred and ninety-six thousand five hundred dollars (\$696,500) Canadian being the maximum amount of contribution funding approved by the Province. Any unspent funding must be returned to the Province on or before June 30, 2018.

This payment represents the final contribution to the Project by the Province under the terms identified in the Western Economic Diversification funding agreement included as *Appendix A*.

For greater clarity, the financial contributions made by the Province to the Recipient for the Project are summarized as follows:

Contract Date	Contract Reference	Amount Paid to the Recipient by the Province for the Project
December 24, 2013	C14569196	\$ 24,500
February 24, 2014	C14IHOP001	\$400,000
March 27, 2015	C16VHO001	\$300,000
February 26, 2016	C16VHO002	\$240,000
March 21, 2016	C16VHO003	\$430,000
March 30, 2017	C17VHO001	\$ 696,500
Total Provincial Contributions		\$2,091,000

B.2 Timing of Payment to the Recipient:

The Province will make one payment for its portion of the Eligible Costs that will become due and payable upon signing of this Agreement.

B.3 Progress Reports:

The Recipient will deliver to the Province through Program Staff progress reports on June 30, 2017 and December 31, 2017. The progress reports will be in a form established by the Province.

B.4 Final Report:

The Recipient agrees to provide to the Province through Program Staff a year-end Final Project Status Report, in a form established by the Province on or before March 31, 2018.

B.5 Other Information:

The Recipient will provide the Province through Program Staff, upon request, all such other information concerning the progress of the Project to completion and payment of Eligible Costs, as may be required by the Province.

APPENDIX A - C16VH0004

THIS AGREEMENT made in duplicate

BETWEEN:

Her Majesty the Queen in Right of Canada
as represented by the Minister of Western Economic Diversification
(the "Minister")

- and -

Business Council of British Columbia
located at Vancouver, British Columbia
(the "Recipient")

WHEREAS:

- A. The Minister is offering the Recipient a financial Contribution under the Western Diversification Program for the Project described in this Agreement.
- B. The Recipient wishes to accept the financial Contribution under the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the promises and payments made herein, the parties agree as follows:

1. DEFINITIONS

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

- (a) "Agreement" means this agreement together with all schedules and attachments and all amendments made in writing between the parties.
- (b) "Assisted Capital Costs" means those costs described in the Statement of Work.
- (c) "Assisted Non-Capital Costs" means those costs described in the Statement of Work.
- (d) "Cancellation Date" means the date set out in the Statement of Work, which is the latest date by when the Recipient shall demonstrate to the Minister that the Project has commenced, which is usually indicated by the Recipient incurring Project Costs.
- (e) "Completion Date" means the date set out in the Statement of Work, by when the Recipient must finish work on the Project.
- (f) "Contribution" means the conditional financial payment from the Minister to the Recipient, described in more detail and the amount of which is set out in the Statement of Work, which shall only be applied towards the Project Costs, which are assisted.
- (g) "Effective Date" means the date the Minister executes this agreement.

- (h) "Equity" means the aggregate of the value of the following accounts: 1) issued common and/or preferred share capital; and 2) proprietor's and/or partner's capital accounts; contributed surplus; retained earnings and/or deficit; and subordinated shareholder and subordinated intercompany loans.
- (i) "Non-Assisted Capital Costs" means those costs described in the Statement of Work.
- (j) "Non-Assisted Non-Capital Costs" means those costs described in the Statement of Work.
- (k) "Notice of Default" has the meaning ascribed to it in Section 6.2 of this Agreement.
- (l) "Performance Indicators" means the indicators more particularly described in the Statement of Work that the parties shall use to measure the progress and success of the Project.
- (m) "Project" means the project described in the Statement of Work.
- (n) "Project Costs" means those costs described in the Statement of Work.
- (o) "Repayment terms" mean those repayment terms that may be present in the Special Conditions section of Attachment "A" of this Agreement.
- (p) "Stacking" means the maximum total funding toward the project, from federal, provincial and municipal government sources, expressed as a percentage of Total Project Costs as shown in the Statement of Work.
- (q) "Statement of Work" means the document attached to this Agreement as Attachment "A".
- (r) "Shared Cost Commencement Date" means the date set out in the Statement of Work, as the earliest date on which the Recipient can begin incurring Project Costs.
- (s) "Final Client Reporting Date" means the date set out in the Statement of Work, which is the final date by which the Recipient shall have provided such information and reports as requested by the Minister, with respect to the attainment of the Performance Indicators.
- (t) "Western Canada" means the provinces of British Columbia, Alberta, Saskatchewan and Manitoba.
- (u) "Contingency Fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining the Contribution or negotiating the whole or any part of its terms."

2. THE PROJECT

- 2.1 The Recipient shall carry out the Project in a diligent and professional manner.
- 2.2 The Recipient shall not alter the scope of the Project as defined in the Statement of Work without prior written consent of the Minister.
- 2.3 This Agreement shall not be amended or assigned in whole or in part by the Recipient without the prior written consent of the Minister.

- 2.4 When the Minister is providing a repayable or conditionally repayable contribution, this Agreement shall survive the expiration or termination of any part of this Agreement until all repayment terms are deemed satisfied by the Minister.
- 2.5 The Recipient shall implement or operate the Project in Western Canada.
3. THE CONTRIBUTION
- 3.1 Provided the Recipient is in compliance with its obligations under this Agreement, the Minister shall provide the Recipient with a *non-repayable* Contribution not exceeding \$1,951,750, calculated as detailed in the Statement of Work. Disbursements not exceeding the amount of the Contribution will be made upon the Minister's receipt of the following from the Recipient, no later than six (6) months following the Completion Date:
- (a) one or more claims for reimbursement of the Assisted Capital Costs and the Assisted Non-Capital Costs, which the Recipient has incurred and paid, it being understood that the claim must be accompanied by such vouchers, receipts and other documentation, including progress reports, as may be requested by the Minister; and
 - (b) any other material that the Minister requests.
- 3.2 Any payment made by the Minister under this Agreement is subject to there being an appropriation by Parliament for the fiscal year in which the payment is being made. Should the appropriation be reduced or denied by Parliament, this Agreement may be terminated, or the Contribution reduced proportionately.
- 3.3 The Minister will notify the Recipient with a minimum of 3 months advance notice of a termination or reduction of the Contribution for this Project in the event the Western Diversification Program Terms and Conditions are terminated or amended.
- 3.4 The maximum amount that the Minister shall pay under this Agreement is the amount of the Contribution.
- 3.5 The Minister shall not pay any portion of the Contribution towards any Project Costs that the Recipient incurs prior to the Shared Costs Commencement Date or after the Completion Date.
- 3.6 The Recipient shall make requests for payment of the required portions of the Contribution at least annually, as of the Shared Costs Commencement Date, but not more frequently than four times per year.
- 3.7 The Minister shall not pay any interest on the Contribution.
- 3.8 (a) For the purposes of this Agreement, total government assistance, including any tax credit related to the Project to which the Recipient is or will be entitled, shall not exceed the stacking limit indicated on the Statement of Work; and
- (b) The Recipient undertakes to inform the Minister promptly in writing of any reduction in Projects Costs or of any additional federal, provincial or municipal assistance that becomes available to the Project above the amounts set out in the Statement of Work. Should the stacking limit set out in the Statement of Work be exceeded, the Minister shall have the right to adjust the Contribution or to recover forthwith any excess assistance paid up to the total of the Contribution disbursed as a debt due Her Majesty the Queen in Right of Canada.

- 3.9 The Minister shall only make payments on Assisted Non-capital Costs incurred under this project for travel and hospitality within the guidelines provided by the Minister to the Recipient.
- 3.10 The Minister reserves the right to hold a portion of a payment until the recipient has complied with the Agreement and provided any required reports, satisfactory to the Minister.
4. **RECIPIENT'S REPRESENTATIONS AND COVENANTS**
- 4.1 (a) The Recipient declares that any person who has been lobbying on its behalf to obtain the Contribution and who is required to be registered pursuant to the Lobbying Act was registered pursuant to such Act at the time the lobbying occurred; and
- (b) The Recipient represents and warrants to the Minister that it has not, nor has any other person, corporation, or organization, directly or indirectly paid or agreed to pay, and covenants that it and they shall not directly or indirectly pay, any person to solicit this Agreement or the Contribution, for a commission, Contingency Fee or any other consideration dependent on the execution of this Agreement or the payment of the Contribution or any portion thereof.
- 4.2 The Recipient shall preserve and keep available, for six years after completion of the Project:
- (a) proper books of account recording project revenues and costs;
- (b) accounts and records that are necessary in the circumstances to support the books of account; and
- (c) adequate administrative documentation to support the Recipient's decisions made concerning the Project.
- 4.3 The Recipient shall, if requested by the Minister, permit any authorized representative of the Minister, or auditors engaged by the Minister or the Auditor General for Canada, reasonable access to its premises to do the following:
- (a) inspect and assess the progress of the Project; and
- (b) examine the Recipient's books, accounts and any other records related to the Project and the Contribution and to make copies thereof.
- 4.4 The Recipient shall provide the Minister with a list of all amounts owing in arrears to the federal government under any legislation or other contribution agreements and acknowledges that the Minister may offset the Contribution against any such amounts the Recipient owes in arrears to the federal government.
- 4.5 The Recipient shall not dispose of, or relinquish control over, any asset utilized in the Project, including intellectual property developed or acquired as a result of carrying out the Project, during the term of this Agreement, without the prior written consent of the Minister.
- (a) The Recipient shall make reasonable efforts to ensure that the results of the Project are exploited in Canada, with the objective of maximizing the economic benefits to Canada.

- 4.6 The Recipient shall obtain the prior written consent of the Minister to any change that, in the sole judgment of the Minister, may materially affect the ownership, management, or financing of the Recipient during the term of this Agreement. In particular, the Recipient shall obtain the prior written consent of the Minister prior to entering any agreement that would involve the sale of the Recipient, a sale of the majority of its shares, or a transfer of its ownership to any entity.
- 4.7 The Recipient shall obtain appropriate insurance coverage for the Project and shall maintain such insurance coverage in full force and effect until the Project has been completed and shall provide evidence of such insurance coverage to the Minister, at the Minister's request.
- 4.8 The Recipient shall obtain all necessary licenses, permits, and approvals required for the Project by applicable legislation, regulations and by-laws.
- 4.9 The Recipient, if directed by the Minister, shall forthwith repay to the Minister any overpayments or unexpended balances of the Contribution and such amounts shall constitute a debt due to Her Majesty the Queen in Right of Canada. These debts will be due upon notice to the Recipient and any amounts unpaid after 30 days from the day of notice will be subject to the same interest as would be calculated in an event of default as described in Section 6.5 of this Agreement.
- 4.10 The Recipient shall to the satisfaction of the Minister, ensure that all Project Costs are incurred in a manner that is transparent, competitive and consistent with value for money principles.
- 4.11 Where the Minister agrees to the sale of the Recipient, a majority of the shares of the Recipient, or transfer of its ownership to another entity, the Minister may inform the Recipient by written notice of one or more of the following:
- (a) That the Minister's obligation to pay the Contribution to the Recipient is hereby terminated;
 - (b) That the Recipient shall repay the Minister, all or part of the Contribution forthwith and that such an amount is a debt to Her Majesty the Queen in Right of Canada and may be recovered as such;
 - (c) The Recipient shall use its best efforts to dispose, at fair market value, as determined at the sole discretion of the Minister, of any assets it has acquired through the proceeds of the Contribution and shall provide the Minister with the proceeds of such disposal, as directed by the Minister.

5. REPORTING

- 5.1 The Recipient shall provide the following reports to the Minister, in a form satisfactory to the Minister, at the following times:
- (a) Progress Reports, a minimum of twice a year, together with any claims for reimbursement. If the Recipient is not submitting any claims for reimbursement, Progress Reports shall still be provided a minimum of twice a year.
 - (b) A Final Report to be submitted on the Final Client Reporting Date. The Final Report shall include:
 - i) a summary of milestones completed;
 - ii) the extent to which performance indicators were achieved; and
 - iii) a description of the benefits that have accrued to date.
 - (c) financial statements within 4 months of the Recipient's year end or additional reports as may be requested by the Minister and/or as required by the Special Conditions set out in Part V of the Statement of Work.

6. DEFAULT

6.1 The following constitute events of default on behalf of the Recipient:

- (a) submitting false or misleading information to the Minister or failing to disclose relevant information which may have a negative impact on the Recipient's financial position;
- (b) failing to satisfy a term or condition of this Agreement, including those outlined in the Statement of Work and Attachment "B";
- (c) becoming bankrupt or insolvent, going into receivership or taking the benefit of any statute from time to time in force relating to bankrupt or insolvent debtors; or
- (d) the Recipient is dissolved or ceases to carry on business.

6.2 If an event of default occurs, the Minister may inform the Recipient, by a notice dated and in writing (the "Notice of Default"), of one or more of the following:

- (a) that the Minister's obligation to pay the Contribution to the Recipient is hereby terminated as a result of an event of default occurring;
- (b) that the Recipient shall repay to the Minister, all or part of the Contribution forthwith and that such an amount is a debt due to Her Majesty the Queen in Right of Canada and may be recovered as such;
- (c) the Recipient shall transfer any assets it has acquired through the proceeds of the Contribution to a third party, as directed by the Minister; and
- (d) the Recipient shall use its best efforts to dispose, at fair market value as determined at the sole discretion of the Minister, of any assets it has acquired through the proceeds of the Contribution and shall provide the Minister with the proceeds of such disposal, as directed by the Minister.

6.3 Unless the Recipient satisfies the Minister, within two (2) weeks of the date of the Notice of Default, that either the event of default has not occurred or that it has fully remedied the event of default, the Recipient shall be fully bound by and comply with the terms of the Notice of Default.

6.4 The Recipient shall pay, in addition to any amount due as a result of an event of default, interest on such amount, calculated from the date of the Notice of Default until the date that the full amount payable has been received by the Minister.

6.5 In accordance with the *Interest and Administrative Charges Regulations* under the *Financial Administration Act*, the rate of interest on the amount due as a result of an event of default, shall be fixed at 3 percent above the minimum rate at which the Bank of Canada is prepared to make loans as at the date of the Notice of Default.

6.6 Section 6 of this Agreement shall survive the expiration or termination of this Agreement.

7. ENVIRONMENT

7.1 The Recipient represents that any environmental issues or concerns relating to the Project which are known or ought to be known to the Recipient have been disclosed to the Minister, and the Recipient shall inform the Minister of any environmental issues or concerns regarding the Project which arise during the term of this Agreement.

7.2 The Recipient covenants and agrees that all activities in relation to the Project shall be conducted in compliance with Applicable Environmental Law, or in accordance with generally accepted environmental practices if there is no Applicable Environmental Law. Applicable Environmental Law being defined as:

- (i) the Canadian Environmental Assessment Act, 2012 ("CEAA 2012") and any regulations as amended from time to time;
- (ii) all other applicable statutes and regulations, and all by-laws, declarations, directives, plans, approvals, requirements, guidelines, standards and orders made pursuant thereto by any competent authority concerned with environmental assessment, protection or remediation, health, chemical use, safety or sanitation; and
- (iii) the applicable common law;

8. NOTICE

8.1 (a) Any notice or communication authorized or permitted with respect to this Agreement shall be effectively given if:

- (i) delivered by hand;
- (ii) sent by letter; or
- (iii) sent by facsimile.
- (iv) sent by PDF via e-mail.

(b) Any notice that is delivered by hand shall be deemed to have been received on delivery. Any notice which has been mailed shall be deemed to have been received eight (8) calendar days after being mailed. Any notice sent by facsimile shall be deemed to have been received twenty-four (24) hours after the time that is printed on the dispatcher's confirmation slip. Any notice that is delivered by PDF via e-mail is deemed to have been received on delivery.

8.2 (a) The Minister's address for notice shall be:

Program Coordination
Department of Western Economic Diversification
Suite 700-333 Seymour Street
Vancouver, BC V6B 5G9
FAX #: (604) 666-2353
Email Address: bc.info@wd-deo.gc.ca

(b) The Recipient's address for notice shall be:

Mr. Greg D'Avignon
CEO
Business Council of British Columbia
810-1050 Pender St W
Vancouver, British Columbia V6E 3S7
FAX #: (888) 848-8537
Email Address: greg.davignon@bcbc.com

(c) Either the Minister or the Recipient may change the address and other information stipulated above, provided that a written change of address notice is issued to the other party.

9. PUBLIC ANNOUNCEMENTS AND COMMUNICATIONS

9.1 The Recipient shall comply with the requirements contained in Attachment B concerning advance notice for communications activities (i.e. events and announcements) related to the project; funding announcements and/or official signing ceremonies; federal funding recognition including placement of signs and references on websites, in news releases and in publications including annual reports; project milestones and success stories and photos.

9.2 If applicable, in making any announcements of this Contribution, the Recipient shall comply with the spirit of the *"Official Languages Act"*.

10. INDEMNITY

10.1 The Recipient shall indemnify and save harmless the Minister and the Minister's representatives, successors, assigns, servants and agents against and from all actions, suits, damages, losses, charges, expenses, claims and demands whatsoever (including necessary legal costs) which may hereafter be brought or made against the Minister or which the Minister may sustain, pay or incur as the result of or in connection with or arising out of any action of the Recipient.

10.2 The Minister's liability under this Agreement shall be limited in the aggregate to a sum equal to or less than the Contribution.

10.3 Section 10 of this Agreement shall survive the termination or expiration of this Agreement.

11. **GENERAL**

- 11.1 This Agreement is an agreement for the Contribution only. It does not create a partnership, agency, joint venture, or employer/employee relationship between the parties and the Recipient shall not represent itself as such, including in any agreement with a third party.
- 11.2 No current or former public servant or public office holder to whom the Conflict of Interest Act, the Conflict of Interest and Post-Employment Code for Public Office Holders or the Values and Ethics Code for the Public Service applies shall derive direct benefit from the funding agreement unless the provision or receipt of such benefits is in compliance with such legislation and codes; and no member of the Senate or the House of Commons shall be admitted to any share or part of the agreement, or to any benefit arising from it, that is not otherwise available to the general public.
- 11.3 This Agreement and the attachments attached hereto contain the entire agreement between the parties with respect to the subject matter hereto and shall supersede all previous negotiations, representations and documents in relation hereto made by either of the parties.
- 11.4 Time is to be considered of the essence of this Agreement.
- 11.5 All information provided by the Recipient to the Minister will be treated in accordance with the *Access to Information Act* and the *Privacy Act*. These laws govern, protect and limit the collection, use and disclosure of personal, financial and technical information by federal government departments and agencies. Information, documents or records provided, or to be provided, to the Minister pursuant to this Agreement shall not be prohibited from disclosure by the Minister under section 13 or section 20 of the federal *Access to Information Act*, unless the information document or record is identified and marked by the Recipient as a document or record of a nature described by those provisions, and that it truly qualifies as such. Notwithstanding the above, the Minister reserves the right to make information relating to this Agreement available to the public, including providing limited information on a public website as part of a list of all projects funded by the Minister. The Recipient hereby represents that they have authority to consent and consents to the information being made available to the public.
- 11.6 The Recipient's rights to confidentiality shall not impede the Minister in fulfilling subsidy notification obligations to the World Trade Organization under Article 25 of the Agreement on Subsidies and Countervailing Measures.
- 11.7 The parties hereto using their best efforts to consult and negotiate in good faith shall address any dispute or controversy arising from or relating to this Agreement. If a solution cannot be agreed upon within a period of 90 days, all differences shall be subject to arbitration by the *Arbitration and Mediation Institute of Canada*.

12. **EFFECTIVE DATE**

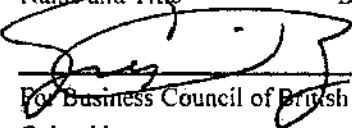
This Agreement shall be effective upon the date of execution by the Minister.

- 12.1 This Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective upon the date of execution by the Minister.

IN WITNESS WHEREOF the parties hereto have executed this Agreement through duly authorized representatives.

For the Minister of
Western Economic Diversification

Name and Title Date



For Business Council of British
Columbia

GREG DAVIGNON *Feb 26 '16*

Name and Title Date
PRESIDENT/CEO

ATTACHMENT "A"

Statement of Work

I. PROJECT SCOPE

i) Description

The Recipient will execute a head office attraction plan to increase foreign direct investment from Asia. Key activities include:

- Convening an Advisory Council of business leaders with the influence in target markets to successfully engage head office decision-makers;
- Systematically identifying/prioritizing head office leads, opportunities and accounts;
- Developing and executing investment attraction strategies for each account;
- Coordinating with other stakeholders to leverage activities.

The project is expected to increase inward investment, support stronger economic ties with Asia and enhance trade. It will also generate several spill-over economic benefits, such as attracting skilled labour, increasing tax revenues and assisting local SMEs to expand and tap into global supply chains.

ii) Project Location

The Recipient shall carry out the Project in British Columbia.

iii) Project Costs

PROJECT COSTS	Project Costs	WD Assistance	WD %
Assisted Non-Capital			
Marketing and Promotion	\$814,500	\$776,500	96%
Contracted Professional Services (temporary & incremental)	\$872,250	\$833,000	96%
International Business Development	\$531,000	\$342,250	65%
Total Assisted Non-Capital	\$2,217,750	\$1,951,750	89%
Total Assisted	\$2,217,750	\$1,951,750	89%
Non-Assisted Non-Capital			
Travel, Accommodation and Hospitality	\$860,000	\$0	0%
Project Team (incremental)	\$1,641,000	\$0	0%
Project Management (in-kind)	\$1,342,250	\$0	0%
Other Business Development	\$338,500	\$0	0%
Communications	\$158,500	\$0	0%
Total Non-Assisted Non-Capital	\$4,340,250	\$0	0%
Total Non-Assisted	\$4,340,250	\$0	0%
TOTAL PROJECT COSTS	\$6,558,000	\$1,951,750	30%

Assisted Non-Capital

- 1) Costs in the category Marketing and Promotion are related to various marketing activities and campaigns, and may include marketing materials and supplies, and printed and digital tools.
- 2) Costs related to Contracted Professional Services are for hiring incremental and temporary professional services specific to this project that may include legal advice, targeted research, consulting for the sustainability strategy, annual project evaluations, and a project coordinator.
- 3) Costs to undertake International Business Development activities may include trade show attendance, exhibitor fees, subscription and membership dues, additional access to database tools, incremental office space for the project team, and meeting room and AV rentals.

Non-Assisted Non-Capital

Non-assisted project costs include project costs that are supported by cash or verifiable and incremental in-kind contributions from the other project funding partners.

- 1) All Travel, Accommodation and Hospitality will be non-assisted.
- 2) Project Team costs relate to the incremental salaries associated with the hiring of the Project Team.
- 3) Project Management costs refer to the incremental, in-kind, project-specific work that will be performed by existing provincial contractors (e.g., the Asia-based BC Trade Representatives).
- 4) The Other Business Development category may include incremental technological tools and systems, booth registration to BC trade shows, and marketing materials developed using existing provincial contracts.
- 5) Communications costs will be in-kind and may include translation services and local public relations activities/outreach specific to the project.

Other Notes

- 1) The Recipient has been informed that it must demonstrate, to the satisfaction of the Minister, that the suppliers are selected through a competitive process for all contracts of \$50,000 or greater, and that it has chosen suppliers offering the best value that fully meet the requirements of the project.
- 2) Notwithstanding the percentages and amounts of the total project costs of \$6,558,000 shown above, the Minister may make a contribution equal to the lesser of 89 percent of project costs which are assisted and the amount of \$1,951,750. Prior approval from WO is

required before considering any material changes to the project costs.

3) The Minister may hold back 2% of its contribution pending receipt of a comprehensive final project report, satisfactory to the Minister.

The above costs include only Project Costs, as set out above, incurred directly to carry out the Project and are subject to verification as direct amounts for which payments to third parties can be proven.

iv) Cashflow

The amounts to be paid by the Minister shall not exceed the following amounts in the Minister's fiscal years ending March 31:

Year	Amount
2015	\$481,750
2016	\$750,000
2017	\$545,500
2018	\$174,500
2019	\$0

v) Special Conditions

Ongoing Conditions for the Term of the Agreement

N/A

Special Conditions for Specific Events or Timing

N/A

vi) Dates

- a) Shared Cost Commencement Date - September 01, 2014
- b) Completion Date - October 31, 2018
- c) Cancellation Date - January 01, 2015
- d) Final Client Reporting Date - December 31, 2018

vii) Stacking Limit and Funding

Stacking Limit 90 %

**PROJECT
FUNDING**

WD Non Repayable	\$1,951,750
Other Provincial	
Province of British Columbia (in-kind)	\$1,294,250
Province of British Columbia (cash)	\$2,091,000
Operating Revenue/Working Capital	\$234,000
BCBC (in-kind)	\$987,000
TOTAL PROJECT FUNDING	\$6,558,000

II. PROJECT MEASUREMENT

*This section describes the basis for measuring the progress, outcomes and success of the Project.
Reporting by the Recipient shall reflect these parameters.*

i) Timeline of Project Activity

a)	Recruit Project President	Oct 2014
b)	Establish the International Head Office Project (IHOP) and governance framework	Oct 2014
c)	Identify a short list of head office accounts	Apr 2015
d)	Establish head office account teams and finalize attraction strategies	May 2015
e)	Submit sustainability strategy for the project	Jun 2016
f)	Completion of head office account attraction activities	Oct 2017
g)	Implementation of the sustainability plan	Oct 2017
h)	Submit final report, project evaluation and lessons learned	Dec 2018

ii) Performance Indicators

Expected Results	Performance Indicator	Type	Baseline Value	Baseline Date	Target Value	Target Date
International awareness of trade, investment, and tourism opportunities, and SME technology capabilities in Western Canada	# of foreign companies or other organizations participating in an international business mission, event, or marketing initiative		0	Sep-2014	15	Oct-2018
	\$ value, and type of international business leads generated through missions, events, and marketing initiatives	investment	0	Sep-2014	100000000	Oct-2018
	# of head offices attracted		0	Sep-2014	5	Oct-2018
	# of jobs created or maintained in Canada		0	Sep-2014	500	Oct-2018

iii) **Expected Results/Methodology & Timing**

Progress on the project shall be evaluated against performance indicators. The Recipient shall provide information and reports with respect to the indicators on a quarterly basis, or as requested by WD, until the Final Client Reporting Date.

The Recipient shall provide a final claim and comprehensive final project report, satisfactory to the Minister, that contains complete information on all project expenditures, all activities undertaken, participants and nature of the participation, results and performance metrics for the period September 1, 2014, to October 31, 2018, to be submitted no later than December 31, 2018.

The dollar value and type of international business generated through missions, events, and marketing initiatives represents the amount of foreign investment resulting from the attraction of five head offices to BC.

The number of foreign companies or other organizations participating in an international business mission, event, or marketing initiative (such as an in-bound familiarization tour, etc.), refers to the targeted Asian companies that become active accounts with a strong potential to establish a head office. Approximately 60 Asian companies will be targeted initially. Thirty of these targets are expected to become business opportunities, which will translate into 15 active accounts. (Note: The BCBC and the Province's use of the terminology "active account" has the same meaning as WD's "business lead." It refers to a solid prospect with a foreign company or organization with a reasonable possibility of an international investment.)

The number of head offices attracted refers to written commitments made by Asian firms to establish a head office in BC. Announcements and the start of operations may not occur until after the project end date.

The Recipient shall continue to provide information and reports with respect to the Performance Indicators, as requested by the Minister, until the Final Client Reporting Date.

ATTACHMENT "B"

COMMUNICATIONS PROTOCOL

I. Funding Announcement and/or Official Signing Ceremony

- (a) The Recipient hereby consents to a public funding announcement and/or an official signing ceremony by, or on behalf of, the Minister in the form of a news release, or news conference, if recommended by the Minister.
- (b) The Minister shall inform the Recipient, in writing, of the date on which the public announcement is to be made and ensure the proposed date permits the participation of both parties, or their representatives, and the Recipient shall maintain the confidentiality of the Agreement until such date.
- (c) The Recipient shall advise the Minister, in writing, at least twenty-eight (28) days in advance of any official ceremony to be held in connection with the Project.
- (d) The Recipient hereby consents to the participation by the Minister, or a representative of the Minister, at any such official ceremony and to have the event take place on a day mutually agreed upon by the Recipient and the Minister. (Posting of the contribution on the WO website under the Proactive Disclosure initiative does not constitute a project funding announcement.)

II. Federal Funding Recognition

- (a) The Recipient also consents to the placement of a bilingual sign that identifies the federal government's participation in the Project, on the project site at any time prior to the final repayment date, if recommended by the Minister.
- (b) The Recipient shall, in all of its publications, public website, news releases and presentations regarding the Project, or making mention thereof, including in its annual reports, acknowledge, if recommended by the Minister, that the Project was supported and/or funded in part by Western Economic Diversification Canada.
- (c) Any use of Western Economic Diversification Canada's name, its Federal Identity Program (FIP) official government identifier with the Canadian flag logo, or the Canada wordmark, requires prior written approval of the Minister.

III. Project Milestones

- (a) The Recipient shall provide the Minister with an opportunity to participate in milestone events and provide milestone information and proposed dates for milestone events at least 28 days in advance, thereby enabling the Minister to use the opportunity to promote the Recipient's project and WD's role in it.

- (b) The Recipient agrees to the implementation of appropriate communications activities, which the Minister or the Recipient may initiate in conjunction with the other, such as a feature story, an official opening, ceremonies, celebrations. The Minister and the Recipient shall cooperate in these activities. Examples of project milestones, for promotional purposes, include:

- Sod-turnings / Ribbon cuttings / Grand openings / Plaque unveilings
- Awards
- Completion of prototype and first product produced
- Penetration of new markets, significant sales, new contracts
- First shipment or launch of new product, new technology
- Completion/graduation of training by students or interns
- Launch of new program, tool or reference
- Research discovery
- Promotional/Media campaign

IV. Success Stories/Photos

From time to time Recipients may be required to provide support and photos for the development of articles to be used in departmental publications and/or its public website. It is understood that, in accepting the funding, Recipients agree to provide support when called upon.

Proactive disclosure is an initiative of the Government of Canada whereby all grants and contributions greater than \$25,000 are posted to departmental web sites 60 days following the financial quarter.

Visit <http://www.wd-deo.gc.ca/images/cont/10036a-eng.pdf> for guidelines on how to acknowledge WD's support.

