

ONTARIO TRANSFER PAYMENT AGREEMENT
Ontario Transit Investment Fund

THE AGREEMENT is effective as of the _____ day of _____, 20____

B E T W E E N :

His Majesty the King in right of Ontario
as represented by the Minister of Transportation

(the “Province”)

- and -

The Corporation of the County of Grey

(the “Recipient”)

WHEREAS the Province has established the Ontario Transit Investment Fund (OTIF) (the “Program”) to provide time-limited, application-based funding, for up to five (5) years to support the start-up and growth of transit services in areas where there is a clearly identified transit service gap;

AND WHEREAS the Recipient has applied to the Province for funds to assist the Recipient in carrying out the transit project as described in the Agreement to fill a transit service gap, and the Province wishes to provide such funds. The Agreement sets out the terms and conditions upon which the Province has agreed to provide funds, up to the Maximum Funds (as defined in section A1.2) and upon which the Recipient has agreed to carry out the Project.

NOW THEREFORE in consideration of the premises and the mutual covenants and agreements contained in the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Province and the Recipient agree as follows:

1.0 ENTIRE AGREEMENT

1.1 Schedules to the Agreement. The following schedules form part of the Agreement:

- Schedule "A" - General Terms and Conditions
- Schedule "B" - Project Specific Information and Additional Provisions
- Schedule "C" - Project
 - Sub-Schedule "C.1" - Project Description
- Schedule "D" - Budget
- Schedule "E" - Expenditures
- Schedule "F" - Claims and Payment Plan
 - Sub-Schedule "F.1" - Payment Plan
- Schedule "G" - Reports
 - Sub-Schedule "G.1" - Reports and Details
- Schedule "H" - Disposal of Assets
- Schedule "I" - Communications

1.2 **Entire Agreement.** The Agreement constitutes the entire agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

2.0 CONFLICT OR INCONSISTENCY

2.1 **Conflict or Inconsistency.** In the event of a conflict or inconsistency between the Additional Provisions, identified in Schedule "B", and the provisions in this Agreement, the following rules will apply:

- (a) the Parties will interpret the Additional Provisions in, so far as is possible, a way that preserves the intention of the Parties expressed in this Agreement; and
- (b) where it is not possible to interpret the Additional Provisions in a way that is consistent with the provisions in this Agreement, this Agreement will prevail over the Additional Provisions to the extent of the inconsistency.

3.0 COUNTERPARTS

3.1 **One and the Same Agreement.** The Agreement may be executed and delivered in any number of counterparts, with the same effect as if the Parties had signed the same document, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

4.0 AMENDING THE AGREEMENT

4.1 **Amending the Agreement.** The Agreement may only be amended by means of a written agreement duly executed by the Parties.

4.2 **Execution of Amending Agreements.** An amending agreement under section 4.1 must be executed by the respective representatives of the Parties listed on the signature page below.

4.3 **Execution of Amending Agreements - Exceptions.** Despite section 4.2, an amending agreement under section 4.1 for amendments to one or more of the following:

- (a) the “Expiry Date” in Schedule “B”;
- (b) Schedules “C” to “I”, each respectively, and any of their respective sub-schedules;

may be executed by the respective authorized representatives of the Parties listed in Schedule “B” for the purpose of such amendments.

5.0 **ACKNOWLEDGEMENT**

5.1 **Acknowledgement.** The Recipient acknowledges that:

- (a) by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Broader Public Sector Accountability Act, 2010* (Ontario), the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario);
- (b) His Majesty the King in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the *Broader Public Sector Accountability Act, 2010* (Ontario);
- (c) the Funds are:
 - (i) to assist the Recipient to carry out the Project and not to provide goods or services to the Province;
 - (ii) funding for the purposes of the *Public Sector Salary Disclosure Act, 1996* (Ontario);
- (d) the Province is not responsible for carrying out the Project;
- (e) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and any information provided to the Province in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act; and
- (f) the Province is bound by the *Financial Administration Act* (Ontario)

(“**FAA**”) and, pursuant to subsection 11.3(2) of the FAA, payment by the Province of Funds under the Agreement will be subject to,

- (i) an appropriation, as that term is defined in subsection 1(1) of the FAA, to which that payment can be charged being available in the Funding Year in which the payment becomes due; or
- (ii) the payment having been charged to an appropriation for a previous fiscal year.

- SIGNATURE PAGE FOLLOWS -

IN WITNESS WHEREOF the Parties have executed the Agreement on the dates set out below.

**HIS MAJESTY THE KING IN RIGHT OF ONTARIO
as represented by the Minister of Transportation**

Date

Name: Prabmeet Singh Sarkaria
Title: Minister

THE CORPORATION OF THE COUNTY OF GREY

Date

Name:
Title:

I have authority to bind the Recipient.

Date

Name:
Title:

I have authority to bind the Recipient.

**SCHEDULE “A”
GENERAL TERMS AND CONDITIONS**

A1.0 INTERPRETATION AND DEFINITIONS

A1.1 **Interpretation.** For the purposes of interpretation:

- (a) words in the singular include the plural and vice-versa;
- (b) words in one gender include all genders;
- (c) the headings do not form part of the Agreement; they are for reference only and will not affect the interpretation of the Agreement;
- (d) any reference to dollars or currency will be in Canadian dollars and currency; and
- (e) “include”, “includes” and “including” denote that the subsequent list is not exhaustive.

A1.2 **Definitions.** In the Agreement, the following terms will have the following meanings:

“Additional Provisions” means the terms and conditions set out in Schedule “B”.

“Agreement” means this agreement entered into between the Province and the Recipient, all of the schedules listed in section 1.1, and any amending agreement entered into pursuant to Article 4.0.

“Budget” means the budget attached to the Agreement as Schedule “D”.

“Business Day” means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year’s Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Province has elected to be closed for business.

“Effective Date” means the date set out at the top of the Agreement.

“Eligible Expenditures” means the costs in respect of the Project that are eligible for payment under this Agreement, and that are further described in Schedule “E”.

“Event of Default” has the meaning ascribed to it in section A12.1.

“Expiry Date” means the expiry date set out in Schedule “B”.

“Funding Year” means:

- (a) in the case of the first Funding Year, the period commencing on the Effective Date and ending on the following March 31; and
- (b) in the case of Funding Years subsequent to the first Funding Year, the period commencing on April 1 following the end of the previous Funding Year and ending on the following March 31 or the Expiry Date, whichever is first.

“Funds” means the money the Province provides to the Recipient pursuant to the Agreement.

“Indemnified Parties” means His Majesty the King in right of Ontario, and includes His ministers, agents, appointees, and employees.

“Ineligible Expenditures” means the costs in respect of the Project that are ineligible for contribution by the Province under this Agreement, and that are described in Schedule “E”.

“Loss” means any cause of action, liability, loss, cost, damage, or expense (including legal, expert and consultant fees) that anyone incurs or sustains as a result of or in connection with the Project or any other part of the Agreement.

“Maximum Funds” means the maximum set out in Schedule “B”.

“Notice” means any communication given or required to be given pursuant to the Agreement.

“Notice Period” means the period of time within which the Recipient is required to remedy an Event of Default pursuant to section A12.3(b), and includes any such period or periods of time by which the Province extends that time pursuant to section A12.4.

“Parties” means the Province and the Recipient.

“Party” means either the Province or the Recipient.

“Proceeding” means any action, claim, demand, lawsuit, or other proceeding that anyone makes, brings or prosecutes as a result of or in connection with the Project or with any other part of the Agreement.

“Project” means the undertaking described in Sub-Schedule “C.1”.

“Records Review” means any assessment the Province conducts pursuant to section A7.4.

“Reports” means the reports described in Schedule “G”.

“Transfer Payment Ontario” means the Province’s online application system for grant funding.

A2.0 REPRESENTATIONS, WARRANTIES, AND COVENANTS

A2.1 General. The Recipient represents, warrants, and covenants that:

- (a) it is, and will continue to be, a validly existing legal entity with full power to fulfill its obligations under the Agreement;
- (b) it has, and will continue to have, the experience and expertise necessary to carry out the Project;
- (c) it is in compliance with, and will continue to comply with, all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules, and by-laws related to any aspect of the Project, the Funds, or both; and
- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds (including information relating to any eligibility requirements) was true and complete at the time the Recipient provided it and will continue to be true and complete.

A2.2 Execution of Agreement. The Recipient represents and warrants that it has:

- (a) the full power and capacity to enter into the Agreement; and
- (b) taken all necessary actions to authorize the execution of the Agreement.

A2.3 Governance. The Recipient represents, warrants, and covenants that it has, will maintain in writing, and will follow:

- (a) a code of conduct and ethical responsibilities for all persons at all levels of the Recipient’s organization;
- (b) procedures to enable the Recipient’s ongoing effective functioning;
- (c) decision-making mechanisms for the Recipient;
- (d) procedures to enable the Recipient to manage Funds prudently and effectively;
- (e) procedures to enable the Recipient to complete the Project successfully;

- (f) procedures to enable the Recipient to identify risks to the completion of the Project and strategies to address the identified risks, all in a timely manner;
- (g) procedures to enable the preparation and submission of all Reports required pursuant to Article A7.0; and
- (h) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to enable the Recipient to carry out its obligations under the Agreement.

A2.4 **Supporting Proof.** Upon the request of the Province, the Recipient will provide the Province with proof of the matters referred to in Article A2.0.

A3.0 TERM OF THE AGREEMENT

A3.1 **Term.** The term of the Agreement will commence on the Effective Date and will expire on the Expiry Date unless terminated earlier pursuant to Article A11.0 or Article A12.0.

A4.0 FUNDS AND CARRYING OUT THE PROJECT

A4.1 **Funds Provided.** The Province will:

- (a) provide the Recipient with Funds up to the Maximum Funds for the purpose of carrying out the Project;
- (b) provide the Funds to the Recipient in accordance with the payment plan attached to the Agreement as Schedule “F”; and
- (c) deposit the Funds into an account the Recipient designates provided that the account:
 - (i) resides at a Canadian financial institution; and
 - (ii) is in the name of the Recipient.

A4.2 **Limitation on Payment of Funds.** Despite section A4.1:

- (a) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the certificates of insurance or other proof required pursuant to section A10.2;
- (b) the Province is not obligated to provide instalments of Funds until it is satisfied with the progress of the Project; and

- (c) the Province may adjust the amount of Funds it provides to the Recipient for any Funding Year based upon the Province's assessment of the information the Recipient provides to the Province pursuant to section A7.2.

A4.3 **Use of Funds and Carry Out the Project.** The Recipient will do all of the following:

- (a) carry out the Project in accordance with the Agreement;
- (b) use the Funds only for the purpose of carrying out the Project;
- (c) spend the Funds only in accordance with the Budget;
- (d) not use the Funds to cover any cost that has been or will be funded or reimbursed by one or more of any third party, ministry, agency, or organization of the Government of Ontario.

A4.4 **Interest-Bearing Account.** If the Province provides Funds before the Recipient's immediate need for the Funds, the Recipient will place the Funds in an interest-bearing account in the name of the Recipient at a Canadian financial institution.

A4.5 **Interest.** If the Recipient earns any interest on the Funds, the Province may do either or both of the following:

- (a) deduct an amount equal to the interest from any further instalments of Funds;
- (b) demand from the Recipient the payment of an amount equal to the interest.

A4.6 **Rebates, Credits, and Refunds.** The Province will calculate Funds based on the actual costs to the Recipient to carry out the Project, less any costs (including taxes) for which the Recipient has received, will receive, or is eligible to receive, a rebate, credit, or refund.

A4.7 **Recipient's Acknowledgement of Responsibility for Project.** The Recipient will assume full responsibility for the Project, including, without limitation:

- (a) complete, diligent and timely Project implementation within the costs and timelines specified in the Agreement and in accordance with all other terms and conditions of the Agreement;
- (b) the entire costs of the Project including, without limitation, overruns if any;
- (c) subsequent operation, maintenance, repair, rehabilitation, demolition or

reconstruction, as required and as per appropriate standards, and any related costs for the full lifecycle of the Project; and

- (d) undertaking, or causing to be undertaken, any engineering and construction work in accordance with industry standards.

A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF ASSETS

A5.1 **Acquisition.** If the Recipient acquires goods, services, or both with the Funds, it will do so through a process that promotes the best value for money.

A5.2 **Disposal.** The Recipient will not, without the Province's prior consent, sell, lease, or otherwise dispose of any asset purchased or created with the Funds or for which Funds were provided.

A6.0 CONFLICT OF INTEREST

A6.1 **Conflict of Interest Includes.** For the purposes of Article A6.0, a conflict of interest includes any circumstances where:

- (a) the Recipient; or
- (b) any person who has the capacity to influence the Recipient's decisions,

has outside commitments, relationships, or financial interests that could, or could be seen by a reasonable person to, interfere with the Recipient's objective, unbiased, and impartial judgment relating to the Project, the use of the Funds, or both.

A6.2 **No Conflict of Interest.** The Recipient will carry out the Project and use the Funds without an actual, potential, or perceived conflict of interest unless:

- (a) the Recipient:
 - (i) provides Notice to the Province disclosing the details of the actual, potential, or perceived conflict of interest; and
 - (ii) requests the consent of the Province to carry out the Project with an actual, potential, or perceived conflict of interest;
- (b) the Province provides its consent to the Recipient carrying out the Project with an actual, potential, or perceived conflict of interest; and
- (c) the Recipient complies with any terms and conditions the Province may prescribe in its consent.

A7.0 REPORTS, ACCOUNTING, AND REVIEW

A7.1 Province Includes. For the purposes of sections A7.4, A7.5 and A7.6, “Province” includes any auditor or representative the Province may identify.

A7.2 Preparation and Submission. The Recipient will:

- (a) submit to the Province at the address set out in Schedule “B” :
 - (i) all Reports in accordance with the timelines and content requirements set out in Schedule “G” and in the Reports;
 - (ii) any other reports in accordance with any timelines and content requirements the Province may specify from time to time;
- (b) ensure that all Reports and other reports are:
 - (i) completed to the satisfaction of the Province; and
 - (ii) signed by an authorized signing officer of the Recipient.

A7.3 Record Maintenance. The Recipient will keep and maintain for a period of seven years from their creation:

- (a) all financial records (including invoices and evidence of payment) relating to the Funds or otherwise to the Project in a manner consistent with either international financial reporting standards or generally accepted accounting principles or any comparable accounting standards that apply to the Recipient; and
- (b) all non-financial records and documents relating to the Funds or otherwise to the Project.

A7.4 Records Review. The Province may, at its own expense, upon twenty-four hours’ Notice to the Recipient and during normal business hours enter upon the Recipient’s premises to conduct an audit or investigation of the Recipient regarding the Recipient’s compliance with the Agreement, including assessing any of the following:

- (a) the truth of any of the Recipient’s representations and warranties;
- (b) the progress of the Project;
- (c) the Recipient’s allocation and expenditure of the Funds.

A7.5 Inspection and Removal. For the purposes of any Records Review, the Province may take one or both of the following actions:

- (a) inspect and copy any records and documents referred to in section A7.3;

(b) remove any copies the Province makes pursuant to section A7.5(a).

A7.6 **Cooperation.** To assist the Province in respect of its rights provided for in section A7.5, the Recipient will cooperate with the Province by:

- (a) ensuring that the Province has access to the records and documents wherever they are located;
- (b) assisting the Province to copy records and documents;
- (c) providing to the Province, in the form the Province specifies, any information the Province identifies; and
- (d) carrying out any other activities the Province requests.

A7.7 **No Control of Records.** No provision of the Agreement will be construed to give the Province any control whatsoever over any of the Recipient's records.

A7.8 **Auditor General.** The Province's rights under Article A7.0 are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

A8.0 COMMUNICATIONS REQUIREMENTS

A8.1 **Acknowledge Support.** Unless the Province directs the Recipient to do otherwise, the Recipient will in each of its Project-related publications, whether written, oral, or visual:

- (a) acknowledge the support of the Province for the Project;
- (b) ensure that any acknowledgement is in a form and manner as the Province directs; and
- (c) indicate that the views expressed in the publication are the views of the Recipient and do not necessarily reflect those of the Province.

A9.0 INDEMNITY

A9.1 **Indemnify.** The Recipient will indemnify and hold harmless the Indemnified Parties from and against any Loss and any Proceeding, unless solely caused by the gross negligence or wilful misconduct of the Indemnified Parties.

A10.0 INSURANCE

A10.1 **Insurance.** The Recipient represents, warrants, and covenants that it has, and will maintain, at its own cost and expense, with insurers having a secure A.M.

Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out a project similar to the Project would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury, and property damage, to an inclusive limit of not less than the amount set out in Schedule "B" per occurrence, which commercial general liability insurance policy will include the following:

- (a) the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the Recipient's obligations under, or otherwise in connection with, the Agreement;
- (b) a cross-liability clause;
- (c) contractual liability coverage; and
- (d) at least 30 days' written notice of cancellation.

A10.2 Proof of Insurance. The Recipient will:

- (a) provide to the Province, either:
 - (i) certificates of insurance that confirm the insurance coverage required by section A10.1; or
 - (ii) other proof that confirms the insurance coverage required by section A10.1; and
- (b) in the event of a Proceeding, and upon the Province's request, the Recipient will provide to the Province a copy of any of the Recipient's insurance policies that relate to the Project or otherwise to the Agreement, or both.

A11.0 TERMINATION ON NOTICE

A11.1 Termination on Notice. The Province may terminate the Agreement at any time without liability, penalty, or costs upon giving 30 days' Notice to the Recipient.

A11.2 Consequences of Termination on Notice by the Province. If the Province terminates the Agreement pursuant to section A11.1, the Province may take one or more of the following actions:

- (a) cancel further instalments of Funds;
- (b) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient; and

- (c) determine the reasonable costs for the Recipient to wind down the Project, and do either or both of the following:
 - (i) permit the Recipient to offset such costs against the amount the Recipient owes pursuant to section A11.2(b); and
 - (ii) subject to section A4.1(a), provide Funds to the Recipient to cover such costs.

A12.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A12.1 Events of Default. Each of the following events will constitute an Event of Default:

- (a) in the opinion of the Province, the Recipient breaches any representation, warranty, covenant, or other term of the Agreement, including failing to do any of the following in accordance with the terms and conditions of the Agreement:
 - (i) carry out the Project;
 - (ii) use or spend Funds; or
 - (iii) provide, in accordance with section A7.2, Reports or such other reports as the Province may have requested pursuant to section A7.2(a)(ii);
- (b) the Recipient's operations, its financial condition, its organizational structure or its control changes such that it no longer meets one or more of the eligibility requirements of the program under which the Province provides the Funds;
- (c) the Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or a creditor makes an application for an order adjudging the Recipient bankrupt, or applies for the appointment of a receiver;
- (d) the Recipient ceases to operate.

A12.2 Consequences of Events of Default and Corrective Action. If an Event of Default occurs, the Province may, at any time, take one or more of the following actions:

- (a) initiate any action the Province considers necessary in order to facilitate the successful continuation or completion of the Project;

- (b) provide the Recipient with an opportunity to remedy the Event of Default;
- (c) suspend the payment of Funds for such period as the Province determines appropriate;
- (d) reduce the amount of the Funds;
- (e) cancel further instalments of Funds;
- (f) demand from the Recipient the payment of any Funds remaining in the possession or under the control of the Recipient;
- (g) demand from the Recipient the payment of an amount equal to any Funds the Recipient used, but did not use in accordance with the Agreement;
- (h) demand from the Recipient the payment of an amount equal to any Funds the Province provided to the Recipient;
- (i) demand from the Recipient the payment of an amount equal to the costs the Province incurred or incurs to enforce its rights under the Agreement, including the costs of any Records Review and the costs it incurs to collect any amounts the Recipient owes to the Province; and
- (j) upon giving Notice to the Recipient, terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province.

A12.3 **Opportunity to Remedy.** If, pursuant to section A12.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will give Notice to the Recipient of:

- (a) the particulars of the Event of Default; and
- (b) the Notice Period.

A12.4 **Recipient not Remediating.** If the Province provides the Recipient with an opportunity to remedy the Event of Default pursuant to section A12.2(b), and:

- (a) the Recipient does not remedy the Event of Default within the Notice Period;
- (b) it becomes apparent to the Province that the Recipient cannot completely remedy the Event of Default within the Notice Period; or
- (c) the Recipient is not proceeding to remedy the Event of Default in a way

that is satisfactory to the Province,

the Province may extend the Notice Period, or initiate any one or more of the actions provided for in sections A12.2(a), (c), (d), (e), (f), (g), (h), (i) and (j).

A12.5 **When Termination Effective.** Termination under Article A12.0 will take effect as provided for in the Notice.

A13.0 FUNDS AT THE END OF A FUNDING YEAR

A13.1 **Funds at the End of a Funding Year.** Without limiting any rights of the Province under Article A12.0, if, by the end of a Funding Year, the Recipient has not spent all of the Funds allocated for that Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

- (a) demand from the Recipient payment of the unspent Funds;
- (b) adjust the amount of any further instalments of Funds accordingly.

A14.0 FUNDS UPON EXPIRY

A14.1 **Funds Upon Expiry.** Upon expiry of the Agreement, the Recipient will pay to the Province any Funds remaining in its possession, under its control, or both.

A15.0 DEBT DUE AND PAYMENT

A15.1 **Payment of Overpayment.** If at any time the Province provides Funds in excess of the amount to which the Recipient is entitled under the Agreement, the Province may:

- (a) deduct an amount equal to the excess Funds from any further instalments of Funds; or
- (b) demand that the Recipient pay to the Province an amount equal to the excess Funds.

A15.2 **Debt Due.** If, pursuant to the Agreement:

- (a) the Province demands from the Recipient the payment of any Funds, an amount equal to any Funds or any other amounts owing under the Agreement; or
- (b) the Recipient owes to the Province any Funds, an amount equal to any Funds or any other amounts owing under the Agreement, whether or not the Province has demanded their payment,

such amounts will be deemed to be debts due and owing to the Province by the

Recipient, and the Recipient will pay the amounts to the Province immediately, unless the Province directs otherwise.

A15.3 **Interest Rate.** The Province may charge the Recipient interest on any money owing to the Province by the Recipient under the Agreement at the then current interest rate charged by the Province of Ontario on accounts receivable.

A15.4 **Payment of Money to Province.** The Recipient will pay any money owing to the Province by cheque payable to the “Ontario Minister of Finance” and delivered to the Province at the address set out in Schedule “B”.

A15.5 **Fails to Pay.** Without limiting the application of section 43 of the *Financial Administration Act* (Ontario), if the Recipient fails to pay any amount owing under the Agreement, His Majesty the King in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by His Majesty the King in right of Ontario.

A16.0 NOTICE

A16.1 **Notice in Writing and Addressed.** Notice will be:

- (a) in writing;
- (b) delivered by email, postage-prepaid mail, personal delivery, or courier; and
- (c) addressed to the Province or the Recipient as set out in Schedule “B”, or as either Party later designates to the other by Notice.

A16.2 **Notice Given.** Notice will be deemed to have been given:

- (a) in the case of postage-prepaid mail, five Business Days after the Notice is mailed; or
- (b) in the case of email, personal delivery or courier on the date on which the Notice is delivered.

A16.3 **Postal Disruption.** Despite section A16.2(a), in the event of a postal disruption:

- (a) Notice by postage-prepaid mail will not be deemed to be given; and
- (b) the Party giving Notice will give Notice by email, personal delivery, or courier.

A17.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A17.1 **Consent.** When the Province provides its consent pursuant to the Agreement:

- (a) it will do so by Notice;
- (b) it may attach any terms and conditions to the consent; and
- (c) the Recipient may rely on the consent only if the Recipient complies with any terms and conditions the Province may have attached to the consent.

A18.0 SEVERABILITY OF PROVISIONS

A18.1 **Invalidity or Unenforceability of Any Provision.** The invalidity or unenforceability of any provision of the Agreement will not affect the validity or enforceability of any other provision of the Agreement.

A19.0 WAIVER

A19.1 **Condonation not a waiver.** Failure or delay by the either Party to exercise any of its rights, powers or remedies under the Agreement will not constitute a waiver of those rights, powers or remedies and the obligations of the Parties with respect to such rights, powers or remedies will continue in full force and effect.

A19.2 **Waiver.** Either Party may waive any of its rights, powers or remedies under the Agreement by providing Notice to the other Party. A waiver will apply only to the specific rights, powers or remedies identified in the Notice and the Party providing the waiver may attach terms and conditions to the waiver.

A20.0 INDEPENDENT PARTIES

A20.1 **Parties Independent.** The Recipient is not an agent, joint venturer, partner, or employee of the Province, and the Recipient will not represent itself in any way that might be taken by a reasonable person to suggest that it is or take any actions that could establish or imply such a relationship.

A21.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A21.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A21.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on:

- (a) the Recipient's heirs, executors, administrators, successors, and permitted assigns; and

- (b) the successors to His Majesty the King in right of Ontario.

A22.0 GOVERNING LAW

A22.1 **Governing Law.** The Agreement and the rights, obligations, and relations of the Parties will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable federal laws of Canada. Any actions or proceedings arising in connection with the Agreement will be conducted in the courts of Ontario, which will have exclusive jurisdiction over such proceedings.

A23.0 FURTHER ASSURANCES

A23.1 **Agreement into Effect.** The Recipient will:

- (a) provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains; and
- (b) do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

A24.0 JOINT AND SEVERAL LIABILITY

A24.1 **Joint and Several Liability.** Where the Recipient comprises more than one entity, each entity will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

A25.0 RIGHTS AND REMEDIES CUMULATIVE

A25.1 **Rights and Remedies Cumulative.** The rights and remedies of the Province under the Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

A26.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

A26.1 **Other Agreements.** If the Recipient:

- (a) has failed to comply with any term, condition, or obligation under any other agreement with His Majesty the King in right of Ontario or one of His agencies (a “**Failure**”);
- (b) has been provided with notice of such Failure in accordance with the requirements of such other agreement;
- (c) has, if applicable, failed to rectify such Failure in accordance with the requirements of such other agreement; and

(d) such Failure is continuing,

the Province may suspend the payment of Funds for such period as the Province determines appropriate.

A27.0 SURVIVAL

A27.1 **Survival.** The following Articles and sections, and all applicable cross-referenced Articles, sections and schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Article 1.0, Article 2.0, Article A1.0 and any other applicable definitions, section A2.1(a), sections A4.4, A4.5, A4.6, section A5.2, section A7.1, section A7.2 (to the extent that the Recipient has not provided the Reports or other reports as the Province may have requested and to the satisfaction of the Province), sections A7.3, A7.4, A7.5, A7.6, A7.7, A7.8, Article A8.0, Article A9.0, section A11.2, section A12.1, sections A12.2(d), (e), (f), (g), (h), (i) and (j), Article A13.0, Article A14.0, Article A15.0, Article A16.0, Article A18.0, section A21.2, Article A22.0, Article A24.0, Article A25.0 and Article A27.0.

A28.0 ELECTRONIC SIGNATURE

A28.1 **Electronic Signature.** The Province and the Recipient agree that the Agreement may be validly executed electronically, and that their respective electronic signature is the legal equivalent of a manual signature. An electronic signature of an authorized signing representative may be evidenced by (i) a manual signature, (ii) a digital signature including the name of the authorized signing representative in the respective signature line of the Agreement, (iii) an image of a manual signature, (iv) an Adobe signature, or (v) any other digital signature with the prior written consent of both Parties, placed in the respective signature line of the Agreement and the Agreement delivered by electronic means to the other Party, including by email.

- END OF GENERAL TERMS AND CONDITIONS -

**SCHEDULE “B”
PROJECT SPECIFIC INFORMATION AND ADDITIONAL PROVISIONS**

Maximum Funds	\$9,495,000
Expiry Date	March 31, 2031
Insurance	\$ 2,000,000
Contact information for the purposes of Notice to the Province	<p>Position: Manager, Strategic Investments Office</p> <p>Address: Transit Programs Branch Ontario Ministry of Transportation 777 Bay Street, 30th Floor Toronto ON M7A 2J8</p> <p>Email: MTO-SIO@ontario.ca</p>
Contact information for the purposes of Notice to the Recipient	<p>Position: Manager of Community Transportation</p> <p>Address: 595 9th Ave E. Owen Sound ON N4K 3E3</p> <p>Email: stephanie.stewart@grey.ca</p>
Contact information for the senior financial person in the Recipient organization (e.g., CFO, CAO) – to respond as required to requests from the Province related to the Agreement	<p>Position: Director of Finance/County Treasurer</p> <p>Address: 595 9th Ave E. Owen Sound ON N4K 3E3</p> <p>Email: marylou.spicer@grey.ca</p>
Authorized representative of the Province for the purpose of section 4.3	<p>Position: Director, Transit Programs Branch</p> <p>Address: 777 Bay Street, 30th Floor Toronto ON M7A 2J8</p> <p>Email: MTO-SIO@ontario.ca</p>
Authorized representative of the Recipient for the purpose of section 4.3	<p>Position: County Clerk</p> <p>Address: 595 9th Ave E. Owen Sound ON N4K 3E3</p> <p>Email: Tara.Warder@grey.ca</p>

Additional Provisions:

The Recipient will follow all rules and requirements outlined in the Ontario Transit Investment Fund Program Guide, unless otherwise agreed to in writing by the Province.

**SCHEDULE “C”
PROJECT**

C1.0 PROJECT DESCRIPTION

- C1.1 **Project Description.** The Recipient will carry out the Project as described in Sub-Schedule “C.1”, unless otherwise agreed to in writing by the Province.
- C1.2 **Changes to Project.** Should the Recipient wish to undertake any changes to the Project, it will provide Notice to the Province for its review.
- C1.3 **Additional Information upon the Province’s Request.** The Province may, at its sole discretion, request additional information from the Recipient regarding the changes submitted to the Province pursuant to section C1.2.
- C1.4 **Timing for the Submission of Additional Information.** The Recipient will provide any information the Province requests under section C1.3 within 30 days of the Province’s request.

SUB-SCHEDULE "C.1"
PROJECT DESCRIPTION

Project Name:	Grey, Bruce, and Dufferin County Regional Service
Project Description:	In Year 1, the Recipient will continue operating a fixed-route, intercommunity bus service from Dundalk to Orangeville, while a transit study is underway to explore the integration of existing transportation services and expansion of new services across Grey, Bruce, and Dufferin Counties. Beginning as early as Year 2, the Recipient will begin the integration and expansion of transit services in Grey, Bruce, and Dufferin Counties under a single regional transit network.
Description of Service Area:	Bruce County, Dufferin County and Grey County

**SCHEDULE “D”
BUDGET**

D1.0 BUDGET

D1.1 **Budget.** The Recipient will carry out the Project in accordance with the Budget in this Schedule “D”.

Grey Bruce and Dufferin County Regional Service - Budget						
	2025-26	2026-27	2027-28	2028-29	2029-30	Total
Expenditures						
Administration	\$ -	\$ 120,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 630,000
Consulting/ Professional Services	\$ 75,000	\$ 356,500	\$ -	\$ -	\$ -	\$ 431,500
Transportation Services	\$ 300,000	\$ 5,242,968	\$ 5,497,418	\$ 5,882,432	\$ 6,017,385	\$ 22,940,203
Marketing	\$ 10,000	\$ 13,000	\$ 15,000	\$ 16,000	\$ 17,000	\$ 71,000
Total	\$ 385,000	\$ 5,732,468	\$ 5,682,418	\$ 6,068,432	\$ 6,204,385	\$ 24,072,703
Funding Sources						
OTIF	\$ 145,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 1,850,000	\$ 9,495,000
Fare Revenue	\$ 40,000	\$ 767,968	\$ 817,968	\$ 870,468	\$ 1,100,000	\$ 3,596,404
Gas Tax Funding	\$ -	\$ 740,000	\$ 740,000	\$ 740,000	\$ 740,000	\$ 2,960,000
Dufferin County Contribution	\$ 100,000	\$ 145,000	\$ 213,150	\$ 323,988	\$ 492,462	\$ 1,274,600
Bruce County Contribution	\$ -	\$ 145,000	\$ 213,150	\$ 323,988	\$ 492,462	\$ 1,174,600
Grey County Contribution	\$ 100,000	\$ 145,000	\$ 213,150	\$ 323,988	\$ 492,462	\$ 1,274,600
Other Municipal Contributions	\$ -	\$ 1,289,500	\$ 985,000	\$ 986,000	\$ 1,036,999	\$ 4,297,499
Total	\$ 385,000	\$ 5,732,468	\$ 5,682,418	\$ 6,068,432	\$ 6,204,385	\$ 24,072,703

SCHEDULE “E” EXPENDITURES

E1.0 ELIGIBLE EXPENDITURES

E1.1 Eligible Expenditures. Eligible Expenditures are the direct costs which are, in the opinion and at the sole discretion of the Province, properly and reasonably incurred by the Recipient in respect of any Project. Eligible Expenditures must be, in the opinion and at the sole discretion of the Province, directly related to the Project and necessary for the successful implementation of the Project. Eligible Expenditures may only be incurred from April 30, 2025 through March 31, 2030. Eligible Expenditures include:

(a) Operating costs, specifically:

- i. Administration costs directly related to the planning, implementation or operation of the Project, including office expenses and salaries and benefits for staff supporting the Project who are dedicated to administrative functions;
- ii. Consulting services to support Project implementation;
- iii. Transit driver training/wages/benefits;
- iv. Marketing, including public outreach, communications materials and activities to promote the Project;
- v. Transportation services, including contracted transportation services, to operate the Project;

(b) Capital costs, specifically:

- i. Vehicle purchase or lease (i.e., buses, vans, e-scooters, e-bikes, etc.) for transportation services under the Project;
- ii. Capital expenditures that provide improvements to public transportation security and passenger safety (i.e., bus shelters, accessibility modifications, including access support for first-mile/last-mile modes of travel, wayfinding, etc.) as part of the Project; and

(c) Any other cost that, in the opinion of the Province, is considered necessary for the successful implementation of the Project, and that has been agreed to in writing by the Province.

E2.0 INELIGIBLE EXPENDITURES

E2.1 Ineligible Expenditures. Unless a cost is considered an Eligible Expenditure, such cost will be considered an Ineligible Expenditure. Ineligible Expenditures include:

- (a) Cash prizes or direct subsidies to individuals that are not related to the Project;
- (b) Food and beverages (including consultant reimbursements);
- (c) Refundable goods and services tax, pursuant to the *Excise Tax Act*, R.S.C. 1985, c. E. 15, as amended, or other refundable expenses;
- (d) Deficit reduction;
- (e) Costs already covered by other funding programs;
- (f) Costs related to any changes made to the Project without the written agreement of the Province; and
- (g) Any other costs, as determined by the Province at its sole discretion.

**SCHEDULE “F”
CLAIMS AND PAYMENT PLAN**

F1.0 CLAIMS

F1.1 **Claim.** The submission by the Recipient and receipt by the Province of the Reports and other documents listed under the “Required Reports/Documents and Timelines for their Submission” column in Sub-Schedule “F.1” constitute a claim for that payment.

F2.0 SUBMISSION OF CLAIMS AND PAYMENT PLAN

F2.1 **Province Approval.** Notwithstanding all other sections in this Schedule “F”, the Province may, in its sole discretion, not provide payments to the Recipient unless and until it approves, in writing, each Report and other document listed under the “Required Reports/Documents and Timelines for their Submission” column in Sub-Schedule “F.1” submitted by the Recipient.

F2.2 **Timing for Submission of Claims and Payment Amounts.** The timing for the submission of and the payment amount for each claim under the Agreement are set out in Sub-Schedule “F.1”.

F2.3 **Claim Payments.** Subject to the terms and conditions set out in this Agreement, the Province will use its reasonable efforts to make a payment to the Recipient, if due and owing under the terms of the Agreement, within the timelines set out in Sub-Schedule “F.1”.

F2.4 **Payment Amounts Estimates Only.** The payment amounts listed under the “Estimated Payment Amounts” column in Sub-Schedule “F.1” are estimates only.

F2.5 **Payment Calculation and Reconciliation.** For all payments including and subsequent to payment 2A under the “Estimated Payment Amounts” column in Sub-Schedule “F.1”, the Province will calculate payment amounts on the basis of Reports submitted by the Recipient to the Province, the Budget in Schedule “D”, and other information as identified by the Province in its sole discretion, and the Province will reconcile such payments with previous payments provided by the Province. All payment amounts are subject to change in the Province’s sole discretion.

F2.6 **No Interest or Costs.** The Province will under no circumstances be liable for any interest or costs for failure to make a payment within the estimated timelines set out in Sub-schedule “F.1”.

F2.7 **Time Limit for the Submission of Claims.** The Recipient will submit all claims for payment by October 31, 2030. The Province will have no obligation to pay a claim should it be submitted after this date.

F3.0 ADDITIONAL INFORMATION

- F3.1 **Additional Information upon the Province's Request.** The Province may, at its sole discretion, request additional information from the Recipient prior to processing any payment.
- F3.2 **Timing for the Submission of Additional Information.** The Recipient will, unless the Province otherwise agrees upon in writing and at its sole discretion, provide any information the Province requests under section F3.1 within 30 days of the request.

**SUB-SCHEDULE “F.1”
PAYMENT PLAN**

Estimated Payment Amount	Required Reports/Documents and Timelines for their Submission	Estimated Timelines for Payment (subject to all necessary approvals having been received)
1A: 50% of forecasted year 1 funding requested	<ul style="list-style-type: none"> • Certificate of insurance • Council resolution <p>due within 90 days after the Effective Date</p>	Within 90 days after the Effective Date
1B: 50% of forecasted year 1 funding requested	<ul style="list-style-type: none"> • Year 1 Mid-Year Questionnaire due October 1, 2025 	October 1, 2025
2A: 50% of forecasted year 2 funding requested	<ul style="list-style-type: none"> • Year 1 Reports due April 30, 2026 	April 30, 2026
2B: 50% of forecasted year 2 funding requested	<ul style="list-style-type: none"> • Year 2 Mid-Year Questionnaire due October 1, 2026 	October 1, 2026
3A: 50% of forecasted year 3 funding requested	<ul style="list-style-type: none"> • Year 2 Reports due April 30, 2027 	April 30, 2027
3B: 50% of forecasted year 3 funding requested	<ul style="list-style-type: none"> • Year 3 Mid-Year Questionnaire due October 1, 2027 	October 1, 2027
4A: 50% of forecasted year 4 funding requested	<ul style="list-style-type: none"> • Year 3 Reports due April 30, 2028 	April 30, 2028
4B: 50% of forecasted year 4 funding requested	<ul style="list-style-type: none"> • Year 4 Mid-Year Questionnaire due October 1, 2028 	October 1, 2028
5A: 50% of forecasted year 5 funding requested	<ul style="list-style-type: none"> • Year 4 Reports due April 30, 2029 	April 30, 2029
5B: 50% of forecasted year 5 funding requested	<ul style="list-style-type: none"> • Final Reports due April 30, 2030 	April 30, 2030

SCHEDULE "G" REPORTS

G1.0 DEFINITION

G1.1 **Definition.** In this Schedule "G":

"Generally Accepted Auditing Standards" means Canadian Generally Accepted Auditing Standards as adopted by the Canadian Institute of Chartered Accountants applicable as of the date on which such record is kept or required to be kept in accordance with such standards.

G2.0 REPORTS

G2.1 **Reports.** The Recipient will obtain the Report forms on Transfer Payment Ontario, complete them, and submit them to the Province using Transfer Payment Ontario, by the respective submission dates noted in the "Required Reports/Documents and Timelines for their Submission" column in Sub-Schedule "F.1".

G3.0 COMPLIANCE AUDIT

G3.1 **Compliance Audit.** The Province may, at its sole discretion and within timelines set out by the Province, request that the Recipient carries out a Project compliance audit in accordance with Generally Accepted Auditing Standards and delivers the corresponding compliance audit report(s) within the timelines set out by the Province.

G3.2 **Compliance Audit Requirements.** If the Province requests a Project compliance audit pursuant to section G3.1, the Recipient will retain, at the Recipient's expense and within the timelines set out by the Province, an accredited external independent auditor(s) to carry out the audit and will deliver any compliance audit report(s) from such audit to the Province within 7 Business Days of the Recipient's receipt of the report.

G3.3 **Compliance Audit Objectives.** The key objectives of the compliance audit(s) are to:

- (a) determine whether Funds were expended for the purposes intended and with due regard to economy, efficiency and effectiveness;
- (b) determine compliance with the Agreement;
- (c) ensure that the Project, Reports and other reports, and financial information are complete, accurate and timely, in accordance with the terms and conditions of the Agreement;

- (d) ensure that information and monitoring processes and systems are sufficient for the identification, capture, validation and monitoring of the service performance measures;
- (e) assess the overall management and administration of the Project;
- (f) provide recommendations for improvement or redress; and
- (g) ensure that prompt and timely corrective action is taken on audit findings.

**SUB-SCHEDULE “G.1”
REPORTS AND DETAILS**

G.1.1.0 REPORTS

G.1.1.1 Reports Requirements.

The annual Reports (Year 1 reporting forms, Year 2 reporting forms, Year 3 reporting forms, Year 4 reporting forms, final reporting forms) must:

- a) be submitted on or before the submission dates indicated in the “Required Reports/Documents and Timelines for their Submission” column in Sub-Schedule “F.1”;
- b) provide an accounting of all Eligible Expenditures that have been incurred as of the date of the Reporting Form, including explanations for any variances above 10% between the costs as set out in Schedule “D” and the actual costs;
- c) provide an update on the performance measures and sustainability measures using the goals provided in the application form submitted by the Recipient on Transfer Payment Ontario;
- d) be completed and submitted to Transfer Payment Ontario by an authorized signing officer of the Recipient, confirming that the Project has been carried out in compliance with the terms and conditions of this Agreement; and
- e) contain all other information as specified in the Reports and as required by the Province in its sole discretion.

The Mid-Year Questionnaires (Year 1 Mid-Year Questionnaire, Year 2 Mid-Year Questionnaire, Year 3 Mid-Year Questionnaire, Year 4 Mid-Year Questionnaire) must:

- a) be submitted on or before the submission dates indicated in the “Required Reports/Documents and Timelines for their Submission” column in Sub-Schedule “F.1”;
- b) provide an interim financial update on Eligible Expenditures to date and forecasted for the remainder of the year;
- c) provide an update on the status and progress of the Project; and
- d) contain all other information as specified in the Reports and as required by the Province in its sole discretion.

SCHEDULE “H”

DISPOSAL OF ASSETS

- H1.1 **Notification and Payment if Disposal.** The Recipient will notify the Province in writing, 180 days in advance, if, at any time within (a) 12 years of the Recipient's acquisition of a conventional transit vehicle or (b) 5 years of the Recipient's acquisition of a specialized transit vehicle; such vehicle(s) being acquired with Funds or for which Funds were provided; the Recipient proposes to sell, lease, or otherwise dispose of such vehicle(s). Upon disposal of the vehicle and unless the Province otherwise consents in writing, the Recipient will return the funds arising from the sale, lease or otherwise disposal to the Province.
- H1.2 **Disposal to the Province, Local Government or Crown Agency.** Despite section H1.1, the Recipient's payment obligations set out in section H1.1 do not apply if a vehicle is disposed of to the Province, a local government, or a Crown agency of the Government of Ontario.
- H1.3 **Vehicle Replacement.** Despite section H1.1, if a vehicle is disposed of as described in section H1.1 and is replaced to meet technical or operational requirements of the Recipient with a vehicle of equal or greater value, the Recipient may, in lieu of the repayment set out in section H1.1 and with the Province's prior written consent, reinvest the proceeds from the disposal into the replacement vehicle.

SCHEDULE "I" COMMUNICATIONS

- 11.1 **Acknowledgement of Support.** Unless the Province otherwise approves in writing, the Recipient will acknowledge the support of the Province in a form and manner as directed by the Province.
- 11.2 **Notification to Province.** The Recipient will notify the Province in advance for any planned local communication or recognition events, or both.
- 11.3 **No Agency, Joint Venture.** The Province and the Recipient will, at all times, remain independent of each other and will not represent themselves to be the agent, joint venturer, partner or employee of the other. Neither the Recipient nor the Province will make representations or take actions that could establish or imply any apparent relationship of agency, joint venture, partnership or employment. In addition, neither the Recipient nor the Province will be bound in any manner whatsoever by any agreements, warranties or representations made by any of them to any other person or entity, with respect to any other action of the other.
- 11.4 **Published Material.** If the Recipient publishes any material of any kind, written or oral, relating to the Ontario Transit Investment Fund (OTIF), the Recipient will indicate in the material that the views expressed in the material are the views of the Recipient and do not necessarily reflect those of the Province.
- 11.5 **Visual Identity Signage.** The Recipient will comply with the requirements for the installation and maintenance of visual identity signage set out below:
- (a) The Recipient will install and maintain the exterior and interior visual identity signage on each public transportation vehicle for which the Funds were provided;
 - (b) External visual identity signage must be located immediately to the left of the front passenger entrance doors of the vehicle. Internal visual identity signage should be placed on an interior wall in a location and height that will be convenient for passengers to read; and
 - (c) Recognition stickers should be approximately sized as follows: 10" x 3.4".