

**COMMUNITY TRANSPORTATION GRANT PROGRAM
TRANSFER PAYMENT AGREEMENT**

THIS TRANSFER PAYMENT AGREEMENT for the Community Transportation Grant Program (the “Agreement”) is effective as of the Effective Date (both “Agreement” and “Effective Date” as defined in section A1.2 (Definitions)).

B E T W E E N:

Her Majesty the Queen in right of Ontario as represented by the
Minister of Transportation for the Province of Ontario

(the “Province”)

- and -

The Corporation of the Town of Tillsonburg

(the “Recipient”)

BACKGROUND:

The Province has established the Community Transportation Grant Program (the “Program”) to fund municipalities to plan, implement and operate intercommunity and local transportation projects.

The Recipient has applied to the Province for funds to assist the Recipient in carrying out the intercommunity or local transportation project(s), or both, as described in the Agreement 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 (Definitions)), to the Recipient for the purpose of carrying out the Project (as defined in section A1.2 (Definitions)) and upon which the Recipient has agreed to carry out the Project.

CONSIDERATION:

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

1.0 ENTIRE AGREEMENT

1.1 Entire Agreement. The Agreement, including:

Schedule "A" - General Terms and Conditions
Schedule "B" - Project Specific Information
Schedule "C" - Project Description, Budget and Timelines
 Sub-schedule "C.1" - Project Description
 Sub-schedule "C.2" - Project Budget
 Sub-schedule "C.3" - Project Timelines
Schedule "D" - Eligible Expenditures and Ineligible Expenditures
Schedule "E" - Claim and Payment Procedures
 Sub-schedule "E.1" - Payment Plan for Milestones and Reporting
 Schedule
Schedule "F" - Reporting and Compliance Audit
 Sub-schedule "F.1" - Project Status Report
 Sub-schedule "F.2" - Interim and Final Financial Reports
 Sub-schedule "F.3" - Project Performance Reports
 Sub-schedule "F.4" - Service Sustainability Plan
Schedule "G" - Communications Protocol
Schedule "H" - Disposal of Vehicles Acquired with Funds, and
any amending agreement entered into as provided for in section 4.1
(Amendments),

constitutes the entire agreement between the Parties (as defined in section A1.2 (Definitions)) 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 any of the requirements of:

- (a) Schedule "A" (General Terms and Conditions) and any of the requirements of another schedule or a sub-schedule, Schedule "A" (General Terms and Conditions) will prevail to the extent of the inconsistency; or
- (b) a schedule and any of the requirements of a sub-schedule, the schedule will prevail to the extent of the inconsistency.

3.0 COUNTERPARTS

3.1 **Counterparts.** The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

4.0 AMENDING THE AGREEMENT

4.1 **Amendments.** The Agreement may only be amended by a written agreement.

4.2 **Execution of Amending Agreements.** An amending agreement under section 4.1 (Amendments) 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 (Execution of Amending Agreements), an amending agreement under section 4.1 (Amendments) for amendments to one or more of the following:

- (a) the definitions for the following terms in Schedule “A” (General Terms and Conditions):
 - (i) “Completion Date”; and
 - (ii) “Expiry Date”; and
- (b) Schedules “C” (Project Description, Budget and Timelines) to “F” (Reporting and Compliance Audit), each respectively, and any of their respective sub-schedules;

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

5.0 ACKNOWLEDGEMENT

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

- (a) by receiving Funds (as defined in section A1.2 (Definitions)), 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) Her Majesty the Queen 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; and
- (e) the Province is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that 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.

5.2 **MFIPPA.** The Province acknowledges that the Recipient is bound by the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Recipient in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

- SIGNATURE PAGE FOLLOWS -

The Parties have executed the Agreement on the dates set out below.

**HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO** as represented by the Minister of
Transportation for the Province of Ontario

Date

Name: Caroline Mulroney

Title: Minister

**THE CORPORATION OF THE TOWN OF
TILLSONBURG**

Date

Name: Stephen Molnar

Title: Mayor

I have authority to bind the Recipient.

Date

Name: Lana White

Title: Deputy Clerk

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 background and 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) all accounting terms not otherwise defined in the Agreement have their ordinary meanings.

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

“Agreement” means this Agreement, entered into between the Province and the Recipient, all of the schedules and sub-schedules listed in section 1.1 (Entire Agreement), and any amending agreement entered into pursuant to section 4.1 (Amendments).

“Authorities” means any government authority, agency, body or department, whether federal, provincial or municipal, having or claiming jurisdiction over the Agreement or the Project, or both.

“Budget” means the budget set out in Sub-schedule “C.2” (Project Budget).

“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.

“Completion Date” means March 31, 2023.

“Contract” means a contract between the Recipient and a Third Party whereby the Third Party agrees to supply goods or services, or both, for the Project in return for financial consideration.

“Effective Date” means the date of signature by the last signing Party to the Agreement.

“Eligible Expenditures” means the costs of the Project that are eligible for funding by the Province under the Agreement, and that are further described in Schedule “D” (Eligible Expenditures and Ineligible Expenditures).

“Event of Default” has the meaning ascribed to it in section A13.1 (Events of Default).

“Expiry Date” means September 30, 2023.

“Funding Year” means:

- (a) in the case of the first Funding Year, the period commencing on April 30, 2018 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.

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

“Indemnified Parties” means Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees and employees.

“Intercommunity Project” means an intercommunity project as described in paragraph C.1.1.2 (a).

“Local Project” means a local project as described in paragraph C.1.1.2 (b).

“Material Adverse Effect” means a material adverse effect on one or more of the following:

- (a) the Project; and
- (b) the business, assets, operations or financial condition of the Recipient.

“Maximum Funds” means the maximum Funds set out in Schedule “B” (Project Specific Information).

“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 paragraph A13.3(b), and includes any such period or periods of time by which the Province extends that time in accordance with section A13.4 (Recipient not Remediating).

“Parties” means the Province and the Recipient.

“Party” means either the Province or the Recipient.

“Program” means the Community Transportation Grant Program the Province has established to provide municipalities with the Funds.

“Project” means the undertaking described in Schedule “C” (Project Description, Budget and Timelines).

“Reports” means the reports described in Schedule “F” (Reporting and Compliance Audit).

“Requirements of Law” means all applicable requirements, laws, statutes, codes, acts, ordinances, approvals, orders, decrees, injunctions, by-laws, rules, regulations, official plans, permits, licences, authorizations, directions, and agreements with all Authorities.

“Term” means the period of time described in section A3.1 (Term).

“Third Party” means any legal entity, other than a Party, who supplies goods or services, or both, to the Recipient for the Project.

“Timelines” means the Project timelines set out in Sub-schedule “C.3” (Project Timelines).

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 Requirements of Law related to any aspect of the Project, the Funds, or both;

- (d) unless otherwise provided for in the Agreement, any information the Recipient provided to the Province in support of its request for funds including, without limitation, information relating to any eligibility requirements, the Project, Budget and Timelines was true and complete at the time the Recipient provided it and will continue to be true and complete;
- (e) there are no actions, suits or proceedings pending or, to the knowledge of the Recipient, threatened, which would reasonably be expected to have a Material Adverse Effect; and
- (f) each of the material agreements to which the Recipient is a party (including leases) is in good standing in all material respects and in full force and effect, and no breach of such agreements has occurred by the Recipient or, to the Recipient's knowledge, any of the other parties to such agreements which could reasonably be expected to have a Material Adverse Effect.

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

- (a) the full power and authority 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 the 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 (Reporting, Accounting and Review); and

- (h) procedures to enable the Recipient to address such other matters as the Recipient considers necessary to carry out its obligations under the Agreement.

A2.4 Supporting Proof. Upon request of the Province and within the timelines set out in the request, the Recipient will provide the Province with proof of the matters referred to in this Article A2.0 (Representations, Warranties and Covenants).

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 (Termination on Notice), Article A12.0 (Termination Where No Appropriation or Reduced Ministerial Funding Levels), or Article A13.0 (Event of Default, Corrective Action, and Termination for Default).

A4.0 FUNDS AND CARRYING OUT THE PROJECT

A4.1 Funds Provided. The Province will:

- (a) provide the Recipient 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 procedures provided for in Schedule “E” (Claim and Payment Procedures); and
- (c) deposit the Funds into an account designated by the Recipient 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 (Funds Provided):

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

- (c) the Province may adjust the amount of Funds it provides to the Recipient in any Funding Year based upon the Province's assessment of the information the Recipient provides to the Province pursuant to section A7.1 (Preparation and Submission);
- (d) if, pursuant to the *Financial Administration Act* (Ontario), the Province does not receive the necessary appropriation from the Ontario Legislature for payment under the Agreement, or ministerial funding levels in respect of transfer payments are reduced, the Province is not obligated to make any such payment, and, as a consequence, the Province may:
 - (i) reduce the amount of Funds and, in consultation with the Recipient, change the Project or Budget, or both; or
 - (ii) terminate the Agreement pursuant to section A12.1 (Termination Where No Appropriation or Reduced Ministerial Funding Levels); and
- (e) the Province is not obligated to provide any Funds to the Recipient until the Recipient provides the Province with a copy of the Recipient's by-law(s) and, if applicable, resolution(s), authorizing it to enter into the Agreement and designating the Recipient's signing officer for the Agreement.

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

- (a) carry out or ensure the Project is carried out in accordance with the Agreement;
- (b) use the Funds only for the purpose of carrying out the Project;
- (c) spend the Funds only for Eligible Expenditures and in accordance with the Budget; and
- (d) not use the Funds to cover any Eligible Expenditure that has or will be funded or reimbursed by one or more of any third party, including any level of government, or ministry, agency, or organization of the Government of Ontario, other than the Province pursuant to the Agreement.

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:

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

A4.6 **Rebates, Credits and Refunds.** The Province will calculate Funds based on the actual Eligible Expenditures 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.

A4.8 **Disclosure of Other Financial Assistance and Adjustments.** The Recipient will inform the Province promptly of any financial assistance received for the Project from sources other than the Province pursuant to the Agreement. Upon receipt of such information, the Province may take one or more of the following actions:

- (a) reduce the Funds in; or
- (b) demand from the Recipient the payment of

an amount no greater than the aggregate amount of the financial assistance received from the other sources, up to the Funds.

A4.9 **Inability to Complete the Project.** If, at any time during the Term, the Recipient determines that it will not be possible for it to complete the Project for any reason, including, without limitation, lack of funding available for the Project (the "**Issue**"), the Recipient will immediately notify the Province of that determination

and provide the Province with a summary of the measures the Recipient proposes to remedy the Issue. If the Province is not satisfied that the measures proposed will be adequate to remedy the Issue, then the Province may initiate any one or more of the actions provided for in section A13.2 (Consequences of Events of Default and Corrective Action).

A5.0 RECIPIENT'S ACQUISITION OF GOODS OR SERVICES, AND DISPOSAL OF VEHICLES ACQUIRED WITH FUNDS

A5.1 Acquisition. If the Recipient acquires goods or services, or both, with the Funds, it will:

- (a) do so through a process that promotes the best value for money; and
- (b) comply with the *Broader Public Sector Accountability Act, 2010* (Ontario), including any procurement directive issued thereunder, to the extent applicable.

A5.2 Disposal. The Recipient will not, without the Province's prior written consent, sell, lease or otherwise dispose of any vehicle acquired with Funds other than in accordance with the terms and conditions set out in Schedule "H" (Disposal of Vehicles Acquired with Funds).

A5.3 Contract Provisions. The Recipient will ensure that all Contracts are consistent with and incorporate the relevant provisions of the Agreement. More specifically but without limiting the generality of the foregoing, the Recipient agrees to include provisions in all Contracts to:

- (a) ensure that proper and accurate accounts and records are kept and maintained as required under the Agreement;
- (b) ensure compliance with all applicable Requirements of Law including, without limitation, labour and human rights legislation; and
- (c) secure the rights of the Province described in section A7.7 (Inspection and Audit of Contracts).

A6.0 CONFLICT OF INTEREST AND RELATED PARTIES

A6.1 No Conflict of Interest. The Recipient will carry out the Project and use the Funds without an actual, potential or perceived conflict of interest.

A6.2 Conflict of Interest Includes. For the purposes of this Article A6.0 (Conflict of Interest and Related Parties), 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 to, interfere with the Recipient's objective, unbiased and impartial judgment relating to the Project, the use of the Funds, or both.

A6.3 Disclosure to Province. The Recipient will:

- (a) disclose to the Province, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived conflict of interest; and
- (b) comply with any terms and conditions that the Province may prescribe as a result of the disclosure.

A7.0 REPORTING, ACCOUNTING AND REVIEW

A7.1 Preparation and Submission. The Recipient will:

- (a) submit to the Province at the address provided in section A17.1 (Notice in Writing and Addresses), all Reports in accordance with the timelines and content requirements set out in Schedule "F" (Reporting and Compliance Audit), or in a form as specified by the Province from time to time;
- (b) submit to the Province at the address provided in section A17.1 (Notice in Writing and Addresses), any other reports as may be requested by the Province in accordance with the timelines and content requirements specified by the Province;
- (c) ensure that all Reports and other reports are completed to the satisfaction of the Province; and
- (d) ensure that all Reports and other reports are signed on behalf of the Recipient by an authorized signing officer.

A7.2 Record Maintenance. The Recipient will keep and maintain:

- (a) all financial records including, without limitation, invoices, statements, receipts, and vouchers relating to the Funds or otherwise to the Project in

a manner consistent with generally accepted accounting principles;

- (b) all non-financial documents and records relating to the Funds or otherwise to the Project, including, without limitation, all Contracts; and
- (c) the accounts, records and other documents described in paragraphs A7.2(a) and (b) for at least seven years after the expiry or termination of the Agreement.

A7.3 Inspection. The Province, any authorized representative, or any independent auditor identified by the Province may, at the Province's expense, upon twenty-four hours' Notice to the Recipient and during normal business hours, enter upon the Recipient's premises to review the progress of the Project and the Recipient's allocation and expenditure of the Funds and, for these purposes, the Province, any authorized representative, or any independent auditor identified by the Province may take one or more of the following actions:

- (a) inspect and copy the records and documents referred to in section A7.2 (Record Maintenance);
- (b) remove any copies made pursuant to paragraph A7.3(a) from the Recipient's premises; and
- (c) conduct an audit or investigation of the Recipient in respect of the expenditure of the Funds, the Project, or both.

A7.4 Disclosure. To assist in respect of the rights provided for in section A7.3 (Inspection), the Recipient will disclose any information requested by the Province, any authorized representatives, or any independent auditor identified by the Province, and will do so in the form requested by the Province, any authorized representative, or any independent auditor identified by the Province, as the case may be.

A7.5 No Control of Records. No provision of the Agreement will be construed so as to give the Province any control whatsoever over the Recipient's records.

A7.6 Auditor General. The Province's rights under this Article A7.0 (Reporting, Accounting and Review) are in addition to any rights provided to the Auditor General pursuant to section 9.1 of the *Auditor General Act* (Ontario).

A7.7 Inspection and Audit of Contracts. The Recipient will ensure all Contracts include the right of the Province, its authorized representatives and independent auditors identified by the Province and the Auditor General to carry out the inspections and audits contemplated pursuant to the Agreement, including any compliance audit under Schedule "F" (Reporting and Compliance Audit) and will coordinate access with any Third Party for the purpose of such inspections and audits.

A7.8 **Due Diligence.** The Recipient confirms the Recipient's consent to the Province releasing any of the Recipient's information, however obtained, with any government authority, agency, body or department, whether federal, provincial or municipal, for the purpose of conducting any financial, legal and technical due diligence review of the Recipient and the Project, including the Recipient's compliance with any of the Recipient's obligations under the Agreement, any Requirements of Law or Contract.

A7.9 **Recipient's Audits.** The Recipient will carry out any audit the Province may request pursuant to Schedule "F" (Reporting and Compliance Audit).

A8.0 COMMUNICATIONS REQUIREMENTS AND INFORMATION SHARING

A8.1 **Acknowledge Support.** Unless otherwise directed by the Province, the Recipient will acknowledge the support of the Province for the Project as set out in Schedule "G" (Communications Protocol).

A8.2 **Publication.** The Recipient will indicate, in any of its Project-related publications, whether written, oral, or visual, 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 **Indemnification.** The Recipient will indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages, and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of or in connection with the Project or otherwise in connection with the Agreement, unless solely caused by the negligence or wilful misconduct of the Indemnified Parties.

A10.0 INSURANCE

A10.1 **Recipient's 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 \$2,000,000.00 per occurrence. The 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) a 30-day 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 as provided for in section A10.1 (Recipient's Insurance); or
 - (ii) other proof that confirms the insurance coverage as provided for in section A10.1 (Recipient's Insurance); and
- (b) upon the request of the Province, provide to the Province a copy of any insurance policy.

A10.3 Reference to Program. The insurance policy referred to in section A10.1 (Recipient's Insurance) will include, in addition to the provisions listed in that section, a reference to the Program.

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 at least 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 (Termination on Notice), the Province may take one or more of the following actions:

- (a) cancel all 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 the costs against the amount the Recipient owes pursuant to paragraph A11.2(b); and
- (ii) subject to paragraph A4.1(a), provide Funds to the Recipient to cover such costs.

A12.0 TERMINATION WHERE NO APPROPRIATION OR REDUCED MINISTERIAL FUNDING LEVELS

A12.1 Termination Where No Appropriation or Reduced Ministerial Funding Levels.

If, as provided for in paragraph A4.2(d), the Province does not receive the necessary appropriation from the Ontario Legislature for any payment the Province is to make pursuant to the Agreement, or ministerial funding levels in respect of transfer payments are reduced, the Province may terminate the Agreement immediately without liability, penalty or costs by giving Notice to the Recipient.

A12.2 Consequences of Termination Where No Appropriation or Reduced Ministerial Funding Levels. If the Province terminates the Agreement pursuant to section A12.1 (Termination Where No Appropriation or Reduced Ministerial Funding Levels), the Province may take one or more of the following actions:

- (a) cancel all 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 permit the Recipient to offset such costs against the amount owing pursuant to paragraph A12.2(b).

A12.3 No Additional Funds. If, pursuant to paragraph A12.2(c), the Province determines that the costs to wind down the Project exceed the Funds remaining in the possession or under the control of the Recipient, the Province will not provide additional Funds to the Recipient.

A13.0 EVENT OF DEFAULT, CORRECTIVE ACTION, AND TERMINATION FOR DEFAULT

A13.1 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 material term of the Agreement including,

without limitation, 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;
 - (iii) provide, in accordance with section A7.1 (Preparation and Submission), Reports or such other reports as may have been requested pursuant to paragraph A7.1(b); or
- (b) the Recipient's operations, its financial condition, or its organizational structure, changes such that it no longer meets one or more of the eligibility requirements under the Agreement.

A13.2 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 all 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; and
- (i) terminate the Agreement at any time, including immediately, without liability, penalty or costs to the Province upon giving Notice to the Recipient.

A13.3 Opportunity to Remedy. If, in accordance with paragraph A13.2(b), the Province provides the Recipient with an opportunity to remedy the Event of Default, the Province will provide Notice to the Recipient of:

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

A13.4 Recipient not Remediating. If the Province has provided the Recipient with an opportunity to remedy the Event of Default pursuant to paragraph A13.2(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 paragraphs A13.2(a), (c), (d), (e), (f), (g), (h) and (i).

A13.5 When Termination Effective. Termination under this Article A13.0 (Event of Default, Corrective Action, and Termination for Default) will take effect as provided for in the Notice.

A14.0 FUNDS AT THE END OF A FUNDING YEAR

A14.1 Funds at the End of a Funding Year. Without limiting any rights of the Province under Article A13.0 (Event of Default, Corrective Action, and Termination for Default), if the Recipient has not spent all of the Funds allocated for the Funding Year as provided for in the Budget, the Province may take one or both of the following actions:

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

A15.0 FUNDS UPON EXPIRY OF AGREEMENT

A15.1 Funds Upon Expiry. The Recipient will, upon expiry of the Agreement, pay to the Province any Funds and interest remaining in its possession or under its control.

A16.0 DEBT DUE AND PAYMENT

A16.1 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 an amount equal to the excess Funds to the Province.

A16.2 Debt Due. If, pursuant to the Agreement:

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

such Funds or other amount will be deemed to be a debt due and owing to the Province by the Recipient, and the Recipient will pay the amount to the Province immediately, unless the Province directs otherwise.

A16.3 Interest Rate. The Province may charge the Recipient interest on any money owing by the Recipient at the then current interest rate charged by the Province of Ontario on accounts receivable.

A16.4 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 as provided for in Schedule "B" (Project Specific Information).

A16.5 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, Her Majesty the Queen in right of Ontario may deduct any unpaid amount from any money payable to the Recipient by Her Majesty the Queen in right of Ontario.

A17.0 NOTICE

A17.1 Notice in Writing and Addresses. Notice will be in writing and will be delivered by email, postage-prepaid mail, personal delivery or fax, and addressed to the Province and the Recipient respectively as provided for in Schedule "B" (Project Specific Information), or as either Party later designates to the other by Notice.

A17.2 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 fax, one Business Day after the Notice is delivered.

A17.3 Postal Disruption. Despite paragraph A17.2(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 provide Notice by email, personal delivery or by fax.

A18.0 CONSENT BY PROVINCE AND COMPLIANCE BY RECIPIENT

A18.1 Consent. When the Province provides its consent pursuant to the Agreement, it may impose any terms and conditions on such consent and the Recipient will comply with such terms and conditions.

A19.0 SEVERABILITY OF PROVISIONS

A19.1 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. Any invalid or unenforceable provision will be deemed to be severed.

A20.0 WAIVER

A20.1 Waiver in Writing. Either Party may, in accordance with the Notice provision set out in Article A17.0 (Notice), ask the other Party to waive an obligation under the Agreement.

A20.2 Waiver Applies. Any waiver a Party grants in response to a request made pursuant to section A20.1 (Waiver in Writing) will:

- (a) be valid only if the Party granting the waiver provides it in writing; and
- (b) apply only to the specific obligation referred to in the waiver.

A21.0 INDEPENDENT PARTIES

A21.1 **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.

A22.0 ASSIGNMENT OF AGREEMENT OR FUNDS

A22.1 **No Assignment.** The Recipient will not, without the prior written consent of the Province, assign any of its rights or obligations under the Agreement.

A22.2 **Agreement Binding.** All rights and obligations contained in the Agreement will extend to and be binding on the Parties' respective heirs, executors, administrators, successors, and permitted assigns.

A23.0 GOVERNING LAW

A23.1 **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.

A24.0 FURTHER ASSURANCES

A24.1 **Agreement into Effect.** The Recipient will provide such further assurances as the Province may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise 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.

A25.0 JOINT AND SEVERAL LIABILITY

A25.1 **Joint and Several Liability.** Where the Recipient is comprised of more than one entity, all such entities will be jointly and severally liable to the Province for the fulfillment of the obligations of the Recipient under the Agreement.

A26.0 RIGHTS AND REMEDIES CUMULATIVE

A26.1 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.

A27.0 FAILURE TO COMPLY WITH OTHER AGREEMENTS

A27.1 Other Agreements. If the Recipient:

- (a) has failed to comply with any term, condition or obligation under any other agreement with Her Majesty the Queen in right of Ontario or one of Her 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.

A28.0 SURVIVAL

A28.1 Survival. The following Articles, sections and paragraphs, and all applicable cross-referenced Articles, sections, paragraphs, schedules and sub-schedules, will continue in full force and effect for a period of seven years from the date of expiry or termination of the Agreement: Articles 1.0 (Entire Agreement), 2.0 (Conflict or Inconsistency), 3.0 (Counterparts), and A1.0 (Interpretation and Definitions) and any other applicable definitions, paragraphs A2.1(a) and A4.2(d), sections A4.5 (Interest), A4.6 (Rebates, Credits and Refunds), A4.7 (Recipient’s Acknowledgement of Responsibility for Project), A4.8 (Disclosure of Other Financial Assistance and Adjustments), A5.2 (Disposal), A5.3 (Contract Provisions), A7.1 (Preparation and Submission) to the extent that the Recipient has not provided the Reports or other reports as may have been requested to the satisfaction of the Province, A7.2 (Record Maintenance), A7.3 (Inspection), A7.4 (Disclosure), A7.5 (No Control of Records), A7.6 (Auditor General), A7.7 (Inspection and Audit of Contracts), A7.8 (Due Diligence), A7.9 (Recipient’s Audits), Articles A8.0 (Communications Requirements and Information Sharing) and A9.0 (Indemnity), sections A11.2 (Consequences of Termination on Notice by the Province), A12.2 (Consequences of Termination Where No Appropriation

or Reduced Ministerial Funding Levels), A12.3 (No Additional Funds), and A13.1 (Events of Default), paragraphs A13.2(d), (e), (f), (g) and (h), Articles A15.0 (Funds Upon Expiry of Agreement), A16.0 (Debt Due and Payment), A17.0 (Notice), and A19.0 (Severability of Provisions), section A22.2 (Agreement Binding), Articles A23.0 (Governing Law), A25.0 (Joint and Several Liability), A26.0 (Rights and Remedies Cumulative), and A27.0 (Failure to Comply with Other Agreements), and this Article A28.0 (Survival).

**SCHEDULE “B”
PROJECT SPECIFIC INFORMATION**

Maximum Funds	\$1,457,732.00
Contact information for the purposes of Notice to the Province	<p>Position: Manager, Strategic Transit Investments Office Address: Strategic Investments and Programs Branch Ontario Ministry of Transportation 777 Bay Street, 30th Floor Toronto ON M7A 2J8</p> <p>Phone: 416-710-5616 Fax: 416-585-7343 Email: CTProgram@ontario.ca</p>
Contact information for the purposes of Notice to the Recipient	<p>Position: Director of Operations Address: 200 Broadway, Suite 204, Tillsonburg, Ontario, N4G 5A7</p> <p>Phone: 519-688-3009 ext. 2232 Fax: 519-842-9431 Email: kdeleebeeck@tillsonburg.ca</p>
Authorized representative of the Province for the purpose of Section 4.3 (Execution of Amending Agreements - Exceptions)	<p>Position: Director, Strategic Investments and Programs Address: Strategic Investments and Programs Branch Ontario Ministry of Transportation 777 Bay Street, 30th Floor Toronto ON M7A 2J8</p> <p>Phone: 416-585-7637 Fax: 416-585-7343 Email: CTProgram@ontario.ca</p>
Authorized representative of the Recipient for the purpose of Section 4.3 (Execution of Amending Agreements - Exceptions)	<p>Position: Chief Administrative Officer Address: 200 Broadway, Suite 204, Tillsonburg, Ontario, N4G 5A7</p> <p>Phone: 519-688-3009 ext. 3227 Fax: 519-842-9431 Email: dcalder@tillsonburg.ca</p>

**SCHEDULE “C”
PROJECT DESCRIPTION, BUDGET AND TIMELINES**

C1.0 PROJECT DESCRIPTION, BUDGET AND TIMELINES

C1.1 **Project Description.** The Recipient will carry out the Project as described in Sub-schedule “C.1” (Project Description).

C1.2 **Budget.** The Recipient will carry out the Project in accordance with the Budget in Sub-schedule “C.2” (Project Budget).

C1.3 **Timelines.** The Recipient will carry out the Project within the Timelines in Sub-schedule “C.3” (Project Timelines).

**SUB-SCHEDULE “C.1”
PROJECT DESCRIPTION**

C.1.1.0 PROJECT DESCRIPTION

C.1.1.1 **Project Description.** The Project includes a Local Project or an Intercommunity Project, or both.

C.1.1.2 Description and Scope of Service of Intercommunity Project or Local Project

- (a) If the Project includes an Intercommunity Project, the Intercommunity Project will be as described in Table C.1.1.2 (a) (Intercommunity Project Summary) and, at a minimum, will meet the following service requirements:
 - (i) offer a fixed route service with regular scheduled stops in municipalities in addition to the Recipient municipality;
 - (ii) operate five days per week, where feasible;
 - (iii) offer two return trips per day, where feasible, or a minimum of one return trip per day;
 - (iv) use a vehicle or vehicles with 10 or more passenger seats; and
 - (v) charge fares, as determined by the Recipient, to cover a portion of the costs of the services provided, up until the Completion Date.

Table C.1.1.2 (a): Intercommunity Project Summary

Intercommunity Project	
Expected Date of Service	January 2020
Description	
<p>The Town of Tillsonburg will implement an Intercommunity Project comprised of four intercommunity bus routes as follows:</p>	

Route 1: Tillsonburg to Woodstock and Ingersoll Loop

This inter-city service will operate using two buses to provide the core service between Tillsonburg and Woodstock, with connections in South West Oxford, Norwich, and Ingersoll. The service will run on several loops throughout the day, with schedules aligned when possible, to other services such as Woodstock Transit, VIA Rail and Greyhound. There are two planned phases for this service:

- Phase 1: will be to run the Tillsonburg to Woodstock service on three return runs per day, five days per week. This phase will be implemented in January 2020.
- Phase 2: will be implemented in January 2022, increasing service as needed to provide four runs per day, five days a week. This will support various connection schedules within Oxford and Norfolk Counties.

The route will begin at Tillsonburg Centre moving along Broadway Street (Highway 19) to Tillsonburg Hospital. The route will then continue as follows:

- Broadway Street (Northbound) to Highway 19 and Ostrander Road (Stop)
- Ostrander Road (County Road 19) through Springford (Stop) and Otterville (Stop)
- Highway 59 to Norwich (Stop)
- Continue north and then west on Highway 59 through Burgessville (Stop) into Woodstock
- Highway 59 to Juliana Drive to Woodstock Hospital (Stop)
- North on Finkle Street to Henry Street (Via Rail Station)
- East on Henry Street to Wilson Street to Dundas Street and Woodstock Transit Terminal (Stop)
- County Road 9 to Beachville (Stop) and Centreville (Stop)
- Thames Street North to Via Rail Station (Stop)
- Thames Street South to Nixon to Ingersoll Hospital (Stop)

The bus will continue on to Tillsonburg through South West Oxford, while the second bus makes the same trip in the opposite direction.

- Highway 19 to Mt. Elgin (Stop)
- County Roads 18 and 10 to Brownsville (Stop)
- County Road 20 to Delmer (Stop)
- Delmer and Hawkins Road to Tillsonburg
- Tillsonburg Hospital and Town Centre (Stop)

The total one-way distance of this route is approximately 115 kilometres. The municipalities served by this route include Tillsonburg, Norwich, South West Oxford, Woodstock and Ingersoll. The service will provide connections to Woodstock Transit, VIA Rail and Greyhound Bus Lines.

The service will use a 10-seat wheelchair accessible bus. Phase 1 of this service will provide three runs per day, five days per week. Phase 2 of this service will provide 4 runs per day five days per week.

Fares (\$5-\$10) will be available on-board, at the Livingston Centre in Tillsonburg as well as other locations that will be finalized prior to the launch of the service.

Route 2: Connection to Ride Norfolk

A second route will be implemented in January 2020, which connects Tillsonburg with Norfolk County residents who have indicated a transportation need to go into Tillsonburg, a service not currently provided by Ride Norfolk. This route will also connect with Ride Norfolk two days a week in Courtland and Delhi. Depending on demand, it may be deemed necessary to add service on another day. Based on current demand by Tillsonburg residents, this is likely to include Friday service to Delhi.

Monday Service: Tillsonburg to Langton and Courtland

Wednesday Service: Tillsonburg to Delhi, Langton and Courtland

The route will begin at Tillsonburg Centre, moving along Broadway (Highway 19) to Tillsonburg Hospital. The route will then continue as follows:

- Highway 3 to Delhi (Stop)
- Highway 3 to Highway 59 to Langton (Stop)
- Highway 59 to Courtland (Stop)
- Highway 3 to Tillsonburg Centre and Tillsonburg Hospital

The total one-way distance of this route is approximately 48 km for Monday service and 68 km for Wednesday service, depending on integration with Ride Norfolk system.

Municipalities served by this service will include Tillsonburg and Norfolk County, and connections will be provided to the Ride Norfolk service.

The service will utilize a 10-seat wheelchair accessible bus.

Service will be provided three times a day on Mondays and Wednesdays and likely include Friday service based on current demand.

Fares (\$5-\$10) will be available on-board, at the Livingston Centre in Tillsonburg as well as other locations that will be finalized prior to the launch of the service.

Route 3: Tillsonburg to the Municipality of Bayham

This route will connect Tillsonburg with Straffordville, Vienna, and Port Burwell in the Municipality of Bayham. The intent of this run is to provide general service to Bayham residents into Tillsonburg for accessing community and social services. Additional runs and stops may be added depending on demand for employment access.

This route works for residents of both municipalities in accessing employment. Employment opportunities for Tillsonburg residents are just outside of T:GO's service area, but are important for residents in accessing and maintaining gainful employment. The schedule will relate with the Route 2 connection with Ride Norfolk, as it is the goal to use the same bus to perform both routes.

The route will begin at Tillsonburg Centre and run as follows:

- Highway 19 to Straffordville
- Continue along Highway 19 to Vienna
- Continue along Highway 19 to Port Burwell

The return trip will take the same route back.

Municipalities served will include Tillsonburg and Bayham (includes the communities of Straffordville, Vienna, and Port Burwell). Service will be provided with three return trips per day, two days per week, with possible extension to three days per week, or daily depending upon demand for employment transit.

Fares (\$5-\$10) will be available on-board or at the Bayham Municipal Offices.

Route 4: Woodstock Hospital to Victoria Hospital, London Ontario

Transportation to London, via Woodstock Hospital, will be phased in by January 2020. The identified need for Oxford County residents is to connect to London hospitals for specialist appointments, as well as visiting friends and families who have been transferred to London. Implementation of this particular service will depend on the availability and convenience of existing services that connect Oxford County to London, such as Greyhound and VIA Rail. Furthermore, some community agencies provide volunteer, medical transportation to London. As the inter-city connections build in the first two years of the Pilot Program, on-going surveys and review of requests will determine the type, and level of service available to Oxford residents.

Connections will be provided to and from Woodstock Hospital via Route 1 as follows:

- The route will begin at Woodstock Hospital
- Highway 2 to County Road 7

- Thames St. South to Noxon St. to Ingersoll Hospital (Stop)
- County Road 119 to Highway 401 to Highbury North
- Commissioners Road to Victoria Hospital

The total one-way distance of this route is approximately 65 kilometres.

Municipalities to be served by this service include Tillsonburg, Norwich, South West Oxford, Woodstock, and Ingersoll. Connections will be provided to Tillsonburg, South West Oxford, Norwich via Route 1; London Transit, and Victoria Hospital.

The service will be provided with two return trips per day twice a week, increasing to three trips per day and potentially three times a week depending on demand.

Fares (\$10-\$15) will be available on-board, at the Livingston Centre in Tillsonburg as well as other locations that will be finalized prior to the launch of the service.

- (b) If the Project includes a Local Project, the Local Project will be as described in Table C.1.1.2 (b) (Local Project Summary) and each community organization the Recipient identified in its application for funding under the Program:
- (i) is, and will continue to be for the term of the Agreement, incorporated;
 - (ii) has been in operation for at least one year prior to February 28, 2018; and
 - (iii) will participate in the Project as described in the Recipient's application for funding up until the Completion Date.

Table C.1.1.2 (b): Local Project Summary

Local Project	
Expected Date of Service	N/A
Description	
N/A	

SUB-SCHEDULE "C.2"
PROJECT BUDGET

Community Transportation Grant Program - Municipal Stream Project Budget						
Recipient name:	Town of Tillsonburg					
CT Project Budget	long distance					
Eligible Expenditure	Funding Year 1 April 30, 2018 - March 31, 2019	Funding Year 2 April 1, 2019 - March 31, 2020	Funding Year 3 April 1, 2020 - March 31, 2021	Funding Year 4 April 1, 2021 - March 31, 2022	Funding Year 5 April 1, 2022 - March 31, 2023	Total cost of Eligible Expenditure over Funding Years 1-5)
Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-capital Expenditures						
• administrative costs	\$ -	\$ 8,500.00	\$ 8,700.00	\$ 8,900.00	\$ 9,100.00	\$ 35,200.00
• full time administration salaries/benef	\$ -	\$ 34,715.00	\$ 70,820.00	\$ 72,235.00	\$ 73,680.00	\$ 251,450.00
• training costs	\$ -	\$ 1,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 12,000.00
• consulting services/professional servi	\$ -	\$ 75,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 105,000.00
• public outreach/marketing	\$ -	\$ 7,000.00	\$ 2,000.00	\$ 2,000.00	\$ 1,500.00	\$ 12,500.00
• meeting/events facilitation	\$ -	\$ 3,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
• contact number or website	\$ -	\$ 5,000.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 6,500.00
• contracted transportation services	\$ -	\$ 84,610.00	\$ 335,730.00	\$ 359,633.00	\$ 419,918.00	\$ 1,199,891.00
• equipment, supplies, materials	\$ -	\$ 10,000.00	\$ 5,000.00	\$ 1,500.00	\$ 1,500.00	\$ 18,000.00
Eligible Expenditure - additional detail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A. total Eligible Expenditures	\$ -	\$ 229,325.00	\$ 437,250.00	\$ 459,268.00	\$ 520,698.00	\$ 1,646,541.00
funding sources						amounts
Provincial Funds	\$ -	\$ 223,358.00	\$ 398,808.00	\$ 397,052.00	\$ 438,514.00	\$ 1,457,732.00
fares	\$ -	\$ 5,967.00	\$ 38,442.00	\$ 62,216.00	\$ 82,184.00	\$ 188,809.00
B. total funding	\$ -	\$ 229,325.00	\$ 437,250.00	\$ 459,268.00	\$ 520,698.00	\$ 1,646,541.00
difference (B-A) (Note: should = 0 to balance)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SUB-SCHEDULE “C.3”
PROJECT TIMELINES**

C.3.0 TIMELINES

C.3.1 **Timelines for Services.** The Recipient will provide the community transportation services under the Project starting no later than one year after the Effective Date and, at a minimum, up until the Completion Date.

C.3.2 **Work Plan(s).** The Recipient will carry out the Project in accordance with the following work plan(s):

Table C.3.2 (a): Intercommunity Project Work Plan

Project Work Plan					
Order	Key Milestone	Project Tasks	Start Date	End Date	Responsibility
1.	Engage Transit Coordinator	Hire/contract transit coordinator	2019/05	2023/03	The Recipient
2.	Retain transit consulting services	<ul style="list-style-type: none"> • Assist with route review & consultation process • Assist with schedule development • Assist with request for proposals (RFP) development and award evaluation • Assist with marketing strategy and communications plan • Assist with establishing performance measures and monitoring program 	2019/06	2021/03	Recipient staff, Transit Coordinator

Project Work Plan					
Order	Key Milestone	Project Tasks	Start Date	End Date	Responsibility
3.	Route review & consultation	<ul style="list-style-type: none"> • Consult with municipal planning & public works departments and confirm bus stop locations • Confirm route schedule and connections timing 	2019/07	2019/08	Recipient Staff, Transit Coordinator, Consultant
4.	RFP – bus contractor	<ul style="list-style-type: none"> • Prepare RFP for operation of transit system • RFP issued for bid • Award RFP 	2019/08 2019/09 2019/11	2019/09 2019/10 2019/11	Recipient Staff, Transit Coordinator, Consultant
5.	Marketing & communications	<ul style="list-style-type: none"> • Finalize fare structure, brochures, website, contact number, etc. • Promotion of new service, public information centres, etc. 	2019/09 2019/11	2019/10 2019/12	Recipient Staff, Transit Coordinator, Consultant
6.	Project launch	<ul style="list-style-type: none"> • Route 1 – Oxford South <ul style="list-style-type: none"> - Phase 1 - Phase 2 • Route 2 & 3 Norfolk/Bayham • Route 4 – London 	2020/01 2022/01 2020/01 2020/01	2023/03 2023/03 2023/03 2023/03	Recipient Staff, Transit Coordinator, Consultant
7.	Project monitoring & reporting	<ul style="list-style-type: none"> • Track key performance measures • Monitor/analyze statistics • Reporting as required under the Agreement 	2020/01	2023/03	Recipient Staff, Transit Coordinator, Consultant

Table C.3.2 (b): Local Project Work Plan

[N/A]

**SCHEDULE “D”
ELIGIBLE EXPENDITURES AND INELIGIBLE EXPENDITURES**

D1.0 DEFINITION

D1.1 **Definition.** In this Schedule “D” (Eligible Expenditures and Ineligible Expenditures):

“**Ineligible Expenditures**” means the costs of the Project that are ineligible for funding by the Province under the Agreement, and that are further described in Article D3.0 (Ineligible Expenditures).

D2.0 ELIGIBLE EXPENDITURES

D2.1 Scope of Eligible Expenditures

- (a) Eligible Expenditures are the expenditures that are directly related to and necessary for the successful implementation and operation of the Project.
- (b) Non-capital Eligible Expenditures can accrue as of April 30, 2018 and up until the Completion Date, or up until another date agreed upon by the Province in writing and at its sole discretion. Non-capital Eligible Expenditures include items (a) to (m), (o), and (p) under section D.2.3 (Eligible Expenditures), and may include, at the Province’s sole discretion, item (q) under that section.
- (c) Capital Eligible Expenditures can accrue as of the Effective Date and up until the Completion Date, or up until another date agreed upon by the Province in writing and at its sole discretion. Capital Eligible Expenditures include item (n) under section D.2.3 (Eligible Expenditures), and may include, at the Province’s sole discretion, item (q) under that section.
- (d) No expenditures, including an expenditure that would have otherwise been eligible for funding under the Agreement, incurred outside of any of the periods set out in paragraphs D2.1 (b) or (c) will be eligible for payment under the Agreement.

D2.2 **Required Documentation.** Eligible Expenditures must be documented through paid invoices or original receipts, or both, satisfactory to the Province.

D2.3 **Eligible Expenditures.** Provided that the requirements under section D2.1 (Scope of Eligible Expenditures) and D2.2 (Required Documentation) are met, Eligible Expenditures may, at the Province’s sole discretion, include:

- (a) Salary and benefits of staff/consultants hired/retained for the planning, implementation and operation of the Local Project(s) or Intercommunity Project(s), or both, and for no other purpose;
- (b) Costs of consultant services retained for the sole purpose of assisting the Recipient and community organization(s) in the implementation of the Local Project(s) or Intercommunity Project(s) bus routes, or both (e.g., to assist in the implementation of information technology or the facilitation of cooperative initiatives between the Recipient and the community organizations or the design of intercommunity routes, service frequencies and locations of bus stops);
- (c) Costs of consultant/facilitation services retained for the sole purpose of assisting the Recipient in developing and building partnerships with community organizations or other municipalities that are part of the Project;
- (d) Administrative costs directly related to the planning, implementation or operation of the Project, not exceeding 10% of the Maximum Funds;
- (e) Purchase, implementation and operation costs of a contact number or website, or both;
- (f) Purchase, implementation/installation and licensing costs for software or hardware, or both;
- (g) Procurement of community transportation services or intercommunity transportation services from a service provider (e.g., vehicles, drivers, booking and dispatch services) that are part of the Project;
- (h) Legal services for the drafting of legal agreements related to the Project;
- (i) Costs of holding, facilitating or attending meetings/consultation, events/workshops with community transportation organizations or partner municipalities, or both, for the Project or for the purpose of learning, networking and information exchange that is related to the Project;
- (j) Training costs related to the implementation or operation of the Project;
- (k) Ontario-only travel and accommodation costs directly related to the Project. Those costs must align with the Government of Ontario's Travel, Meal and Hospitality Expenses Directive;
- (l) Facilities costs of centralizing functions or operations of the Project, including the costs of securing locations for pick-up and drop-off of passengers;

- (m) Public outreach, communications materials and activities to promote the Project and service;
- (n) Vehicle leases or purchases (accessible vehicles must comply with Reg. 629 – *Accessible Vehicles*, R.R.O. 1990, under the *Highway Traffic Act*, R.S.O. 1990, c. H.8.);
- (o) Permits and fees required for vehicles used for the community transportation or any long-distance service components of the Project;
- (p) Equipment, supplies, materials, and services associated with the implementation and operation of the Project; and
- (q) Any other costs which, in the opinion and at the sole discretion of the Province, are considered necessary for the completion of the Project and for which the Province has provided its prior written consent prior having been incurred.

D3.0 INELIGIBLE EXPENDITURES

D3.1 Scope of Ineligible Expenditures. Unless a cost is considered an Eligible Expenditure pursuant to Article D2.0 (Eligible Expenditures), in the opinion and at the sole discretion of the Province, such cost will be considered an Ineligible Expenditure. Without limitation, the following costs will be considered Ineligible Expenditures:

- (a) Cash prizes or direct subsidies to individuals that are not related to community transportation services;
- (b) Food and beverages;
- (c) Refundable goods and services tax, pursuant to the *Excise Tax Act*, R.S.C. 1985, c. E. 15, or other refundable expenses;
- (d) Deficit reduction;
- (e) Costs funded or reimbursed by an entity other than the Province under the Agreement;
- (f) Costs for which the Recipient has received, will receive, or is eligible to receive a rebate, credit or refund;
- (g) Amortization or depreciation expenses associated with capital assets acquired with Funds;

- (h) Salary, benefits, and costs of staff/consultants hired/retained by the Recipient who, in addition to work/services for the Project, carry out work/services for the Recipient other than for the Project; and
- (i) Any other costs, as determined by the Province from time to time and at its sole discretion.

**SCHEDULE “E”
CLAIM AND PAYMENT PROCEDURES**

E1.0 CLAIMS

E1.1 **Claim.** The submission of the documents listed under the “Documents Required for Payments” column for each payment in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule) constitutes a claim for that payment.

E2.0 SUBMISSION OF CLAIMS AND PAYMENT PLAN

E2.1 **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 “E.1” (Payment Plan for Milestones and Reporting Schedule).

E2.2 **Conditions for Milestone Payments.** The payment of Funds will be conditional upon the Province having first received:

- (a) for each payment, the documents specified for that payment under the “Documents Required for Payment” column in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule); and
- (b) for the payment 3A, and any subsequent payment, evidence that the community transportation service(s) under the Project is/are 100% implemented.

For the payments 3A to 3D, the Province, at its sole discretion, may pay the amount for the Local Project separately from the Intercommunity Project.

E2.3 **Claim Payments.** Subject to the terms and conditions set out in the Agreement including, without limitation, any necessary appropriation from the Ontario Legislature and ministerial funding levels in respect of transfer payments, 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 “E.1” (Payment Plan for Milestones and Reporting Schedule). For greater clarity, the Recipient agrees that the timelines set out in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule) are estimates only and, despite the Province using reasonable efforts, there may be delays in payments.

E2.4 **No Interest.** The Province will under no circumstances be liable for interest for failure to make a payment within the estimated timelines set out in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule).

E3.0 SUBMISSION OF CLAIMS

E3.1 Time Limit for Submission of Claims. In addition to meeting the requirements in section E2.2 (Conditions for Milestone Payments), the Recipient is required to submit all claims for payment within 180 days of the Completion Date. The Province will have no obligation to pay a claim after this date.

E4.0 ADDITIONAL INFORMATION

E4.1 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.

E4.2 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 E.4.1 (Additional Information upon the Province's Request) within 30 days of the request.

SUB-SCHEDULE "E.1"
PAYMENT PLAN FOR MILESTONES AND REPORTING SCHEDULE

Documents Required for Payment (in addition to the certificate of insurance and copy of the by-law(s) and, if applicable, resolution(s))	Timelines for the Submission of the Documents Required for Payment	Payment No. and Maximum Payment Amount	Estimated Timelines for Payment (subject to all necessary approvals having been received)
Funding Year 1: April 30, 2018 to March 31, 2019			
<p>Non-capital Costs</p> <p>Project status report (PSR), if applicable, as described in Sub-schedule "F.1" (Project Status Report);</p> <p>Interim financial report (IFR), if applicable, as described in Sub-schedule "F.2" (Interim and Final Financial Reports); and</p> <p>Project performance report (PPR), if the service is 100% implemented on or before October 1, 2018, as described in Sub-schedule "F.3" (Project Performance Reports)</p>	<p>Within 60 days after the Effective Date</p>	<p>1A. \$0.00</p>	<p>Within 60 days of the receipt of the documents required for Funding Year 1 (listed in the 1st column of this row)</p>

Documents Required for Payment (in addition to the certificate of insurance and copy of the by-law(s) and, if applicable, resolution(s))	Timelines for the Submission of the Documents Required for Payment	Payment No. and Maximum Payment Amount	Estimated Timelines for Payment (subject to all necessary approvals having been received)
Funding Year 2: April 1, 2019 to March 31, 2020			
<p>Non-capital Costs</p> <p>Project status report (PSR), if applicable, as described in Sub-schedule "F.1" (Project Status Report);</p> <p>Interim financial report (IFR), if applicable, as described in Sub-schedule "F.2" (Interim and Final Financial Reports); and</p> <p>Project performance report (PPR), if the service is 100% implemented on or before October 1, 2018, as described in Sub-schedule "F.3" (Project Performance Reports)</p>	Within 60 days after the Effective Date	2A. \$55,839.50	Within 60 days of the receipt of the documents required for Funding Year 2 (listed in the 1 st column of this row)
		2B. \$55,839.50	Within 150 days of the receipt of the documents required for Funding Year 2 (listed in the 1 st column of this row)
		2C. \$55,839.50	Within 240 days of the receipt of the documents required for Funding Year 2 (listed in the 1 st column of this row)
		2D. \$55,839.50	Within 330 days of the receipt of the documents required for Funding Year 2 (listed in the 1 st column of this row)
Mid-year Project report using a form provided by the Province	On or before October 31, 2019		

Documents Required for Payment (in addition to the certificate of insurance and copy of the by-law(s) and, if applicable, resolution(s))	Timelines for the Submission of the Documents Required for Payment	Payment No. and Maximum Payment Amount	Estimated Timelines for Payment (subject to all necessary approvals having been received)
<p>Capital Costs</p> <p>Copy(ies) of the paid invoice(s) for capital purchases, including vehicles; and</p> <p>Request for payment form for capital costs using a form provided by the Province</p>	<p>Within 30 days of the issuance of the paid invoice(s)</p>	<p>2X. \$0.00</p>	<p>Within 60 days of the receipt of a copy of the documents required for the payment 2X (listed in the 1st column of this row)</p>
<p>Funding Year 3: April 1, 2020 to March 31, 2021</p>			
<p>Non-capital Costs</p> <p>Project status report (PSR) as described in Sub-schedule "F.1" (Project Status Report);</p> <p>Interim financial report (IFR) as described in Sub-schedule "F.2" (Interim and Final Financial Reports); and</p> <p>Project performance report (PPR), if the service is 100% implemented on or before October 1, 2019, as described in Sub-schedule "F.3" (Project Performance Reports)</p>	<p>On or before the later of April 30, 2020 or within one year from the Effective Date</p>	<p>3A. \$99,702.00</p>	<p>Within 60 days of the receipt of the documents required for Funding Year 3 (listed in the 1st column of this row)</p>
		<p>3B. \$99,702.00</p>	<p>Within 150 days of the receipt of the documents required for Funding Year 3 (listed in the 1st column of this row)</p>
		<p>3C. \$99,702.00</p>	<p>Within 240 days of the receipt of the documents required for Funding Year 3 (listed in the 1st column of this row)</p>
		<p>3D. \$99,702.00</p>	<p>Within 330 days of the receipt of the documents required for Funding Year 3 (listed in the 1st column of this row)</p>

Documents Required for Payment (in addition to the certificate of insurance and copy of the by-law(s) and, if applicable, resolution(s))	Timelines for the Submission of the Documents Required for Payment	Payment No. and Maximum Payment Amount	Estimated Timelines for Payment (subject to all necessary approvals having been received)
Mid-year Project report using a form provided by the Province	On or before October 31, 2020		
<p>Capital Costs</p> <p>Copy(ies) of the paid invoice(s) for capital purchases, including vehicles; and</p> <p>Request for payment form for capital costs using a form provided by the Province</p>	Within 30 days of the issuance of the paid invoice(s)	3X. \$0.00	Within 60 days of the receipt of a copy of the documents required for the payment 3X (listed in the 1 st column of this row)
Funding Year 4: April 1, 2021 to March 31, 2022			
<p>Non-capital Costs</p> <p>Interim financial report (IFR) as described in Sub-schedule "F.2" (Interim and Final Financial Reports);</p> <p>Project performance report (PPR) as described in Sub-schedule "F.3" (Project Performance Reports); and</p> <p>Service sustainability plan (SSP) as described in Sub-schedule "F.4"</p>	On or before April 30, 2021	4A. \$99,263.00	Within 60 days of the receipt of the documents required for Funding Year 4 (listed in the 1 st column of this row)
		4B. \$99,263.00	Within 150 days of the receipt of the documents required for Funding Year 4 (listed in the 1 st column of this row)
		4C. \$99,263.00	Within 240 days of the receipt of the documents required for Funding Year 4 (listed in the 1 st column of this row)

Documents Required for Payment (in addition to the certificate of insurance and copy of the by-law(s) and, if applicable, resolution(s))	Timelines for the Submission of the Documents Required for Payment	Payment No. and Maximum Payment Amount	Estimated Timelines for Payment (subject to all necessary approvals having been received)
(Service Sustainability Plan)		4D. \$99,263.00	Within 330 days of the receipt of the documents required for Funding Year 4 (listed in the 1 st column of this row)
Mid-year Project report using a form provided by the Province	On or before October 31, 2021		
<p>Capital Costs</p> <p>Copy(ies) of the paid invoice(s) for capital purchases, including vehicles; and</p> <p>Request for payment form for capital costs using a form provided by the Province</p>	Within 30 days of the issuance of the paid invoice(s)	4X. \$0.00	Within 60 days of the receipt of a copy of the documents required for the payment 4X (listed in the 1 st column of this row)
Funding Year 5: April 1, 2022 to March 31, 2023			
<p>Non-capital Costs</p> <p>Interim financial report (IFR) as described in Sub-schedule "F.2" (Interim and Final Financial Reports); and</p> <p>Project performance report (PPR) as described in Sub-schedule "F.3" (Project Performance Reports)</p>	On or before April 30, 2022	5A. \$219,257.00	Within 60 days of the receipt of the documents required for Funding Year 5 (listed in the 1 st column of this row)

Documents Required for Payment (in addition to the certificate of insurance and copy of the by-law(s) and, if applicable, resolution(s))	Timelines for the Submission of the Documents Required for Payment	Payment No. and Maximum Payment Amount	Estimated Timelines for Payment (subject to all necessary approvals having been received)
<p>Capital Costs</p> <p>Copy(ies) of the paid invoice(s) for capital purchases, including vehicles; and</p> <p>Request for payment form for capital costs using a form provided by the Province</p>	<p>Within 30 days of the issuance of the paid invoice(s)</p>	<p>5X. \$0.00</p>	<p>Within 60 days of the receipt of a copy of the documents required for the payment 5X (listed in the 1st column of this row)</p>
<p>Program Wrap-up: April 1-April 30, 2023</p>			
<p>Non-capital Costs</p> <p>Final financial report as described in Sub-schedule "F.2" (Interim and Final Financial Reports); and</p> <p>Final Project performance report as described in Sub-schedule "F.3" (Project Performance Reports)</p>	<p>On or before April 30, 2023</p>	<p>6A. \$219,257.00</p>	<p>Within 60 days of the receipt of the documents required for program wrap-up (listed in the 1st column of this row)</p>

SCHEDULE “F” REPORTING AND COMPLIANCE AUDIT

F1.0 DEFINITION

F1.1 **Definition.** In this Schedule “F” (Reporting and Compliance Audit):

“**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.

F2.0 REPORTS, DOCUMENTS AND SUBMISSION DATES

F2.1 **Description and Submission Dates.** The Recipient will submit to the Province the reports and other documents described in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule):

- (a) at the address provided in Schedule “B” (Project Specific Information) for the “Contact information for the purposes of Notice to the Recipient”; and
- (b) by their respective submission dates.

F3.0 COMPLIANCE AUDIT

F3.1 **Compliance Audit.** The Province may, at its sole discretion and within timelines set out by the Province, request that the Recipient carries out a Program 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.

F3.2 **Compliance Audit Requirements.** If the Province requests a Program compliance audit pursuant to section F3.1 (Compliance Audit), 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.

F3.3 **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.

F4.0 PARTICIPATION IN POST-PROGRAM EVALUATION

F4.1 Post-program Evaluation Participation. The Recipient will, at the Province's request and Recipient's cost, participate in any post-program evaluation events or activities after the Completion Date.

F4.2 Post-program Evaluation Description. The post-program evaluation includes:

- (a) the completion of a survey on the Program and Project outcomes;
- (b) the participation in information sessions on community transportation to report on the Recipient's experiences and lessons learnt from the Project, and to provide suggestions for potential changes to the Program administration; and
- (c) any other items the Province may request be included at the Province's sole discretion.

SUB-SCHEDULE “F.1” PROJECT STATUS REPORT

F.1.1.0 DESCRIPTION OF PROJECT STATUS REPORT

F.1.1.1 Timing of Project Status Report. The Recipient will prepare a project status report, as described in this Sub-schedule “F.1” (Project Status Report) and as set out in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule), for each Local Project and Intercommunity Project once the service(s) for the Local Project or Intercommunity Project is 100% implemented and the service(s) for it is/are made available to the community.

F.1.1.2 Content of Project Status Report. The Project status report for each Intercommunity Project and Local Project will:

- (a) provide confirmation that the service(s) is/are complete; and
- (b) confirm the actual dates of completion of the tasks described in the work plan(s) submitted.

F.1.1.3 Form of the Project Status Reports. Below is an example of the form the Recipient will be required to complete for its Project Status Reports. The Province may, at its sole discretion and at any time, make changes to this form.

FORM OF PROJECT STATUS REPORT

Name of Recipient: **[insert]**

Report submitted by: **[insert]**

Telephone: **[insert]**

Email: **[insert]**

Submission date: **[insert]**

Intercommunity Project Status Report

[Provide a summary of the service(s) for each Intercommunity Project that is 100% implemented. Include any issues, concerns or challenges with the implementation of community transportation service(s), and the actions taken or to be taken to address them. Also insert information from the Timelines in Sub-schedule “C.3” (Project Timelines). Indicate the Project tasks completed to confirm 100% implementation, the projected dates of completion from the work plan, the actual date of completion, and any comments. If there is no Intercommunity Project involved, then insert N/A.]

Milestone No.	Key Milestone	Project Task	Projected Date of Completion	Actual Date of Completion	Comments

Local Project Status Report

[Provide a summary of the service(s) for each Local Project that is 100% implemented. Include any issues, concerns or challenges with the implementation of the community transportation service(s), and the actions taken or to be taken to address them. Also insert information from the Timelines in Sub-schedule “C.3” (Project Timelines). Indicate the Project tasks completed to confirm 100% implementation, the projected dates of completion from the work plan, the actual date of completion, and any comments. If there is no Local Project involved, then insert N/A.]

Milestone No.	Key Milestone	Project Task	Projected Date of Completion	Actual Date of Completion	Comments

**SUB-SCHEDULE “F.2”
INTERIM AND FINAL FINANCIAL REPORTS**

F.2.1.0 INTERIM FINANCIAL REPORTS

F.2.1.1 **Content of Interim Financial Reports.** The Recipient will prepare interim financial reports, as described in this Sub-schedule “F.2” (Interim and Final Financial Reports) and as set out in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule). Each report will include a statement of Eligible Expenditures incurred and paid to date, broken down by items. The statement will indicate:

- (a) the Funding Year;
- (b) the Funds received;
- (c) any other funding received, if any, including fare revenues; and
- (d) an explanation for any unspent Funds.

F.2.1.2 **Form of the Interim Financial Reports.** Below is an example of the form the Recipient will be required to complete for its interim financial reports. The Province may, at its sole discretion and at any time, make changes to this form.

FORM OF INTERIM FINANCIAL REPORT

Name of Recipient: **[insert]**

Report submitted by: **[insert]**

Telephone: **[insert]**

Email: **[insert]**

Submission date: **[insert]**

INTERIM FINANCIAL REPORT
for Eligible Expenditures from April XX¹, XXXX to March 31, XXXX

Eligible Expenditures	Initial Projected Costs	Actual Costs	Variance between the Initial Projected Costs and Actual Costs	Explanation of Variance
TOTAL				
CONTRIBUTION				
Source	Initial Projected Contribution	Actual Contribution	Variance Between Initial Projected Contribution and Actual Contribution	Explanation of Variance
Province				
Recipient				
Fares				
Other				
TOTAL				
Difference (Total Actual Contribution minus Total Actual Costs)				

1. For the first interim financial report, the period will begin on April 30, 2018. For all subsequent interim financial reporting, the period will begin on April 1.

F.2.1.3 **Local Project and Intercommunity Project.** If Funds are provided for both Local Project(s) and Intercommunity Project(s), the Recipient will provide an interim financial report and a revised budget forecast for each of those. For an Intercommunity Project, fare revenues must be reported against Eligible Expenditures. For a Local Project, should the Recipient choose to collect fares, fare revenues must be reported against Eligible Expenditures.

F.2.1.4 **Variiances.** If there are variances or changes in the Budget or the Eligible Expenditures, the interim financial report and revised budget forecast must, in the form provided in section F.2.1.5 (Form of Revised Budget Forecasts), include a revised fiscal forecast of the Budget for each Funding Year with a breakdown of the Eligible Expenditures up to the Completion Date.

F.2.1.5 **Form of Revised Budget Forecasts.** Below is an example of the form the Recipient will be required to complete for its revised budget forecasts. The Province may, at its sole discretion and at any time, make changes to this form.

FORM OF REVISED BUDGET FORECASTS

REVISED BUDGET FORECAST from April 30, 2018 to March 31, 2023						
Eligible Expenditures	Initial Projected Costs	Revised Projected Costs for Funding Year 1 April 30, 2018 to March 31, 2019	Revised Projected Costs for Funding Year 2 April 1, 2019 to March 31, 2020	Revised Projected Costs for Funding Year 3 April 1, 2020 to March 31, 2021	Revised Projected Costs for Funding Year 4 April 1, 2021 to March 31, 2022	Revised Projected Costs for Funding Year 5 April 1, 2022 to March 31, 2023
TOTAL						
CONTRIBUTION						
Province						
Recipient						
Fares						
Other						
TOTAL CONTRIBUTION						

F.2.1.6 **Additional Financial Information.** The Province may, at its sole discretion, request additional financial information on the Project.

F.2.1.7 **Actual Costs for Eligible Expenditures.** Each interim financial report and revised budget forecast will reflect the actual costs for the Eligible Expenditures incurred and paid and provide an explanation for any variances between the initial projected costs as set out in Sub-schedule “C.2” (Project Budget) and the actual costs of the Eligible Expenditures incurred and paid.

F.2.2.0 FINAL FINANCIAL REPORT

F.2.2.1 **Content of Final Financial Report.** The Recipient will prepare a final financial report for each Local Project and Intercommunity Project, in a form provided by the Province. Each final report will include a statement of Eligible Expenditures incurred and paid to date, broken down by items, for each Funding Year. The statement will indicate:

- (a) the Funds received;
- (b) any other funding received, if any, including fare revenues; and
- (c) an explanation for any unspent Funds.

F.2.2.2 **Form of the Final Financial Report.** Below is an example of the form the Recipient will be required to complete for the final financial report. The Province may, at its sole discretion and at any time, make changes to this form.

FORM OF FINAL FINANCIAL REPORT

Name of Recipient: **[insert]**

Report submitted by: **[insert]**

Telephone: **[insert]**

Email: **[insert]**

Submission date: **[insert]**

FINAL FINANCIAL REPORT
for Eligible Expenditures from April 30, 2018 to March 31, 2023

Eligible Expenditure	Initial Projected Costs	Actual Costs	Variance between the Initial Projected Costs and Actual Costs	Explanation of Variance
TOTAL				
CONTRIBUTION				
Source	Initial Projected Contribution	Actual Contribution	Variance Between Initial Projected Contribution and Actual Contribution	Explanation of Variance
Province				
Recipient				
Fares				
Other				
TOTAL				
Difference (Total Actual Contribution minus Total Actual Costs)				

F.2.2.3 Projected Costs and Actual Costs for Eligible Expenditures. The final financial report will include the initial projected costs as set out in Sub-schedule "C.2" (Project Budget) and the actual costs of the Eligible Expenditures incurred and paid.

F.2.2.4 **Variances.** The final financial report will include a summary explanation for the variance(s), if any, between the initial projected costs as set out in Sub-schedule “C.2” (Project Budget) and the actual Eligible Expenditures incurred and paid.

**SUB-SCHEDULE “F.3”
PROJECT PERFORMANCE REPORTS**

F.3.1.0 CONTENT OF PROJECT PERFORMANCE REPORTS

F.3.1.1 The Recipient will, in a form provided by the Province, prepare Project performance reports, as described in this Sub-schedule “F.3” (Project Performance Reports) and as set out in Sub-schedule “E.1” (Payment Plan for Milestones and Reporting Schedule). Each report will include:

- (a) the service performance in the previous 12-month period;
- (b) the progress on achieving any performance targets, and the service performance of the previous reporting period, unless reporting on the first year of service for the Project. If Funds are provided for both Local Project(s) and Intercommunity Project(s), the Recipient will report on both the Local Project(s) and Intercommunity Project(s); and
- (c) in the final performance report, the Recipient will include: a brief description of the community transportation services provided with the Funds, and a summary of benefits and impacts to the community.

F.3.1.2 **Performance Indicators.** The Recipient will report on the performance indicators, in a form provided by the Province and any other performance indicators included in the Recipient’s application to the Program.

F.3.1.3 **Phases of Service Implementation.** If the Project has phases of service implementation, the Recipient will provide the status on the phase of service implementation.

F.3.1.4 **Form of the Project Performance Reports.** Below is an example of the form the Recipient will be required to complete for the Project performance reports. The Province may, at its sole discretion and at any time, make changes to this form.

FORM OF PROJECT PERFORMANCE REPORT

Name of Recipient: **[insert]**

Report submitted by: **[insert]**

Telephone: **[insert]**

Email: **[insert]**

Submission date: **[insert]**

Status of later service implementation (as applicable): **[insert]**

Risk factors: **[insert]**

Risk mitigation: **[insert]**

LOCAL PROJECT PERFORMANCE REPORT

Performance Indicators (as applicable)	Baseline Service Target (as applicable)	Service Performance Year 1 2018-19 (as applicable)	Service Performance Year 2 2019-20 (as applicable)	Service Performance Year 3 2020-21	Service Performance Year 4 2021-22	Service Performance Year 5 2022-23
Total number of passenger trips provided (or boardings) over a 12-month period						
Total number of clients/passengers served over a 12-month period						
Average service hours over a 12-month period						
Days of the week service is provided						

Municipalities the service connects						
Connections to other transportation services or transportation hubs, or both						
Target demographic groups served (e.g., seniors, persons with disabilities, youth, etc.)						
[Other performance indicators]						

INTERCOMMUNITY PROJECT PERFORMANCE REPORT

Project Performance Indicators (as applicable)	Service Target (as applicable)	Service Performance Year 1 2018-19 (as applicable)	Service Performance Year 2 2019-20	Service Performance Year 3 2020-21	Service Performance Year 4 2021-22	Service Performance Year 5 2022-23
Total number of passenger trips provided (or boardings) over a 12-month period						
Total number of clients/passengers served over a 12-month period						
Days of the week service is provided						

Schedule of service (hours of service and frequency)						
Municipalities served by the route						
Connections to other transportation services or transportation hubs, or both						
Major destinations served (such as hospitals, employment centres, colleges, universities, major retail)						
Target demographic groups served (e.g., seniors, persons with disabilities, youth, etc.)						
[Other performance indicators]						

A. DESCRIPTION OF THE COMMUNITY TRANSPORTATION PROJECT

[To be completed at the end of the Project – insert]

B. IMPACT AND BENEFITS TO THE COMMUNITY

[To be completed at the end of the Project – insert]

**SUB-SCHEDULE “F.4”
SERVICE SUSTAINABILITY PLAN**

F.4.1.0 SERVICE SUSTAINABILITY PLAN

F.4.1.1 Content of Service Sustainability Plan. The Recipient will prepare and provide to the Province a service sustainability plan, in a form provided by the Province, that describes the strategy to maintain the community transportation service(s) implemented as part of the Project after the Completion Date. The plan will include:

- (a) funding from other sources to fund the service(s);
- (b) strategy for fundraising, including from fare revenues to fund the service(s);
- (c) strategy to work with community organizations to deliver service(s); and
- (d) service modifications for sustainability.

F.4.1.2 Discontinuation of Community Transportation Service(s). In the event the Recipient is unable to maintain the community transportation service(s) implemented as part of the Project after the Completion Date to a level that is the same or above that provided under the Project, the Recipient will provide to the Province, in a form provided by the Province, a description of the strategy it will implement to mitigate the impacts of this change in service on the clients/passengers.

F.4.1.3 Local Project and Intercommunity Project. If Funds are provided for both Local Project(s) and Intercommunity Project(s), the plan must address both the Local Project and the Intercommunity Project services.

F.4.1.4 Form of Service Sustainability Plan or Mitigation Strategy. Below is an example of the form the Recipient will be required to complete for the service sustainability plan or mitigation strategy. The Province may, at its sole discretion and at any time, make changes to this form.

FORM SERVICE SUSTAINABILITY PLAN

Name of Recipient: **[insert]**

Report submitted by: **[insert]**

Telephone: **[insert]**

Email: **[insert]**

Submission date: **[insert]**

Service sustainability plan/Mitigation strategy: **[insert]**

SCHEDULE “G” COMMUNICATIONS PROTOCOL

G1.0 PURPOSE

G1.1 **Purpose.** This Schedule “G” (Communications Protocol) describes the Recipient’s responsibilities and financial obligations involved in communications activities and products to recognize the contributions of the Government of Ontario and the Recipient.

G2.0 GENERAL PRINCIPLES

G2.1 **Joint Communications.** The Recipient agrees to undertake joint communications activities and collaborate on products to ensure open, effective, and proactive communications.

G2.2 **Recognition and Prominence.** Unless the Province specifies otherwise, the financial contribution of the Province will receive equal recognition and prominence in Project related communications, including when logos, symbols, flags, and other types of identification are incorporated into events signs.

G2.3 **Announcements and Ceremonies.** All announcements and ceremonies will be organized jointly with equal participation from the Recipient and the Province.

G2.4 **Electronic Media.** All communications through electronic media such as web sites, social media, or management information systems are subject to the terms and conditions of this Schedule “G” (Communications Protocol).

G2.5 **Communications Protocol and Other Requirements.** All events and signage will follow the communications protocols set out in this Schedule “G” (Communications Protocol) and any other requirements that may be specified by the Province from time to time.

G2.6 **Approval of Province.** All communications referencing the Government of Ontario must be submitted a minimum of 15 days in advance and approved by the Province prior to release.

G3.0 PROJECT COMMUNICATIONS

G3.1 **General.** All written communications concerning the Agreement and the Project will be prepared in a manner that supports the communications objectives and branding of each Party to the Agreement.

G3.2 Provincial Funding Statement. All public information material made by the Recipient concerning the Agreement and Project will clearly indicate that the Project is funded by the Government of Ontario.

G3.3 Project Promotion.

- (a) The Recipient is responsible for the promotion of its activities and objectives. The Recipient may provide at the Recipient's discretion, project communications such as: a project web site, print, audiovisual and other communications about the Project as it proceeds. The Recipient will inform the Province of any such promotional communication a minimum of 15 days before it takes place. The Recipient will also ensure appropriate recognition of the Province's contribution in annual reports, speeches or other opportunities, as appropriate.
- (b) The Recipient is solely responsible for operational communications including emergency and public safety notices.
- (c) The Recipient will share information promptly with the Province on significant emerging media and stakeholder issues concerning the Agreement and the Project. The Province will advise the Recipient, where appropriate, about media inquiries.
- (d) The Recipient and the Province reserve the right to refer to the Funds in their own separate, and non-Project specific communications. Each Party commits to acknowledging the other's involvement in the Project.
- (e) The Recipient may provide professional quality audio-visual material about the Project to the Province to support wider communications about the Funds.

G4.0 COMMUNICATING WITH THE PUBLIC

G4.1 General.

- (a) The Recipient will provide Notice to and consult with the Province, a minimum of 15 days in advance, about all proposed news releases, social and digital media communications activities, or public announcements relating to the Project. This is to provide the Province with sufficient notice of key communications and, if the Province so desires, the time that is necessary to determine a course of action, line up principals and prepare joint material. Notwithstanding the advance Notice requirement, the Province will not unreasonably withhold its consent if the Recipient must issue a news release or public announcement in less than 15 days due to unforeseeable circumstances, including matters of public safety or the need for emergency response.

- (b) The Recipient will advise the Province regularly of upcoming public events or community relations activities relating to the Agreement. The Recipient commits to acknowledging the Province's involvement.
- (c) In the event of an election call that affects a riding that the Project is located in, whether federal, provincial or municipal, no public announcements will be permitted. For clarification, this does not include announcements and communications made under paragraph G3.3(b).

G4.2 Signing of the Agreement. The Recipient and the Province may issue a joint news release when the Agreement is signed. The Recipient and the Province agree to hold, where appropriate, an official ceremony on this occasion.

G4.3 Public Information Kits. The Recipient and the Province may develop joint information kits, brochures, public reports, social and digital content, and web site material to inform the public about the Project. Such material will be prepared in a manner consistent with this Schedule "G" (Communications Protocol) and any core messages developed by the Recipient or the Province. The choice of colour will be neutral in nature and not identified with any political party.

G4.4 News Releases. The Recipient and the Province may issue joint news releases at relevant times in the life of the Project. In all such news releases, the Recipient and the Province will receive equal prominence and will mutually agree on the use of quotes from the designated representatives of the Province or the Recipient in the news releases.

G4.5 News Conferences, Public Announcements, Official Events or Ceremonies.

- (a) The Recipient and the Province agree to hold news conferences, public announcements, official events or ceremonies at the request of the other. The designated representative of each of the Recipient and the Province will be provided the opportunity to participate in such news conferences.
- (b) No public announcement relating to the Project, with the exception of those Notices described in paragraph G3.3(b), will be made by the Recipient without the prior consent of the Province.
- (c) The Recipient and the Province will cooperate in the organization of announcements or ceremonies. Messages and public statements for such events are to be mutually agreed upon. The Province may recommend special events and ceremonies be held where and when appropriate.

- G4.6 **Visual Identity Signage for Vehicles Acquired with Funds.** The Recipient will install and maintain the exterior and interior visual identity signage, to be provided by the Province, on vehicles for which Funds were provided. This is to include replacement buses that have been supported through the Program. External visual identity signage must be located immediately to the left of the front passenger entrance doors of the vehicle. Internal visual identity signage must be placed on an interior wall in a location and height that will be convenient for passengers to read.
- G4.7 **Advertising.** Recognizing that advertising can be an effective means of communicating with the public, subject to the terms of the Agreement, the Recipient or the Province may, at their own costs and upon 90-days Notice carry out Project-related advertising or public information campaign.
- G4.8 **Monitoring and Compliance.** The Province will monitor the Recipient's compliance with this Schedule "G" (Communications Protocol), and may, at its discretion, advise the Recipient of issues and required adjustments.

**SCHEDULE “H”
DISPOSAL OF VEHICLES ACQUIRED WITH FUNDS**

- H1.1 **Notification and Payment if Disposal.** The Recipient undertakes to notify the Province in writing, 180 days in advance, if, at any time within 12 years for a conventional transit vehicle or 5 years for a specialized transit vehicle acquired with Funds or for which Funds were provided, the Recipient proposes to sell, lease, or otherwise dispose of the vehicle in a manner other than as described in the Agreement. Upon disposal of the vehicle and unless the Province otherwise consents in writing and at its sole discretion, 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 (Notification and Payment if Disposal), the payment obligations set out in section H1.1 (Notification and Payment if Disposal) 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.** Notwithstanding the foregoing, if any vehicle described in section H1.1 (Notification and Payment if Disposal) is sold, leased or otherwise disposed of during the 12-year period for conventional vehicles or a 5-year period for a specialized vehicle, and 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 (Notification and Payment if Disposal) and with the Province’s prior written consent, reinvest the proceeds from the disposal into the replacement vehicle.