

FUNDING AGREEMENT - OTHER

BETWEEN:

HIS MAJESTY THE KING IN RIGHT OF CANADA, as represented by the Minister of Indigenous Services and the Minister of Crown-Indigenous Relations ("Canada").

AND:

CITY OF FREDERICTON, incorporated or established under the laws of Canada ("CITY OF FREDERICTON").

PREAMBLE

WHEREAS the parties wish to enter into an agreement for the funding of certain Activities to be delivered by CITY OF FREDERICTON.

NOW THEREFORE, the parties agree as follows:

1 Duration

- 1.1 This Agreement will be in effect from the 1st day of April, 2023 (the "effective date") and will expire on the 31st day of March, 2024 (the "expiry date"), unless terminated earlier or shortened or extended by amendment.

2 Objective

- 2.1 The purpose of this Agreement is for Canada to provide the Funding to CITY OF FREDERICTON for the delivery of the Activities.

3 Responsibility

- 3.1 Each party shall carry out its respective rights and obligations in accordance with the terms of this Agreement and applicable laws.

4 Relationship

- 4.1 Nothing in this Agreement creates or is to be construed as creating a joint venture, partnership, service contract or principal and agent relationship between the parties, and CITY OF FREDERICTON shall not represent itself to any third party as acting on behalf of Canada, as being a joint-venturer, partner, a service contractor, principal, agent or delegate of Canada.

5 Funding

- 5.1 Subject to the terms and conditions of this Agreement, Canada shall transfer the Funding to CITY OF FREDERICTON in accordance with the schedule of periodic payments set out in Schedule 3.
- 5.2 The parties acknowledge that, if this is a multi-year agreement, not all Funding for the full term of this Agreement may be set out in Schedule 3 at any given time. Funding for subsequent Fiscal Years may be determined or adjusted annually in accordance with the terms of this Agreement. Amendments to Schedule 3 for this purpose will be made by way of a Notice of Budget Adjustment (NOBA) or other amendment process.

6 Formula-based or Factor-based Funding Adjustments

- 6.1 Where the amount of any Funding will change in accordance with a predetermined adjustment factor or formula set out in Schedule 4 or Schedule 6, Canada shall, by NOBA, amend Schedule 3 accordingly.

7 Notice of Budget Adjustment (NOBA)

- 7.1 Canada may, by NOBA, amend Schedule 3 in order to adjust the Funding and/or periodic advance

payments for one or more Fiscal Years.

7.2 A NOBA will be signed by Canada, set out the details of the Funding changes and contain an amended Schedule 3 for this Agreement.

7.3 A NOBA may not:

(a) reduce overall Funding except according to an adjustment factor or formula set out in Schedule 4 or Schedule 6; or

(b) modify the terms and conditions of this Agreement, except as provided for in subsection 7.1.

8 Multiple Departments

8.1 Canada's rights and obligations under this Agreement may be carried out by any Federal Department.

9 Funding Subject to Appropriations and Departmental Funding Authorities

9.1 The payment of any Funding is subject to there being an appropriation for the Fiscal Year in which the payment is to be made. Notwithstanding any other provision of this Agreement, Canada may reduce or cancel the Funding in the event that departmental funding levels of any Federal Department are changed by Parliament during the term of this Agreement.

9.2 In the event that any funding authority of any Federal Department for which the Funding is provided is modified or cancelled by the Treasury Board of Canada or by that Federal Department, Canada may adjust or cancel the Funding accordingly.

9.3 Where Set Funding, Fixed Funding or Flexible Funding is to be reduced or cancelled under subsection 9.2, Canada shall provide at least 60 days prior notice to CITY OF FREDERICTON. This notice will specify the Activities, the Fiscal Year(s) and amounts in respect of which any such Funding will be reduced or cancelled.

9.4 Where any Block Funding is to be reduced or cancelled under subsection 9.2 Canada shall provide at least 1 year's prior notice to CITY OF FREDERICTON.

10 Adjustment of Cash Flow

10.1 CITY OF FREDERICTON may request adjustment of any periodic payment set out in Schedule 3 for an Activity where it differs from its anticipated expenditures for the corresponding period. In this case, CITY OF FREDERICTON shall propose adjustments to that Schedule accordingly. Canada shall notify CITY OF FREDERICTON of acceptance or rejection of the proposed adjustments within 30 days of CITY OF FREDERICTON's notification. Where Canada accepts the proposed adjustments, Canada shall issue a notice of acceptance or a NOBA containing the revised Schedule 3.

10.2 The total annual funding amount for an Activity set out in Schedule 3 may not be changed under subsection 10.1.

11 Eligible Expenses - General

11.1 In addition to the requirements of section 21, Schedule 2 and Schedule 6, CITY OF FREDERICTON may only expend the Funding where the expense is: (i) directly related to the carrying out of CITY OF FREDERICTON's responsibilities under this Agreement; and (ii) CITY OF FREDERICTON follows generally accepted business practices in negotiating the price and other terms and conditions for the expenditure.

12 Reimbursement of Ineligible Expenditures

12.1 For each Activity identified as Set, Fixed and Flexible in Schedule 3, CITY OF FREDERICTON shall repay to Canada any expenditure it makes against annual amounts allocated in that Schedule for that Activity that is not in accordance with the terms and conditions of Schedule 2 or the Delivery Requirements set out in Schedule 4 or Schedule 6 for that Activity, unless Canada agrees otherwise in writing.

12.2 Subject to subsections 5.3 and 5.4 of Schedule 2, CITY OF FREDERICTON shall repay to Canada any expenditure it makes in a Fiscal Year against the total of annual amounts for Activities funded by Block Funding where that expenditure is not in accordance with the Delivery Requirements for at least one of those Activities.

- 12.3 If Cost-Sharing applies to any Activity according to the Delivery Requirements, CITY OF FREDERICTON shall instead repay to Canada an amount, proportional to Canada's funding share, of any expenditure against the annual amounts from all required sources allocated for that Activity that is not in accordance with the terms and conditions of this Schedule or the Delivery Requirements.

13 Deficits

- 13.1 CITY OF FREDERICTON shall be responsible for any expenditure it makes in excess of the Funding.

14 Reports and Records

- 14.1 Each Fiscal Year, CITY OF FREDERICTON shall prepare and submit to ISC all reports listed in Schedule 5 for each Fiscal Year in accordance with the requirements for each report set out in the *Reporting Guide* for that Fiscal Year.
- 14.2 If this Agreement covers more than one Fiscal Year, Canada may, on or before the start of each Fiscal Year, issue a new Schedule 5 for that Fiscal Year.
- 14.3 Canada shall publish the *Reporting Guide* no later than 90 days before the start of each Fiscal Year. Canada may amend the *Reporting Guide* during a Fiscal Year for the same Fiscal Year only if the amendment arises from a Treasury Board requirement. Canada shall promptly notify CITY OF FREDERICTON of any such amendment.
- 14.4 Canada may, by notice to CITY OF FREDERICTON, extend the deadline for the receipt of any reports if CITY OF FREDERICTON provides notice before the applicable due dates of circumstances beyond CITY OF FREDERICTON's control preventing CITY OF FREDERICTON from meeting the deadlines. Such a notice may only change the reporting date and no other reporting requirements, will be signed by Canada and will amend this Agreement in accordance with its terms.
- 14.5 CITY OF FREDERICTON shall retain all original financial and non-financial accounts and records, in paper or electronic form, that relate to the Activities and use of Funding under this Agreement, including accounts and records that are required to prepare reports under this Agreement, for a period of 7 years following the end of the last Fiscal Year to which the records relate. Such records, whether kept in paper or electronic form, must be organized, complete, legible and accessible.
- 14.6 If CITY OF FREDERICTON is required to provide Audited Consolidated Financial Statements as indicated in Schedule 5, CITY OF FREDERICTON shall have its yearly financial reports audited by an independent auditor who is recognized in the Province or Territory in which CITY OF FREDERICTON has its administrative offices. CITY OF FREDERICTON shall notify Canada of the appointment of the auditor at least 2 weeks before the end of the Fiscal Year being covered by the audited financial reports.
- 14.7 ISC may deliver a copy of CITY OF FREDERICTON's financial reporting required under the *Reporting Guide*, including, where required under this Agreement, its Audited Consolidated Financial Statements, to any Federal Department. ISC shall not provide a copy of such statements or reports to any third party or other part of the federal government, except where agreed to in writing by CITY OF FREDERICTON or where authorized or permitted by law.

15 Where Reporting or Disclosure Requirements are not met

- 15.1 Without limiting remedies available to Canada under this Agreement, Canada may withhold funds from CITY OF FREDERICTON when CITY OF FREDERICTON has not submitted, by the due date, any financial or other report required by this Agreement or by a predecessor funding agreement between CITY OF FREDERICTON and a Federal Department.
- 15.2 Canada shall pay the withheld funds to CITY OF FREDERICTON within 45 days of the required reports being submitted by CITY OF FREDERICTON and accepted by Canada, subject to section 25.3.
- 15.3 Without limiting remedies available to Canada under this Agreement, if CITY OF FREDERICTON defaults in its obligation under this Agreement or any predecessor to provide Canada with its Audited Consolidated Financial Statements, together with all schedules and reports required under the *Reporting Guide*, Canada may:
- (a) require that an independent auditor who is a member in good standing of a corporation, institute or association of accountants incorporated under an Act of the legislature of the Province or Territory in which CITY OF FREDERICTON has its administrative offices be engaged immediately by CITY OF FREDERICTON at CITY OF FREDERICTON's cost and that the Audited Consolidated Financial Statements, together with all schedules and reports required under the *Reporting Guide*, be delivered within a reasonable time as Canada may determine; or

- (b) appoint an independent auditor who is a member in good standing of a corporation, institute or association of accountants incorporated under an Act of the legislature of the Province or Territory in which CITY OF FREDERICTON has its administrative offices and in which case:
 - (i) CITY OF FREDERICTON shall provide the auditor appointed by Canada with full access to its financial records and provide such other information as the auditor may require to perform the audit; and
 - (ii) CITY OF FREDERICTON shall reimburse Canada for all costs incurred in having the audit conducted.

16 Contracting-Out and Delegation

16.1 Subject to the other provisions of this section, CITY OF FREDERICTON may contract-out or delegate any of its functions or obligations under this Agreement to an Agency. CITY OF FREDERICTON shall remain responsible to Canada for the performance of all such contracted or delegated matters.

16.2 If CITY OF FREDERICTON wishes to contract-out or delegate any of its functions or obligations under this Agreement to an Agency, it shall:

- (i) enter into an agreement with the Agency for that purpose;
- (ii) ensure that the Agency complies on behalf of CITY OF FREDERICTON with all requirements of this Agreement that are:
 - (a) relevant or applicable to the functions or Activities contracted-out or delegated to the Agency; or
 - (b) necessary to allow CITY OF FREDERICTON to comply with its obligations to Canada; and
- (iii) make the agreement available to Canada upon request, subject to applicable laws.

17 Distributed Payments to Sub-Recipients

17.1 In this section,

"AMF" means CITY OF FREDERICTON's accountability and management framework described in section 17.3.

"Sub-Recipient" means any entity other than CITY OF FREDERICTON to which CITY OF FREDERICTON further distributes Funding to enable that entity to deliver Sub-Recipient Activities.

"Sub-Recipient Activity" means any program, service, activity, initiative or project delivered by a Sub-Recipient that: (i) is consistent with a Delivery Requirement in respect of which any amount of the Funding is further distributed by CITY OF FREDERICTON under this section; and (ii) is undertaken by a Sub-Recipient in accordance with a Sub-Recipient Agreement.

"Sub-Recipient Agreement" means an agreement entered into between CITY OF FREDERICTON and a Sub-Recipient in accordance with section 17.4.

17.2 CITY OF FREDERICTON may further distribute Funding to one or more Sub-Recipients to undertake Sub-Recipient Activities in accordance with: (i) this section; and (ii) its AMF.

17.3 **Accountability and Management Framework:** If CITY OF FREDERICTON provides funding to Sub-Recipients under this section, it shall prepare and implement an AMF that is shared with, and acceptable to, Canada. The AMF must set out:

- (a) a description of the distributed payments system to be used by CITY OF FREDERICTON with Sub-Recipients that is consistent with section 17.4;
- (b) a description of the Sub-Recipient Activities;
- (c) a description of the eligible class or classes of Sub-Recipients;
- (d) a clear, transparent, and open decision-making process regarding the selection of Sub-Recipients, and a redress system for complaints regarding decisions of CITY OF FREDERICTON

relating to Sub-Recipients or other entities that applied for funding from CITY OF FREDERICTON;

- (e) a statement of: (i) the amount of the Funding that will be distributed to Sub-Recipients; and (ii) the amount of administrative expenses CITY OF FREDERICTON expects to incur that is consistent with any administrative expense provisions in the Delivery Requirements for the Activities in question; and
- (f) performance expectations related to CITY OF FREDERICTON's distributed payments system.

17.4 Agreements with Sub-Recipients: If CITY OF FREDERICTON provides funding to Sub-Recipients under this section, it shall use written agreements between it and each Sub-Recipient that must contain, at a minimum, terms setting out:

- (a) identification of the Sub-Recipient (proper legal name and address);
- (b) the effective date and duration of the agreement;
- (c) a description of the Sub-Recipient Activities to be undertaken by the Sub-Recipient;
- (d) the amount of funding to be provided by CITY OF FREDERICTON to the Sub-Recipient and a funding schedule;
- (e) eligible expenses for which the funding may be used;
- (f) that the Sub-Recipient is responsible for the Sub-Recipient Activities, and that the Sub-Recipient acts on its own behalf and not on behalf of, or as an agent, contractor, or delegate of CITY OF FREDERICTON;
- (g) the financial and non-financial conditions on the funding;
- (h) a requirement for the Sub-Recipient to repay to CITY OF FREDERICTON any amount of funding that is provided to the Sub-Recipient that is: (i) not accounted for by the Sub-Recipient; (ii) not used in accordance with the Sub-Recipient Agreement; or (iii) an overpayment or any other amount that is repayable to CITY OF FREDERICTON under the Sub-Recipient Agreement;
- (i) the reporting and any evaluation obligations of the Sub-Recipient to CITY OF FREDERICTON in respect of its Sub-Recipient Activities and the use of the funding provided. Reporting obligations must provide CITY OF FREDERICTON with reports in a manner and at intervals that allow CITY OF FREDERICTON to comply with its reporting and record-keeping obligations under this Agreement;
- (j) the audit and enforcement rights of CITY OF FREDERICTON sufficient to ensure accountability for the distributed funding. Enforcement rights of CITY OF FREDERICTON must include all steps that can be taken by CITY OF FREDERICTON to address a Sub-Recipient default, including discussions, dispute resolution processes, remediation plans, withholding of funds by CITY OF FREDERICTON, and termination or enforcement of the Sub-Recipient Agreements;
- (k) a right for CITY OF FREDERICTON to provide copies of: (i) the Sub-Recipient Agreement; and (ii) any review, evaluation or audit reports under that agreement, to Canada; and
- (l) Canada's role in providing the Funding that is used for the distributed payments to Sub-Recipients, and that the Sub-Recipient is not a funding recipient, contractor or agent, or partner of Canada.

17.5 Monitoring and Audit of Sub-Recipient Agreement: CITY OF FREDERICTON shall exercise due diligence in the administration of its Sub-Recipient Agreements. Without limiting the generality of the foregoing, in exercising due diligence, CITY OF FREDERICTON shall:

- (a) furnish the Sub-Recipient with such advice and support as the Recipient deems appropriate to assist Sub-Recipients to better realize the objectives of the Sub-Recipient Agreements.
- (b) undertake periodic audits or inspections of financial records, as appropriate, to verify that costs claimed under Sub-Recipient Agreements were incurred in accordance with those agreements;
- (c) where there is a breach of a Sub-Recipient Agreement by a Sub-Recipient, take appropriate steps and, if necessary, enforcement measures; and
- (d) make all reasonable efforts to recover any amount of the distributed funding that is repayable by a

Sub-Recipient.

17.6 **Reporting to Canada:** When CITY OF FREDERICTON provides funding to Sub-Recipients under this section it shall provide Canada upon request with:

- (a) a copy of its AMF and any evaluations and performance reports relating to its distributed payments system; and
- (b) copies of all Sub-Recipient Agreements, and any evaluation or audit reports relating to such agreements.

18 Environmental Obligations

18.1 CITY OF FREDERICTON and Canada shall cooperate for CITY OF FREDERICTON to ensure that, with respect to any Activity to be undertaken by CITY OF FREDERICTON with any of the Funding, all applicable requirements of the *Impact Assessment Act* and any other applicable environmental laws will be followed.

19 Indemnification

19.1 CITY OF FREDERICTON shall indemnify and save harmless the Crown, his Ministers, officers, employees, agents, successors and assigns from and against all claims, liabilities, and demands arising directly or indirectly from any acts or omissions of CITY OF FREDERICTON or of any of its employees or agents in respect of, or resulting from: (i) CITY OF FREDERICTON's performance or non-performance of its obligations under this Agreement; or (ii) CITY OF FREDERICTON entering into any loan, capital lease or other long term obligation.

20 Insurance

20.1 CITY OF FREDERICTON shall be responsible for determining whether to purchase insurance coverage for its protection and to cover its obligations under this Agreement.

21 Loans

21.1 CITY OF FREDERICTON shall not make loans from the Funding unless permitted to do so in a Schedule.

22 Stacking of Assistance

22.1 CITY OF FREDERICTON shall provide notice to Canada, prior to the end of each Fiscal Year, if CITY OF FREDERICTON receives funding assistance from the Crown (other than as contained in this Agreement) or from any provincial, territorial or municipal government that may be used for any of the Activities. In such case, Canada may require CITY OF FREDERICTON to repay any amount of the Funding that Canada considers a duplication of the funding from the other sources.

23 Default

23.1 CITY OF FREDERICTON will be in default of this Agreement in the event:

- (a) CITY OF FREDERICTON defaults on any of its obligations set out in this Agreement or any other agreement through which a Federal Department provides funding to CITY OF FREDERICTON;
- (b) the auditor of CITY OF FREDERICTON gives a disclaimer of opinion or adverse opinion on the Audited Consolidated Financial Statements of CITY OF FREDERICTON in the course of conducting any audit under this Agreement or any previous agreement under which a Federal Department provides funding to CITY OF FREDERICTON;
- (c) Canada, having regard to CITY OF FREDERICTON financial statements and any other financial information relating to CITY OF FREDERICTON reviewed by Canada, determines the financial position of CITY OF FREDERICTON is such that the delivery of any Activity is at risk; or
- (d) CITY OF FREDERICTON becomes bankrupt or insolvent, goes into receivership, takes the benefit of any statute from time to time being in force relating to bankrupt or insolvent debtors, ceases operations, or ceases to be a corporation in good standing under the laws of Canada or of a Province or Territory of Canada, as applicable.

24 Remedies on Default

- 24.1 Without limiting any remedy or other action Canada may take under this Agreement, in the event CITY OF FREDERICTON is in default under this Agreement, the parties will communicate or meet to review the situation.
- 24.2 In the event CITY OF FREDERICTON is in default under this Agreement, Canada may take one or more of the following actions:
- (a) require CITY OF FREDERICTON to develop and implement a Management Action Plan within 60 days, or at such other time as the parties may agree upon and set out in writing;
 - (b) require CITY OF FREDERICTON to seek advisory support acceptable to Canada;
 - (c) withhold any Funding otherwise payable under this Agreement;
 - (d) require CITY OF FREDERICTON to take any other reasonable action necessary to remedy the default;
 - (e) take such other reasonable action as Canada deems necessary, including any remedies which may be set out in any Schedule; or
 - (f) terminate this Agreement.

25 Repayment

- 25.1 CITY OF FREDERICTON shall, at such times as this Agreement specifies and otherwise upon written demand, repay to Canada any amount of the Funding which:
- (a) has not been accounted for by CITY OF FREDERICTON in accordance with this Agreement;
 - (b) is spent by CITY OF FREDERICTON for purposes other than those authorized under this Agreement;
 - (c) Canada determines to be a recoverable stacking amount under section 22; or
 - (d) is an overpayment or any other amount that is repayable by CITY OF FREDERICTON under this Agreement.

Such amounts are debts due to the Crown.

- 25.2 Interest will be charged on any debts in accordance with the *Interest and Administrative Charges Regulations* and also constitutes a debt due to the Crown.
- 25.3 Without limiting the scope of set-off or compensation rights available to the Crown at common law, under the *Civil Code of Québec*, under the *Financial Administration Act* or otherwise, Canada may set-off or seek compensation against the Funding for:
- (a) any amount that is a debt due to the Crown pursuant to subsection 25.1 and 25.2; and
 - (b) any amount that CITY OF FREDERICTON owes to the Crown under legislation or any other agreement of any kind.

26 Non-Monetary Contributions

- 26.1 Canada may provide a contribution of goods or services to CITY OF FREDERICTON to support CITY OF FREDERICTON's delivery of any Activities.
- 26.2 With the written consent of CITY OF FREDERICTON, a non-monetary contribution with a value of up to \$5,000 may be made by way of Canada:
- (a) delivering the goods and/or services to CITY OF FREDERICTON; and
 - (b) issuing a notice of non-monetary contribution ("NONMC") to CITY OF FREDERICTON for the delivery of the contributed goods or services pursuant to this section.
- 26.3 A NONMC will be signed by Canada and will:

- (a) list each of the goods and/or services to be contributed;
- (b) set out the location where each of the goods and/or services will be delivered and the expected date or time period for such delivery;
- (c) indicate the value of the non-monetary contribution based on Canada's actual costs for the purchase and delivery of the contributed goods and/or services, or the fair market value of the foregoing (whichever is less); and
- (d) be issued prior to or upon delivery of the goods and/or services and include conditions for the contribution, including any reporting conditions.

26.4 Any non-monetary contribution with a value in excess of \$5,000 may be made by way of Canada and CITY OF FREDERICTON entering into a non-monetary contribution agreement.

26.5 Where Canada contributes goods and/or services under this section, CITY OF FREDERICTON shall:

- (a) use the goods or services solely for the purposes of delivering Activities as specified in the NONMC or as otherwise agreed between the parties in writing;
- (b) comply with the conditions set out in the NONMC; and
- (c) account for the non-monetary contribution in either its Audited Consolidated Financial Statements if Audited Consolidated Financial Statements are required under this Agreement, or in its other financial reports as identified in Schedule 5.

27 Audit

27.1 Canada may audit or cause to have audited the accounts and records of CITY OF FREDERICTON and any Agency at any time during the term of this Agreement or within 7 years of the termination or expiry of this Agreement, in order to:

- (a) assess or review CITY OF FREDERICTON's compliance with the terms and conditions of this Agreement;
- (b) review CITY OF FREDERICTON's program management and financial control practices in relation to this Agreement; or
- (c) confirm the integrity of any data which has been reported by CITY OF FREDERICTON pursuant to this Agreement.

27.2 The scope, coverage and timing of any audit will be determined by Canada and may be carried out by one or more auditors employed or contracted by Canada.

27.3 Canada shall notify CITY OF FREDERICTON at least 2 weeks in advance of an audit under this section.

27.4 In the event of an audit under this section, CITY OF FREDERICTON shall, upon request:

- (a) provide the auditors with all accounts and records of CITY OF FREDERICTON relating to this Agreement and to the Contribution Funding, including all original supporting documentation (whether in paper or electronic form);
- (b) allow those auditors to inspect such accounts and records and, except where prohibited by law, to take copies and extracts of such accounts and records;
- (c) provide to those auditors such additional information as they may require with reference to such accounts and records;
- (d) provide all necessary assistance to those auditors, including providing them with access to CITY OF FREDERICTON's premises;
- (e) direct any entity that has provided accounting or record-keeping services to CITY OF FREDERICTON to provide copies of those accounts and records to the auditors; and
- (f) give consent to CITY OF FREDERICTON's auditors to allow access by Canada's auditors to working papers of CITY OF FREDERICTON's auditors that support the opinion or disclaimer of

opinion on Audited Consolidated Financial Statements where Audited Consolidated Financial Statements are required under this Agreement.

27.5 If at any time during the term of this Agreement, Canada is of the opinion that there may have been a default, the 2 week notice period will not apply and CITY OF FREDERICTON shall, on request, provide Canada with immediate access to its accounts, records and supporting documentation (whether in paper or electronic form) relating to the Contribution Funding, or those of any Agency.

27.6 The accounts and records Canada may audit or cause to have audited under this section include records maintained under any previous funding agreement through which the Crown has provided funding to CITY OF FREDERICTON that, in the opinion of any auditor employed or contracted by Canada, may be relevant to the audit.

27.7 An audit under this section does not limit:

- (a) Canada's right to conduct an evaluation of this Agreement under section 28 of this Agreement;
- (b) CITY OF FREDERICTON's obligation to provide to Canada the financial reports identified in Schedule 5; or
- (c) Canada's right to appoint an independent auditor or to require CITY OF FREDERICTON to appoint an independent auditor under subsection 15.3 where Audited Consolidated Financial Statements have not been provided to Canada by CITY OF FREDERICTON.

28 Evaluation

28.1 Canada may at any time during the term of this Agreement or within 7 years of its expiry or termination, carry out one or more evaluations of the effectiveness of this Agreement.

28.2 CITY OF FREDERICTON shall cooperate in the conduct of any such evaluation and provide Canada or its representatives such information as they require, including any records that are required to be retained under subsection 14.5.

29 Dispute Resolution

29.1 Canada and CITY OF FREDERICTON shall attempt to negotiate a resolution to any disputes arising between them regarding the interpretation of a provision of this Agreement or the obligation of a party under this Agreement in a timely manner.

29.2 Canada and CITY OF FREDERICTON may agree to non-binding mediation to resolve any dispute. In such case, each party shall bear its own costs and bear equally the costs of any independent third party appointed to assist the parties to try to resolve the dispute.

30 Termination

30.1 Either party may terminate this Agreement by providing notice to the other party stipulating the reason for termination, provided that before any such termination can become effective:

- (a) the parties exhaust the dispute resolution process if relevant to the termination; and
- (b) the parties agree on a time frame to terminate the Agreement.

30.2 In the event of the termination of this Agreement:

- (a) CITY OF FREDERICTON shall provide Canada with all reporting for all Funding as required by the *Reporting Guide*, or such parts of that financial reporting as specified by Canada, within 120 days of the date of termination;
- (b) subject to rights of set-off, Canada shall pay to CITY OF FREDERICTON any Funding owed to CITY OF FREDERICTON up to the termination date of this Agreement unless CITY OF FREDERICTON and Canada agree otherwise in writing;
- (c) without limiting any other obligation under this Agreement to repay amounts to Canada, CITY OF FREDERICTON shall repay to Canada any unexpended Funding up to the termination date of this Agreement, and within 120 days thereof, unless CITY OF FREDERICTON and Canada agree otherwise in writing; and

- (d) CITY OF FREDERICTON shall fulfill any other obligation relating to termination as set out in any Schedule.

31 This Agreement

31.1 This Agreement constitutes the entire agreement between the parties and supersedes all discussions, negotiations and commitments in relation to the subject matter of this Agreement which may have preceded the signing of this Agreement. For greater certainty, this clause does not supersede or affect any obligations of the parties in relation to other subject matter, including obligations arising under prior or other funding agreements between the parties.

31.2 The following Schedules are attached to and form part of this Agreement:

- SCHEDULE 1 - Definitions
- SCHEDULE 2 - Contribution Funding (Set, Fixed, Flexible, Block) and Grant Funding
- SCHEDULE 3 - Funding and Schedule of Payments
- SCHEDULE 4 - Delivery Requirements and Funding Adjustment Factors
- SCHEDULE 5 - Reporting and Due Dates
- SCHEDULE 6 - Intentionally Omitted
- SCHEDULE 7 - Intentionally Omitted
- SCHEDULE 8 - Intentionally Omitted

31.3 Descriptive headings in this Agreement are inserted solely for convenience of reference, do not form part of this Agreement, and are not to be used as an aid in the interpretation of this Agreement.

31.4 If the phrase "Intentionally Omitted" appears in this Agreement opposite a section number, it either means that the section, which is normally contained in other template forms of this Agreement, is not applicable to this Agreement or has been omitted by agreement. The enumeration of such a section is left intact in order to avoid re-numbering this Agreement.

31.5 All rights and obligations of the parties which expressly, or by their nature, survive termination or expiry of this Agreement will survive unless and until they are fulfilled, or by their nature expire. Without limiting the generality of the foregoing, the following sections or subsections contain rights and obligations of the parties that may or will remain in effect after the termination or expiry of this Agreement:

- (a) *Main body of this Agreement:* 11 (Eligible Expenses - General); 12 (Reimbursement of Ineligible Expenditures); 14 (Reports and Records); 15 (Where Reporting or Disclosure Requirements are not met); 16 (Contracting-out and Delegation); 17 (Distributed Payments to Sub-Recipients); 19 (Indemnification); 23 (Default); 24 (Remedies on Default); 25 (Repayment); 27 (Audit); 28 (Evaluation); 29 (Dispute Resolution); 30.2 (Termination - consequential terms); and, 40 (Intellectual Property); and
- (b) *Schedule 2 Contribution and Grant Funding:* any sections or subsections that concern spending or repayment of any Funding that could apply following expiry or termination of this Agreement.

31.6 All references throughout this Agreement to legislation and particular government publications are deemed to refer to the legislation and government publication in force or issued at the effective date of this Agreement, and include any subsequent amendments or replacements thereof.

31.7 This Agreement will be interpreted in accordance with the laws of Canada and the applicable laws of NEW BRUNSWICK.

32 Amendments

32.1 All amendments to this Agreement are to be made in writing and signed by both parties, except in the following cases where Canada shall sign the notices alone: (i) a NOBA; (ii) a notice of acceptance for periodic payment changes under subsection 10.1; (iii) a notice of issuing a new Schedule 5 to update reporting requirements for a Fiscal Year under section 14.3; or (iv) a notice to extend a reporting deadline under subsection 14.4.

33 Waiver

33.1 No provision of this Agreement and no event of default by CITY OF FREDERICTON or Canada of any provision of this Agreement will be deemed to have been waived unless the waiver is in writing and signed by the party waiving.

33.2 The waiver by a party of a default by the other party or of any provision of this Agreement will not be deemed to be a waiver of any subsequent default by the other party or of the same or any other

provision of this Agreement.

34 Assignment

- 34.1 CITY OF FREDERICTON may contract-out or delegate any of its functions or obligations under this Agreement in accordance with section 16, but shall not assign any of its rights or obligations under this Agreement without the prior written consent of Canada.
- 34.2 This Agreement is binding upon the parties and their respective administrators, successors, and assigns.

35 Lobbyists

- 35.1 CITY OF FREDERICTON represents and warrants that it and any person lobbying on its behalf to obtain Funding has been, is, and will continue to remain in compliance with the *Lobbying Act*.
- 35.2 CITY OF FREDERICTON represents and warrants that it has not and will not make any payment to any individual or entity that is in whole or in part contingent upon the solicitation of the Funding or the negotiating/signing of this Agreement or any amendment hereto.

36 Warranty of Authority

- 36.1 The parties confirm that they each have the authority and the capacity necessary to enter into this Agreement and that their representatives have the authority to enter into this Agreement on their behalf.
- 36.2 CITY OF FREDERICTON further represents and warrants that it has the corporate power and authority to execute, deliver and perform its obligations under this Agreement and that it is duly incorporated and in good standing under the laws of Canada or of a Province or a Territory of Canada, and will remain in good standing at all times during the term of this Agreement.

37 Communications Related to Funding

- 37.1 Each party reserves the right to communicate to the public about this Agreement and the funded Activities by way of, but not limited to, announcements, interviews, speeches, press releases, publications, signage, websites, advertising and promotional materials. The timing of these communications will be at the discretion of the party giving the communication. However, the party giving the communication will notify the other party in advance of any significant public event or news release in order to provide to the other party an opportunity to participate in a joint announcement or in the development of joint communications materials.

38 Conflict of Interest Regarding Federal Officials

- 38.1 CITY OF FREDERICTON declares and shall ensure that:
- (a) no member of the House of Commons or the Senate of Canada will be admitted to any share or part of this Agreement or to any benefit arising from it; and
 - (b) no individual to whom the *Conflict of Interest Act*, the *Conflict of Interest and Post-employment Code for Public Office Holders*, the *Values and Ethics Code for the Public Sector*, the *Values and Ethics Code for the Public Service*, the *Policy on Conflict of Interest and Post-Employment*, or the values and ethics code of any Federal Department apply will derive any direct benefit from this Agreement unless that individual is in compliance with the Act and all of the applicable codes and policies noted above.

39 Public Disclosure

- 39.1 Without limiting any right, obligation or capacity of Canada to disclose information, Canada may publicly disclose the name and address of CITY OF FREDERICTON, the amount of Funding, the nature of the Activities for which Funding is provided, and any information relating to the Funding that the *Reporting Guide* states that Canada may publicly disclose.

40 Intellectual Property

- 40.1 All intellectual property that arises out of or under this Agreement will be owned by CITY OF FREDERICTON or a third party as may be set out in an agreement between CITY OF FREDERICTON and such third party.

40.2 CITY OF FREDERICTON hereby grants to Canada a non-exclusive, royalty-free, fully-paid, perpetual, worldwide, and irrevocable licence to exercise all intellectual property rights for any Crown purpose with respect to all activity reports and records, financial reports and records, and evaluation reports and records and other records or communications related to the administration of this Agreement that are delivered by CITY OF FREDERICTON to Canada under this Agreement.

40.3 CITY OF FREDERICTON shall also fulfill any requirements relating to intellectual property set out in the Schedules and shall secure all necessary rights to give effect to the licence granted under this Agreement.

41 Notices

41.1 Subject to subsection 41.3, notices, requests, reports and documents referred to or required by this Agreement must be in writing and, unless notice to the contrary is given by the receiving party, shall be addressed to the receiving party at the following addresses:

(a) Canada at:

Department of Indigenous Services
40 Havelock Street
P.O. Box 160
Amherst, NS B4H 3Z3

Attention: Director of Community Governance, Transfer Payments & Partnerships

(b) CITY OF FREDERICTON at:

397 Queen Street
FREDERICTON NB E3B 1B5

Attention: City Clerk

41.2 Subject to subsection 41.4, notices, requests, reports and documents may be sent by any method of delivery or telecommunication and will be deemed to have been received: (i) by registered mail when the postal receipt is acknowledged by the receiving party; (ii) by facsimile or electronic mail when transmitted and receipt is confirmed; and (iii) by personal delivery, messenger or courier when delivered.

41.3 If, pursuant to subsection 27.5, the 2 week notice period in subsection 27.3 does not apply, the request referred to in subsection 27.5 may be addressed to CITY OF FREDERICTON at an address or contact person that differs from that specified in paragraph (b) of subsection 41.1.

41.4 The request referred to in subsection 27.5 will be deemed to have been received by CITY OF FREDERICTON on the same day that the request is, as the case may be, i) posted; ii) transmitted by facsimile or electronic mail; and iii) attempted to be delivered by personal delivery, messenger or courier.

42 Execution

42.1 This Agreement is signed on behalf of CITY OF FREDERICTON and on behalf of Canada by their duly authorized representatives.

42.2 This Agreement may be signed in identical counterparts, each of which constitutes an original, and such counterparts taken together will constitute one agreement. The signatures of the parties need not appear on the same counterpart, and executed counterparts may be delivered by facsimile or in electronically scanned form by electronic mail.

43 Official Languages

43.1 CITY OF FREDERICTON shall, when requested by Canada and in a manner both parties agree to that is consistent with applicable laws, provide any or all of the following in relation to the Activities under this Agreement in both of Canada's official languages (English and French): (i) information; (ii) signage; (iii) oral and written communications; (iv) services; and (v) opportunities for official language minorities to participate in functions related to the Activities.

HIS MAJESTY THE KING IN RIGHT OF CANADA
as represented by the Minister of Indigenous
Services and the Minister of Crown-Indigenous
Relations

CITY OF FREDERICTON

by: _____

by: _____
Mayor

Name: Geoff Cole

Title: A/Regional Director General

by: _____
City Clerk

Department of Indigenous Services

Date: _____

Date: _____

SCHEDULE 1 DEFINITIONS

In this Agreement, the following terms have the following meanings. These definitions apply equally to the singular and plural forms of the terms defined:

"Activity" means any program, service, activity, initiative or project listed in Schedule 3 under the heading Program Service Area/Program Inventory/ Budget Activity/Functional Area, including any Project.

"Agency" means any authority, board, committee, or other third party authorized to carry out any functions or Activities under this Agreement on behalf of CITY OF FREDERICTON.

"Agreement" means this Funding Agreement and includes all Schedules and any amendments to this Agreement.

"Audited Consolidated Financial Statements" means CITY OF FREDERICTON's annual consolidated financial statements that are prepared and audited in accordance with the *Reporting Guide*.

"Block Funding" means that portion of the Funding, if any, set out in Schedule 3 under the heading "Block Funding".

"CIRNAC" means the Department Crown-Indigenous Relations and Northern Affairs

"Contribution Funding" means Set Funding, Fixed Funding, Flexible Funding and Block Funding.

"Cost-Sharing" means a requirement set out in Schedule 4 or Schedule 6 for CITY OF FREDERICTON to supplement any Set, Fixed, or Flexible Funding for an Activity with funding from other sources.

"Crown" means His Majesty the King in Right of Canada.

"days" means calendar days, unless otherwise indicated.

"Delivery Requirements" means the requirements for Contribution Funding set out in Schedule 4 and 6.

"Federal Department" means a federal department or federal government institution through which the Crown provides any of the Funding.

"Fiscal Year" means any period during the term of this Agreement, commencing on April 1st and ending on March 31st of the year immediately following, and includes part thereof in the event this Agreement commences after April 1st or expires or terminates before March 31st.

"Fixed Funding" means that portion of the Funding, if any, set out in Schedule 3 under the heading "Fixed Funding".

"Flexible Funding" means that portion of the Funding, if any, set out in Schedule 3 under the heading "Flexible Funding".

"Funding" means the amounts payable or paid by Canada to CITY OF FREDERICTON under this Agreement, consisting of all Set Funding, Fixed Funding, Flexible Funding, Block Funding and Grant Funding.

"Grant Funding" means that portion of the Funding, if any, set out in Schedule 3 under the heading "Grant Funding" and that is subject to Canada's pre-established eligibility requirements.

"Health Activities" means the Activities set out in Schedule 3 that are related to health.

"ISC" means the Department of Indigenous Services.

"main body of this Agreement" means that portion of this Agreement that precedes this Schedule.

"Management Action Plan" means a plan, developed by CITY OF FREDERICTON and acceptable to Canada, which reflects measures to be taken by CITY OF FREDERICTON to remedy a default under this Agreement as it applies with Contribution Funding.

"Mandatory Activities" means the following Activities for the purposes of Flexible Funding:

- (i) "Communicable Disease Control", "Environmental Public Health", and/or "Treatment Services" as identified in Schedule 3;
and means the following Activities for the purposes of Block Funding;
- (i) "Communicable Disease Control", "Environmental Public Health", and/or "Treatment Services" as identified in Schedule 3; and
- (ii) each Activity found in any table entitled "Block Activity Delivery Requirements" in Schedule 3.

"Notice of Budget Adjustment" or "NOBA" means a notice, issued by Canada, which amends this Agreement to adjust Funding and/or periodic payments in accordance with section 7 of the main body of this Agreement.

"Project" means any project described in Schedule 6.

"Reporting Guide" means the applicable reporting guide for each Fiscal Year issued by Canada prior to the commencement of that Fiscal Year that sets out accounting and reporting requirements for this Agreement.

"Schedule" means any schedule to this Agreement.

"Set Funding" means that portion of the Funding, if any, set out in Schedule 3 under the heading "Set Funding".

SCHEDULE 2**CONTRIBUTION FUNDING (SET, FIXED, FLEXIBLE, BLOCK) AND GRANT FUNDING****1 Application**

- 1.1 All Set, Fixed, Flexible, Block and Grant Funding will be provided subject to and in accordance with: (i) the main body of this Agreement; (ii) this Schedule; and (iii) the applicable terms of the other Schedules.

2 Set Funding

- 2.1 CITY OF FREDERICTON may only expend Set Funding:
- (a) for each of the Activities for which it is allocated in Schedule 3 under the heading Set Funding (or SET) or reallocated in accordance with this section;
 - (b) in accordance with the terms and conditions of this Agreement for those Activities, including those set out in the Delivery Requirements; and
 - (c) during the Fiscal Year in which the annual amount of the Set Funding is payable by Canada.
- 2.2 CITY OF FREDERICTON may, with the written agreement of Canada, reallocate any Set Funding among any Functional Areas within the same Budget Activity set out in Schedule 3 during the same Fiscal Year.
- 2.3 CITY OF FREDERICTON shall immediately notify Canada in writing during a Fiscal Year if it anticipates having unexpended Set Funding for that Fiscal Year.
- 2.4 If, at the end of a Fiscal Year and following any reallocation permitted in this section, CITY OF FREDERICTON has not expended all Set Funding as allocated for each Activity for that Fiscal Year, CITY OF FREDERICTON shall repay the unspent amount to Canada. If Cost-Sharing applies to the Activity, CITY OF FREDERICTON shall instead repay to Canada an amount, proportional to Canada's funding share, of the unspent amount from all sources.
- 2.5 Subject to the funding provisions of this Agreement, Canada shall reimburse to CITY OF FREDERICTON any shortfall in Set Funding for any Activity that is described in the Delivery Requirements as being subject to full reimbursement.

3 Fixed Funding

- 3.1 CITY OF FREDERICTON may only expend Fixed Funding:
- (a) for each of the Activities for which it is allocated in Schedule 3 under the heading Fixed Funding (or FIXED) or reallocated in accordance with this section; and
 - (b) in accordance with the terms and conditions of this Agreement for those Activities, including those set out in the Delivery Requirements.
- 3.2 Unless Schedule 4 or Schedule 6 provides otherwise, CITY OF FREDERICTON may reallocate any Fixed Funding for a Budget Activity set out in Schedule 3, among any Functional Areas of that Budget Activity during a Fiscal Year, provided that the Activities corresponding to those Functional Areas are delivered in that Fiscal Year.
- 3.3 Subject to subsection 3.4, if CITY OF FREDERICTON has not expended all Fixed Funding that is allocated or has been reallocated for an Activity for that Fiscal Year, CITY OF FREDERICTON shall repay the unspent amount to Canada. If Cost-Sharing applies to the Activity, CITY OF FREDERICTON shall instead repay to Canada an amount, proportional to Canada's funding share, of the unspent amount.
- 3.4 Subject to paragraph 30.2(c) of the main body of this Agreement, CITY OF FREDERICTON may retain and spend any unexpended Fixed Funding from a Fiscal Year in respect of an Activity ("unspent amount") in accordance with this section.
- (a) For a Fiscal Year other than the final Fiscal Year, where the Delivery Requirements for the Activity

in respect of which there is an unspent amount have not been completed in the Fiscal Year for which that amount was provided, CITY OF FREDERICTON may retain and spend that amount in the following Fiscal Year if the following conditions are met:

- (i) CITY OF FREDERICTON spends the unspent amount on the same Activity or on an Activity that is similar to and has the same purpose as the Activity for which the Fixed Funding was provided;
 - (ii) the unspent amount is used before the earlier of:
 - (A) the expiry or termination of this Agreement; and
 - (B) any date that was communicated in writing by Canada to CITY OF FREDERICTON, prior to or when the Agreement was signed or amended, beyond which date an unspent amount may not be retained for a time-limited Activity such as a project or initiative;
 - (iii) CITY OF FREDERICTON reports on its expenditure of the unexpended Fixed Funding in accordance with the *Reporting Guide*; and
 - (iv) Any unspent amount from any Health Activities is not expended on any non-Health Activities and any unspent amount for any non-Health Activities is not expended on any Health Activities.
- (b) Where all Delivery Requirements for the Activity in respect of which there is an unspent amount have been completed in the Fiscal Year for which that amount was provided, CITY OF FREDERICTON may retain and spend that amount in the following Fiscal Year or within 1 year after the expiry of this Agreement if that is the year following the accumulation of the unspent amount, if the following conditions are met:
- (i) CITY OF FREDERICTON spends the unspent amount on
 - (A) an Activity that is similar to and has the same purpose as the Activity for which the Fixed Funding was provided; or
 - (B) a different Activity in accordance with a plan for expenditure for the unspent amount that is submitted by CITY OF FREDERICTON to Canada within 120 days after the end of that Fiscal Year and that Canada accepts by way of notice to CITY OF FREDERICTON;
 - (ii) CITY OF FREDERICTON reports on its expenditure of the unexpended Fixed Funding in accordance with the *Reporting Guide*; and
 - (iii) Any unspent amount from any Health Activities is not expended on any non-Health Activities and any unspent amount for any non-Health Activities is not expended on any Health Activities.

4 Flexible Funding

4.1 CITY OF FREDERICTON may only expend Flexible Funding:

- (a) for each of the Activities for which it is allocated in Schedule 3 under the heading Flexible Funding (or FLEX) or reallocated in accordance with this section; and
- (b) in accordance with the terms and conditions of this Agreement for those Activities including those set out in the Delivery Requirements.

4.2 Unless Schedule 4 or Schedule 6 provides otherwise, CITY OF FREDERICTON may reallocate any Flexible Funding as follows, provided that all Mandatory Activities, funded by Flexible Funding, are delivered in that Fiscal Year:

- (a) with respect to non-Health Activities, among any other Functional Areas that have Flexible Funding that falls under the same Program Inventory (and within the same Program Service Area) according to Schedule 3, during a Fiscal Year; and
- (b) with respect to Health Activities, among any Functional Areas that have Flexible Funding that falls under Program Service Areas with the same 3 letter prefix, irrespective of the Program Inventory, according to Schedule 3, during a Fiscal Year.

- 4.3 Subject to paragraph 30.2(c) of the main body of this Agreement, if at the end of a Fiscal Year other than the final Fiscal Year, CITY OF FREDERICTON has not expended all Flexible Funding for that Fiscal Year, CITY OF FREDERICTON may retain the unspent amount for expenditure in a subsequent Fiscal Year in accordance with this section:
- (a) With respect to non-Health Activities, if the following conditions are met:
 - (i) CITY OF FREDERICTON expends the unexpended Flexible Funding:
 - (A) on an Activity that is the same or similar to and has the same purpose as the Activity for which the Flexible Funding was provided; or
 - (B) in accordance with a plan for expenditure of the unexpended Flexible Funding that is submitted by CITY OF FREDERICTON to Canada within 120 days after the end of that Fiscal Year and that Canada accepts by way of notice to CITY OF FREDERICTON;
 - (ii) the unexpended Flexible Funding is used before the earlier of:
 - (A) the expiry or termination of this Agreement, and
 - (B) any date that was communicated in writing by Canada to CITY OF FREDERICTON, prior to or when the Agreement was signed or amended, beyond which date an unspent amount may not be retained for a time-limited Activity such as a project or initiative;
 - (iii) any unspent amount from any non-Health Activities is not expended on any Health Activities; and
 - (iv) CITY OF FREDERICTON reports on its expenditure of the unexpended Flexible Funding in accordance with the *Reporting Guide*.
 - (b) With respect to Health Activities, if the following conditions are met:
 - (i) CITY OF FREDERICTON expends the unexpended Flexible Funding among any Functional Areas that have Flexible Funding that falls under Program Service Areas with the same 3 letter prefix, irrespective of the Program Inventory;
 - (ii) CITY OF FREDERICTON expends the unexpended Flexible Funding in accordance with a plan for expenditure of the unexpended Flexible Funding that is submitted by CITY OF FREDERICTON to Canada within 120 days after the end of that Fiscal Year and that Canada accepts by way of notice to CITY OF FREDERICTON;
 - (iii) the unexpended Flexible Funding is used before the earlier of:
 - (A) the expiry or termination of this Agreement, and
 - (B) any date that was communicated in writing by Canada to CITY OF FREDERICTON, prior to or when the Agreement was signed or amended, beyond which date an unspent amount may not be retained for a time-limited Activity such as a project or initiative;
 - (iv) any unspent amount from any Health Activities is not expended on any non-Health Activities; and
 - (v) CITY OF FREDERICTON reports on its expenditure of the unexpended Flexible Funding in accordance with the *Reporting Guide*.
- 4.4 Subject to subsection 4.3, following any reallocation permitted in this section, CITY OF FREDERICTON shall repay any unexpended Flexible Funding following the earlier of the expiry or termination of this Agreement, and any date that was communicated in writing by Canada to CITY OF FREDERICTON, prior to or when the Agreement was signed or amended, beyond which date an unspent amount may not be retained for a time-limited Activity such as a project or initiative. If Cost-Sharing applies to the Activity, CITY OF FREDERICTON shall instead repay to Canada an amount, proportional to Canada's funding share, of the unspent amount from all required sources.

5 Block Funding

- 5.1 CITY OF FREDERICTON may only expend any Block Funding:
- (a) for the Activities under the heading Block Funding (or BLOCK) in Schedule 3 or in accordance with this section; and
 - (b) in accordance with the terms and conditions of this Agreement for those Activities including those set out in the Delivery Requirements.
- 5.2 Subject to subsection 5.4, expenditures in a Fiscal Year for Activities funded by Block Funding will be against the aggregate of all annual amounts allocated in that Fiscal Year for those Activities.
- 5.3 Subject to subsection 5.4, and provided that Mandatory Activities, funded by Block Funding, are delivered in the relevant Fiscal Year, CITY OF FREDERICTON may expend Block Funding on any Activities funded by Set, Fixed or Flexible Funding during that Fiscal Year if CITY OF FREDERICTON submits a written plan to Canada for such expenditures and Canada accepts the plan by notice to CITY OF FREDERICTON.
- 5.4 Block Funding allocated for any Health Activities may not be expended on any non-Health Activities, nor may any Block Funding allocated for any non-Health Activities be expended on any Health Activities.
- 5.5 If, at the end of a Fiscal Year, CITY OF FREDERICTON has not expended all Block Funding for that Fiscal Year after: (i) delivering all Mandatory Activities funded by Block Funding; and (ii) making expenditures on any non-Block Activities under subsection 5.3, CITY OF FREDERICTON may, subject to paragraph 30.2(c) of the main body of this Agreement, retain any unexpended Block Funding for use in a subsequent Fiscal Year or after the expiry of this Agreement, provided that CITY OF FREDERICTON:
- (a) uses the unexpended Block Funding:
 - (i) for purposes consistent with the Activities funded by Block Funding; or
 - (ii) in accordance with a written plan submitted by it to Canada within 120 days following the end of the Fiscal Year in question and such plan is accepted by Canada by notice to CITY OF FREDERICTON;
 - (b) an unspent amount from any Health Activities may not be expended on any non-Health Activities, nor may any unspent amount for any non-Health Activities be expended on any Health Activities; and
 - (c) reports on the use of unexpended Block Funding in accordance with the *Reporting Guide* issued for the Fiscal Year in which the unexpended Block Funding is used.

6 Limit on Reallocation of Contribution Funding

- 6.1 Notwithstanding sections 2 to 5 of this Schedule the following limitations apply to the reallocation of the following funding amounts in Schedule 3:
- (a) Supplementary Health Benefits (SHB) funding may only be reallocated within the SHB Program Inventory;
 - (b) Indian Residential Schools (IRS) funding may only be reallocated within the Mental Wellness IRS Budget Activity;
 - (c) Jordan's Principle funding may only be reallocated within the Jordan's Principle Program Inventory; and
 - (d) Health Services Integration Fund and Capital Investments funding may not be reallocated

7 Grant Funding

- 7.1 CITY OF FREDERICTON may only expend the Grant Funding for the Activities for which it is allocated in Schedule 3 under the heading Grant Funding.
- 7.2 Subject to paragraph 30.2(c) of the main body of this Agreement, CITY OF FREDERICTON may retain any unexpended Grant Funding in a subsequent Fiscal Year and after the expiry of this Agreement.
- 7.3 If at any time, CITY OF FREDERICTON no longer meets Canada's eligibility requirements for Grant

Funding for any Activity, Canada may require CITY OF FREDERICTON to repay to Canada up to the full amount of the Grant Funding paid to CITY OF FREDERICTON for that Activity of the Grant Funding.

SCHEDULE 3:
1.0 - Program/Service Budgets, Authorities and Schedule of Monthly Payments Plan
 As Of 2023/03/31

Arrangement #: 2324-AT-000007
 Arrangement Type: FA - OTHER
 Recipient: 9121 - CITY OF FREDERICTON

Fiscal Year: 2023-2024

DEPARTMENT OF INDIGENOUS SERVICES

Seq.	01 APR	02 MAY	03 JUN	04 JUL	05 AUG	06 SEP	07 OCT	08 NOV	09 DEC	10 JAN	11 FEB	12 MAR	POOL	Holdback	Allocation Total \$
FIXED CONTRIBUTION FUNDING (FIXED)															
PROGRAM SERVICE AREA / PROGRAM INVENTORY / BUDGET ACTIVITY / FUNCTIONAL AREA															
Program Service Area: Community Infrastructure Program Inventory: COMMUNITY INFRASTRUCTURE - D4001 Budget Activity: O&M-WTR&WASTEWATER INFRA - B5612 Functional Area: WATER SYSTEMS (Initial Allocation) - Q35B (C0000 - DEFAULT ACCOUNT) (2024/03/31)															
													Fund: 379		
													Cost Center: A02070		
001	5,503.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	407,435.43	0.00	412,939.00

TOTAL 2023-2024 FIXED CONTRIBUTION FUNDING (FIXED)

5,503.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	407,435.43	0.00	412,939.00
----------	------	------	------	------	------	------	------	------	------	------	------	------	------------	------	------------

TOTAL 2023-2024 DEPARTMENT OF INDIGENOUS SERVICES

5,503.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	407,435.43	0.00	412,939.00
----------	------	------	------	------	------	------	------	------	------	------	------	------	------------	------	------------

TOTAL 2023-2024

5,503.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	407,435.43	0.00	412,939.00
----------	------	------	------	------	------	------	------	------	------	------	------	------	------------	------	------------

GRAND TOTAL

412,939.00

Arrangement No. : 2324-AT-000007

Recipient No. : 9121

SCHEDULE 3:
2.0 - Cash Flow by Fiscal Year by Department
As Of 2023/03/31

Arrangement #: **2324-AT-000007**
Arrangement Type: **FA - OTHER**
Recipient: **9121 - CITY OF FREDERICTON**

Budget	Funding	2023-2024	Total
Department of Indigenous Services	Fixed Contribution	412,939.00	412,939.00
	Total	412,939.00	412,939.00
Total		412,939.00	412,939.00

Arrangement No. : 2324-AT-000007

Recipient No. : 9121

SCHEDULE 3:
3.0 - Cash Flow by Month and Year - ALL FUNDING by type and month

As Of 2023/03/31

Arrangement #: 2324-AT-000007

Arrangement Type: FA - OTHER

Recipient: 9121 - CITY OF FREDERICTON

Fixed Contribution

	April	May	June	July	August	September	October	November	December	January	February	March	Pool	Holdback	Total
2023-2024	5,503.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	407,435.43	0.00	412,939.00
Total	5,503.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	407,435.43	0.00	412,939.00

Arrangement No. : 2324-AT-000007

Recipient No. : 9121

SCHEDULE 3:
4.0 - Cash Flow by Month - Current Year - All Funding by Month and Department

As Of 2023/03/31

Arrangement #: **2324-AT-000007**
Arrangement Type: **FA - OTHER**
Recipient: **9121 - CITY OF FREDERICTON**
Fiscal Year: **2023-2024**

Department of Indigenous Services

Funding	Total	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	Pool	Holdback
Fixed Contribution	\$412,939.00	\$5,503.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$407,435.43	\$0.00

Total	\$412,939.00	\$5,503.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$407,435.43	\$0.00
--------------	---------------------	-------------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------	---------------------	---------------

SCHEDULE 4

DELIVERY REQUIREMENTS AND FUNDING ADJUSTMENT FACTORS

1 Application

1.1 This Schedule does not apply to Projects under Schedule 6.

HEALTH ACTIVITIES

2 Intentionally Omitted

3 Intentionally Omitted

4 Intentionally Omitted

5 Intentionally Omitted

6 Intentionally Omitted

6A Intentionally Omitted

NON-HEALTH ACTIVITIES

7 Activities Funded by Set, Fixed, Flexible or Grant Funding for ISC

ACTIVITY DELIVERY REQUIREMENTS, COST- SHARING AND ADJUSTMENT FACTORS			
ACTIVITY	DELIVERY REQUIREMENTS	COST-SHARING	ADJUSTMENT FACTOR
Community Infrastructure Program	<p>CITY OF FREDERICTON will carry out activities in accordance with <i>Protocol for ISC - Funded Infrastructure (PIFI)</i>, as amended from time to time, and with the terms and conditions in the statement of work.</p> <p>CITY OF FREDERICTON shall also proactively keep abreast of applicable new and amended federal, provincial and territorial statutes, regulations, policies and industrial standards and codes and comply with them.</p>		Invoice Based

8 Activities Funded by Set, Fixed, Flexible or Grant Funding for CIRNAC

ACTIVITY DELIVERY REQUIREMENTS, COST- SHARING AND ADJUSTMENT FACTORS			
ACTIVITY	DELIVERY REQUIREMENTS	COST-SHARING	ADJUSTMENT FACTOR
This information will be amended if/when funding is added in the Agreement for Fiscal Year 2023-2024.	This information will be amended if/when funding is added in the Agreement for Fiscal Year 2023-2024.		This information will be amended if/when funding is added in the Agreement for Fiscal Year 2023-2024.

9 Intentionally Omitted

10 Intentionally Omitted

11 Pooled Funds

- 11.1 Schedule 3 sets out an amount of "pooled" funds that Canada shall pay to CITY OF FREDERICTON after eligible expenditure are made and if CITY OF FREDERICTON meets the following conditions:
- Canada's approval of 2023-2024 invoices from the CITY OF FREDERICTON.

Only eligible expenditures shall be paid. Eligible expenditures include service delivery to Government of Canada mandated residential assets and facilities only (non-commercial).

12 Intentionally Omitted

Arrangement No. : 2324-AT-000007
Recipient No. : 9121

Unclassified

SCHEDULE 5 - REPORTING AND DUE DATES

No required reports for this arrangement.