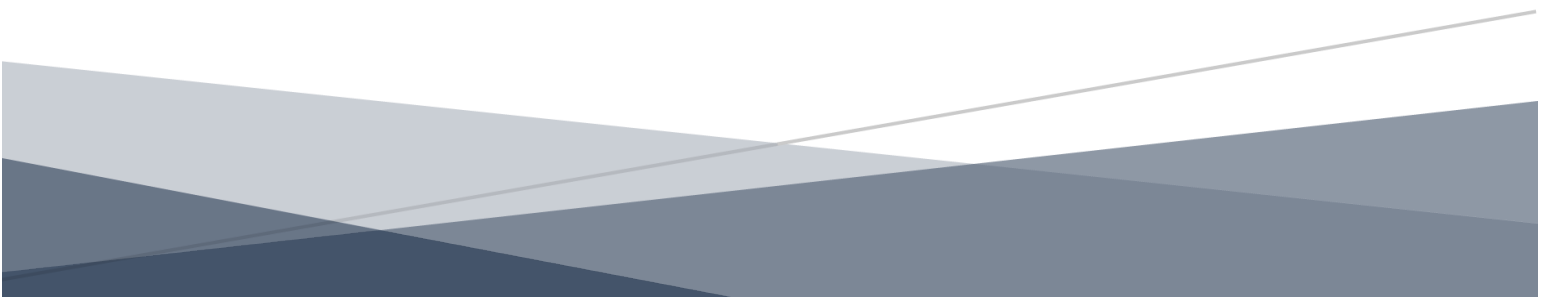




Opportunity Calgary Investment Fund (OCIF)

OCIF Express Round 1: Contribution Agreement – Key Terms

October 17th, 2024



Introduction

This document is intended to outline material business terms to be included in an eventual Contribution Agreement between the Opportunity Calgary Investment Fund Ltd. (“OCIF”) and selected OCIF Express Round 1 Applicants. This document is non-binding and is presented for reference only. The Contribution Agreement will be presented to selected Applicants at a later date.

Contribution Agreement - Key Terms

Calgary location. Calgary shall be the primary location of operations of an Applicant associated with the Project and for the majority of the Project’s senior management function.

Financial Information. Successful Applicants shall furnish to OCIF a complete and correct copy of unaudited annual and interim financial statements (balance sheet and income statement) for each milestone period.

Freedom of Information and Privacy Act (‘FOIP’). FOIP applies to information obtained, related, generated, collected or provided to the OCIF under an eventual Contribution Agreement. Any information in the custody or under the control of OCIF may be required to be disclosed under the Act.

Government of Alberta Support. The Beneficiary has not previously received nor is presently receiving financial support from the Government of Alberta in respect of the Project. **[this term is only applicable for Projects in the aerospace industry]**

Insurance requirements. Successful Applicants will be required to provide valid proof of commercial general liability and property damage insurance for \$5M.

Non-Eligible Costs. The following project costs are not eligible for OCIF funding: municipal tax relief, loans, communications, marketing or public relations and overhead. Eligible cost will not include costs that have or will be reimbursed by other parties, such as other orders of government or the private sector.

Maximum Funding. OCIF’s contribution shall not exceed 50% of project costs at any applicable date.

Milestones. OCIF is a Milestone-based program. Funding contributions will be issued to successful Applicants upon Applicant’s submission of milestone progress report(s) and validation by OCIF of targets achieved. Frequency of milestones is annual, but more than 1 (one) milestone per year is permitted on a case-by-case basis.

Project duration. No more than two (2) years for Job Creation projects, and no more than one year for In-House Training projects.

Retention of hires. Applicant is required to retain or replace eligible hires throughout the project period.

Sources of funding. Successful applicants to provide evidence of secured funding required to carry out the Project to completion.

Reporting requirements

OCIF conducts validation of project outcomes prior to disbursement of funds. Successful Applicants can expect submission of the following reporting requirements:

- **Milestone Progress Reports.** Successful Applicants are required to provide milestone progress reports no later than 45 days after each milestone date. Reporting will include but will not be limited to:
 - Update on the progress of the Project.
 - Report on achievement of targets, including:
 - **[For Job Creation Stream]** Evidence supporting new hires, including that they are accretive (i.e. previously unemployed, change of employment status to a first-time High Skilled Position (as outlined in the Call for Application), or hired from out-of-market).
 - **[For In-House Training Stream]** Evidence supporting the individuals trained meet the baseline requirements of a High Skilled Employee (as outlined in the Call for Application), training hours completed, and training costs.
 - Variance analysis of budget to actual project costs.
 - Provision of material contracts related to the Project.
 - Confirmation of insurance certificate according to OCIF requirements.
- **Quarterly Reports.** Successful applicants are required to provide the following reports on a quarterly basis, including:
 - Project status; and
 - Risks and challenges encountered during the reporting period.