

Funding Agreement (“Agreement”)

This Agreement made as of the 28th day of March, 2014

Between **Legal Aid Ontario**
(hereinafter referred as “LAO”)

- and -

Northwest Community Legal Clinic
(hereinafter referred to as the “Recipient”)

Name of Project:

Legal Aid Ontario (LAO) has approved that Northwest Community Legal Clinic (the Recipient) receive Transformation Funding for a Northern Ontario Community Legal Clinics Transformation Initiative in conjunction with: Algoma Community Legal Clinic; Clinique Juridique Grand Nord Legal Clinic; Elliot Lake and North Shore Community Legal Clinic; Keewaytinok Native Legal Services; Kinna-aweya Legal Clinic; Lake Country Community Legal Clinic; Manitoulin Legal Clinic; Nipissing Community Legal Clinic; Sudbury Community Legal Clinic; and Timmins-Temiskaming Community Legal Clinic, subject to the terms and conditions of this Agreement.

Documents Forming this Agreement

The following schedules are incorporated into and form an integral part of the Agreement:

- Schedule A: Project Description and Details
- Schedule B: Reporting Requirements and Templates
- Schedule C: Standard Terms and Conditions
- Schedule D: Contact Information

Exhibit 1, the original application for funding from the Recipient, is attached hereto for information purposes only.

Duration of the Agreement

1. The duration (term) of this Agreement shall be for a period commencing on the execution of this Agreement, ending on March 31, 2017.

Representatives for the Project

2. The Recipient's representative shall be Trudy McCormick, Northwest Community Legal Clinic and LAO's representative shall be Randall Ellsworth. Either party may change their representative on written notice to the other party.

Funding

3. An amount of \$239,160 approved for release on or before March 31, 2014 (Legal Aid Ontario's 2013-2014 fiscal year), subject to the execution of this Agreement, to complete the first phase of the project as described in "Phase 1" in Appendix A).
4. While developing its plans for a Needs Assessment, including developing a Request for Proposal, the "recipient" and the other participating clinics will meet with LAO to discuss the Needs Assessment process. Until the "Recipient" and the other participating clinics have met with LAO for this purpose, no funds should be expended on any aspect of the Needs Assessment, without LAO's prior approval.
5. If funds remain unspent at the end of Phase 1, the Recipient must seek LAO's approval to use the unspent funds and carry them over to Phase 2. If approval is not given, the unspent funds will be treated by LAO and the Recipient as surplus, and remain the property of LAO.
6. In the first 6 months of 2014-2015, the Recipient will work with LAO to develop a detailed budget for further phases based on estimated costs and available resources. Further funding installments for the project will be approved by LAO based on the detailed budget, to be signed and dated by the parties and attached hereto as an addendum to this Agreement.
7. Any adjustments to this funding will be at LAO's discretion.
8. The Recipient will administer all of the funding in accordance with this Agreement.

This Agreement Prevails

9. Where there is a conflict between a term of the main body of this Agreement and a term of Schedule C, the former shall prevail.

Roles and Responsibilities

10. All reporting and bookkeeping for the project shall be the responsibility of the Recipient.

Early Termination

11. LAO reserves the right to terminate the project early where there is a demonstrated lack of success in achieving project goals and targets, but will not do so without consultation with all partnering clinics and then only on 30 days' notice. The Recipient shall provide notice of this provision in any contracts of employment forming part of this project.

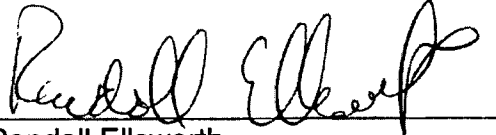
Amending this Agreement

12. In the event that the project is not achieving the expected results, or is progressing more slowly than anticipated, or costing more than anticipated, or if the Recipient is unable to fulfill the requirements of this agreement, the Recipient shall advise LAO at the earliest possible date of the failure, and the reasons for it.
13. The Recipient may propose, in writing, an amendment to the project work, financial structure, reporting requirements, or other parts of this agreement.
14. LAO reserves the right to deny the amendment and terminate the project on not less than thirty days' notice, if:
 - a. LAO is not satisfied that the proposed amendment would achieve the objectives or intent, or would not be consistent with the purposes of the fund under which this grant was made, or
 - b. For other reasons of fairness and accountability in the administration of the Funds from which this project was created.

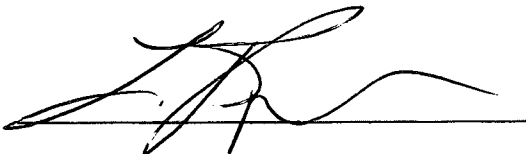
Acceptance

15. Signing of this Agreement binds the Recipient to all the terms in the Agreement, including Schedules A, B, C, and D.

Dated: March 31, 2014, in the City of Toronto.



Randall Ellsworth
Vice President,
Northern Region
Central & Eastern Region
Legal Aid Ontario



Approved by:
Chair of the Board of Directors
Northwest Community Legal Clinic

Schedule A: Project Description and Details

Project Description

Phase 1: Completion of a Needs Assessment

1. Goals and objectives of the Project

- a) Service delivery models will be sought that result in more effective service to clients served through, for example, increased use of technology, various service methods, mixed staffing models, and service coordination, leading to greater and more equal client access (models to include community development, law reform, and public legal education);
- b) Models for reshaping of the delivery of poverty law services will have an administrative structure where administrative savings can be realized without a negative impact on client services.

2. Project Deliverables, Phase 1:

A final needs assessment report for all participating clinics as listed in Northern Region Transformation Project section of this Agreement, for final approval of LAO for quality and completeness.

3. Subsequent Phases

The details for this section will be determined by the Recipient and LAO during the first 6 months of the project.

4. Milestones and Due Dates – PHASE 1

<i>Milestone</i>	<i>Date</i>
PHASE 1	
Project Start Date	Upon signing
Interim Progress and Financial Report Submission #2	September 30, 2014
Phase 1 Final Report, including Financial Report	Within 14 Days of Completion of Phase 1

5. Milestones and Due Dates – for subsequent Phases, if any

N/A

6. Project Assumptions

All parties listed under “Name of Project” will participate in the needs assessment process.

7. Risk Assessments

- The identification of high-level project risks that could either positively or negatively impact the achievement of project goals and objectives with an indication of the initial likelihood and impact. These risks will be included in the Project’s Progress Reports.

8. Detailed funding and budget

Funding will be provided to the Recipient expressly for the purposes noted below and at the following funding levels.

PHASE 1:

<i>Expense Type</i>	<i>Budget Amount</i>
Phase 1	TBD
Beyond Phase 1	To be determined

Schedule B: Reporting Requirements and Templates

Reporting Requirements

Interim Reports

An interim report will be prepared for review and feedback by LAO by September 30, 2014, as detailed in Schedule A, Section B. The report shall include the topics outlined in Appendix A, in alignment with the Project Goals and Deliverables and include, but not limited to:

- How the project is meeting its goals, objectives, and deliverables as listed in Schedule A and any addendums to this Agreement
- Interim financial report
- General assessment of success of the project, to date
- Recommendations for scaling of project, if any
- Identification of issues and risks

The Recipient will keep Legal Aid Ontario informed if this target will not be met.

Final Report

The Final Report should be submitted to LAO as detailed in 4, above. The Recipient will keep Legal Aid Ontario informed if this target will not be met.

The report shall include the topics outlined in Appendix A, in alignment with the Project Goals and Deliverables and include, but not limited to:

- How the project met its goals and targets as listed in Schedule A and any addendums to this Agreement
- The final needs assessment report from the consultant
- Final financial report
- General assessment of success of the project
- Next steps

Monthly Project Status Report

The Recipient and the Project Manager will meet monthly, or as required, with the LAO Northern Region and Central & Eastern Region Vice-President and Regional Staff and provide a written Project Status Report. The written report should include but not be limited to

- Schedule
- Budget
- Resources
- Updated project plan/Gantt chart
- Any issues which may have arisen
- Identification of any risks in a regularly updated risk log (indicate initial likelihood and impact – include what strategies will be used to mitigate/avoid the risks.)
- Milestones and key activities completed
- Any other relevant information

Monthly Transformation Steering Committee meeting

The Recipient's Representative will participate in a monthly meeting of the Provincial Transformation Steering Committee that will include LAO's Regional Vice-Presidents, any other LAO staff that LAO may determine, and the Recipient Representatives of all Transformation Projects.

Quarterly Financial Report (see template below)

The Recipient must provide a quarterly financial report on the project.

The quarterly financial report shall include the following information:

- A statement of the Transformation funding income received by the Clinic and the expenditures made by the Clinic for each reporting period;
- A reconciliation between the LAO Transformation funds on hand and the Clinic's records for each reporting period;
- A statement of all interest earned for the reporting period, and year to date.
- A statement of unspent funds

Reports Templates

The Quarterly Reports should be submitted to LAO using the templates on the following pages:

Quarterly Project Status Report
 Project
Quarter Ending: <Date>

Project Status

Reporting Period	From: April 1, 201X	To: June 30, 201X
Prepared By		

Legend:

- Green** – everything going as planned – no sponsor intervention required
- Yellow** – some challenges/issues – but are being handled by project team
- Red** – major problems/threats exist – sponsor intervention required

Project Status	Previous Status	Current Status	Comments
Overall			
Schedule			<i>Delay due to loss of a resource – new resource acquired</i>
Budget			
Scope			
Resources			
Issues/Risks			

General Comments

Milestones & Key Activities Completed

The first column is for the name of the Milestone or Activity as it is in the project plan. Scheduled Due Date is the planned date according to the approved project plan, and Actual Completion is the actual date the milestone or activity was met. The status and comments is a short status or comment such as; completed, on schedule, behind schedule, accepted, etc.

Milestones & Key Activities	Scheduled Due Date	Actual Completion	Status & Comments

Key Project Decisions

Decision	Description	Status	Action Plan

Issues Log

[instructions here]

Issue	Comment

Risks Log

[instructions here]

Risk	Probability (H-M-L)	Mitigation

Comments

Budget

Estimated Budget and Actual YTD as at [insert date]

Item	Estimate	Actual YTD
Total cost of project to date		
Budget		
Variance to Budget		

Quarterly Financial Report
 Project
Quarter Ending: <Date>

Quarter Ending:

June 30, 2014

	Apr. 1, 2014	July 1, 2014	Oct. 1, 2014	Jan. 1, 2015	Year-to-Date
	June 30, 2014	Sept. 30, 2014	Dec. 31, 2014	Mar. 31, 2015	
L.A.O. Receipts	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Total Income:	\$ -	\$ -	\$ -	\$ -	\$ -
Program Expenses					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Rent & Office Exp	\$ -	\$ -	\$ -	\$ -	\$ -
Start-up costs	\$ -	\$ -	\$ -	\$ -	\$ -
Project Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Net Project Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Funds Bal. Mar. 31, 2015	\$ -	\$ -	\$ -	\$ -	\$ -
Funds Balance - end of period	\$ -	\$ -	\$ -	\$ -	\$ -

Schedule C: Standard terms and conditions

1. Funding

- 1.1. LAO agrees to pay the Recipient over the Term of the Agreement, in accordance with Schedule A, the amounts in Schedule A.
- 1.2. All funds provided by LAO under this Agreement and interest on such funds shall be held by the Recipient in trust for LAO to be used solely in accordance with and for the purposes set out in this Agreement. The Recipient shall maintain a separate set of accounting records in relation to such funds.

2. Funds not spent

- 2.1. The funding is for the term stated in Schedule A. If funds remain unspent at the end of the term, the Recipient must seek LAO's approval to extend the project on the same terms. If approval is not given, the unspent funds will be treated by LAO and the Recipient as surplus, and remain the property of LAO. This applies only at the end of the project, and not to unspent funds at the end of any fiscal year during the term of the project, unless LAO has terminated the project.

3. Termination

- 3.1. The Recipient agrees that the funding is based upon the information supplied by the Recipient to LAO, and that the funding received from LAO is to be used only for the purpose described in Schedule A, the Project Description and Details. If any of the information supplied is false, or if funds are not used for the approved purpose, or if a term or condition of this Agreement is breached by the Recipient, this Agreement may be terminated immediately by LAO on written notice to the Recipient, without liability by LAO, and the amount of the Grant provided to the Recipient up to the date of termination shall be immediately repaid to LAO. Such right to termination will only be exercised where the impugned action will have a significant impact on the project, and on a reasonable basis. Such termination is without prejudice to such other rights and remedies as may be available to LAO.
- 3.2. LAO may terminate this Agreement without liability by LAO on 30 days' notice where LAO finds compelling financial or other reasons to re-organize its business and priorities, without regard to the success or failure of the project. On such termination, LAO shall be under no obligation to the Recipient except to pay it, upon receipt of proof (the adequacy of which shall be solely within the reasonable discretion of LAO) in respect of any expenses incurred or legal obligations to pay undertaken by the Recipient pursuant to this Agreement on or before the date termination takes effect. Further, on such termination, Recipient shall refund to LAO any amounts not expended by the termination date or not legally incurred by the date the Recipient is deemed to have received such termination notice.

3.3. Notwithstanding any other provision of this Agreement, if:

3.3.1. The Recipient is bankrupt or insolvent according to the provisions of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3;

3.3.2. A receiver or trustee of the Recipient's property and affairs is appointed;
or

3.3.3. The Recipient makes an assignment, proposal, compromise or arrangement for the benefit of creditors or is petitioned into bankruptcy or files for the appointment of a receiver;

LAO may terminate this Agreement immediately without incurring any liability by delivering to the Recipient notice in writing and this Agreement will be terminated as of the date of giving the notice but without prejudice to such other rights and remedies as may be available to LAO.

4. Governing Law

4.1. This Agreement and the rights, obligations and relations of the parties shall be governed by and construed in accordance with the laws of the Province of Ontario and of Canada. The parties agree that the Courts of Ontario shall have jurisdiction to entertain any action or other legal proceedings based on any provisions of this Agreement. The parties do hereby attorn to the jurisdiction of the Courts of the Province of Ontario.

5. Applicable Laws

5.1. The Recipient represents and warrants that it shall comply with all federal, provincial and municipal laws, regulations and orders in existence on the date of execution of this Agreement and/or which come into existence during the term of this Agreement including but not limited to the Ontario Human Rights Code. The Recipient shall be responsible for obtaining any permits or licences or similar authorizations required for the performance of its responsibilities under this Agreement.

6. Further Grants

6.1. It is agreed and understood that the provision of the Agreement in no way commits LAO to provide other or additional grants now or in the future.

7. Reports

7.1. The Recipient shall prepare and deliver, in form and content and at times satisfactory to LAO, reports as required under this Agreement under Schedule B, and such additional reports as LAO may require from time to time.

8. Liability, Indemnification, Insurance

- 8.1. The Recipient agrees that LAO shall not be liable for any injury, death or property damage to Recipient, its directors, officers, employees, agents, contractors or volunteers or for any claim by any third party against the Recipient, its directors, officers, employees, agents, contractors or volunteers, unless it was caused by the gross negligence or willful act of any employee or agent of LAO while acting within the scope of his or her employment or agency respectively.
- 8.2. LAO shall not be liable for any incidental, indirect, special or consequential damages or any loss of use, revenue or profit arising out of or in any way related to this Agreement.
- 8.3. The Recipient does hereby indemnify LAO, its officers, employees, agents and contractors, against all claims, demands, actions, causes of action, damages, costs, losses, expenses or liabilities related to the performance, purported performance, or non-performance of this Agreement, unless it was caused by the gross negligence or willful act of an employee of LAO while acting within the scope of his or her employment.

9. Assignment

- 9.1. The Recipient shall not assign this Agreement, or any part thereof, or subcontract any of its responsibilities under it without the prior written approval of LAO, which approval may be withheld by LAO in its sole discretion or given subject to such terms and conditions as LAO may impose.

10. Freedom of Information and Protection of Privacy Act and Confidential Information

- 10.1. Any information collected by LAO pursuant to this Agreement is subject to the rights and safeguards provided for in the Freedom of Information and Protection of Privacy Act.
- 10.1.1. The Recipient agrees that, both during and after this Agreement, all personal identifying information about or from any individual participant collected by LAO in order to administer the project shall remain private and confidential and will not be disclosed to anyone, without the prior express written consent of the particular participant.
- 10.1.2. The Recipient agrees that any personal information mentioned in paragraph (1) will not be disclosed to LAO unless LAO so requests and the prior express written consent of the particular participant(s) is obtained.
- 10.2. Both during and after this Agreement, the Recipient, its directors, officers, employees, agents, contractors and volunteers shall treat as private and confidential any information concerning the affairs of LAO to which it or they become privy in the course of this Agreement.

11. Credit and Acknowledgement

- 11.1. All public communications by the Recipient respecting the service provided under this Agreement, including press releases, brochures, published reports, and radio and television programs shall contain the following phrase: "This project has received financial support from Legal Aid Ontario".

12. Notices

- 12.1. Notices under this Agreement shall be in writing and sent by personal delivery, facsimile transmission ("FAX") or by ordinary prepaid mail.
- 12.2. Notices by mail shall be deemed to have been received on the fourth business day after the date of mailing.
- 12.3. Notices by personal delivery or by FAX shall be deemed to have been received at the time of delivery or transmission respectively.
- 12.4. In the event of an interruption in postal service, notice shall be given by personal delivery or by FAX.
- 12.5. Notices to the parties shall be sent to the addresses appended on Schedule D.
- 12.6. The parties may designate by notice in writing to each other a change of address at any time.
- 12.7. For this Agreement, "business day" means any working day, Monday to Friday inclusive, excluding: (I) statutory and other Ontario Provincial Government holidays, namely, New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day; and, (II) any day on which LAO has elected not to be open for business.

13. Accounting and Audit

- 13.1. The Recipient shall ensure that proper accounting records are kept by it in respect of the funds provided by this agreement.
- 13.2. The Recipient shall retain and maintain all materials and records associated with this Agreement for a period of three (3) years following its termination or expiry.
- 13.3. LAO may, without notice and during normal business hours, review all materials and records of the Recipient referred to in subparagraph 13.2 hereof, during the term of this Agreement and within three (3) years after its termination or expiry.

14. Waiver of Terms

- 14.1. A waiver of any failure to comply with any term of this Agreement shall be in writing and signed by the aggrieved party. Each waiver shall refer to specific

failure to comply and shall not have the effect of waiving any subsequent failures to comply.

15. Relationship of the Parties

15.1. This Agreement is a contract for services and nothing in it shall be read or construed as conferring upon the Recipient, its directors, officers, employees, agents, volunteers or contractors, the status of officer, employee, agent or volunteer of, or partner or joint venture with LAO.

16. Amendments

16.1. This Agreement may be amended, altered or added to only by written agreement between and signed by the parties, which agreement is supplemental to this Agreement and thereafter forms part of it.

17. Entire Agreement: Conflict

17.1. This Agreement constitutes the whole agreement between the parties with respect to the matters dealt with in it, and it replaces any prior agreements, undertaking, discussions and the like respecting the matters dealt with in this Agreement and entered into by the parties prior to the commencement date of this Agreement. In the event of any conflict between the Schedules of this Agreement, Schedule A shall prevail.

18. Survival

18.1. Articles 5, 8, 9, 11, 13 and 18 survive termination or expiration of this Agreement.

19. Benefit

19.1. This Agreement is for the benefit of and is binding upon the parties to it and their successors and assigns.

20. Not Exclusive

20.1. The services of the Recipient contracted for by LAO in this Agreement are not exclusive. LAO has the right to contract for identical or similar services with any other person or entity without restriction whatsoever.

21. Conflict of Interest

21.1. The Recipient, any of its contractors and any of their respective advisors, partners, directors, officers, employees, agents and volunteers shall not engage in any activity or provide any services to LAO where such activity or the provision of such services, creates a conflict of interest (actually or

potentially in the sole opinion of LAO) with the provision of the services pursuant to this Agreement. The Recipient acknowledges and agrees that it shall be a conflict of interest for it to use confidential information of LAO relevant to the services where LAO has not specifically authorized such use.

21.2. The Recipient shall disclose to LAO without delay any actual or potential situation that may be reasonably interpreted as either a conflict of interest or a potential conflict of interest.

SCHEDULE D: CONTACT INFORMATION

Legal Aid Ontario:

Name: Randall Ellsworth
Title: Vice-President
Northern Region
Central & Eastern Region
Address: Legal Aid Ontario
Atrium on Bay
40 Dundas Street West, Suite 200
Toronto, ON M5G 2H1

Phone: (416) 204-5406
FAX : (416) 979-2948
Email: ellsworr@lao.on.ca

Recipient:

Name: Trudy McCormick
Title: Executive Director
Address: Northwest Community Legal Clinic
206 Scott St
Fort Frances, ON P9A 1G7

Phone: (807) 274-5327
FAX : (807) 274-3141
Email: mccormit@lao.on.ca