

This **CANADA DIGITAL ADOPTION PROGRAM (CDAP) – GROW YOUR BUSINESS ONLINE GRANT AGREEMENT** made as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (this “**Agreement**”)

**BETWEEN:**

**CANADA/BRITISH COLUMBIA BUSINESS SERVICES SOCIETY (dba. SMALL BUSINESS BC)**, incorporated under the laws of the Province of British Columbia. (the “**Service Provider**”)

**AND:**

\_\_\_\_\_ a body corporate, co-operative, sole proprietorship, general partnership or social enterprise registered or incorporated under the laws of the Province of \_\_\_\_\_ (the “**Applicant**”).

**Eligible Project:**

In this Agreement, “**Eligible Project**” means the projects carried out by the Applicant (as identified in the Applicant’s spending plan) that are approved for funding by the Service Provider pursuant to the criteria and terms and conditions of the Program (as the term is defined herein), and pursuant to the terms and conditions of this Agreement.

**The Service Provider has been designated by His Majesty the King in Right of Canada (“His Majesty”) as represented by the Minister of Innovation, Science and Economic Development :** (the “**Minister**”) to be one of the service providers that will deliver the *Canada Digital Adoption Program – Grow Your Business Online* (the “**Program**”) on behalf of His Majesty.

**The Applicant Represents and Warrants That:**

1. It meets all eligibility requirements to receive funding (the “**Grant**”) in accordance with the Program criteria. (Program guide: <https://digitalmainstreet.ca/bc-cdap/>).
2. The information submitted by the Applicant when applying to the Program (the “**Application**”) is true, accurate and complete.
3. It is a body corporate, co-operative, sole proprietorship, general partnership or social enterprise in good standing under the laws of the jurisdiction in which it is incorporated.
4. That ownership, membership, or board of directors of the Applicant are not controlled by representatives or agents of the federal government of Canada or any other persons that would create a conflict of interest on account of their relationship with the Service Provider or His Majesty.

**The Applicant Agrees:**

1. To provide the Service Provider with a description of the Eligible Project, in the prescribed form and in accordance with Program criteria.

2. Any payment made under this Agreement is subject to the appropriation of funds by the Parliament of Canada for the fiscal year in which the payment is to be made; and to cancellation or deduction in the event that departmental funding levels are changed by the Parliament of Canada.
3. The Service Provider may, in its sole discretion, cancel the Grant and/or terminate any future advances in relation thereto in the event that the Program is terminated, the terms and conditions of the Program are amended, or under other circumstances that the Service Provider deems appropriate.
4. Any Grant provided by the Service Provider as a result of misrepresentation by the Applicant will be repayable to the Service Provider upon demand (with any additional costs and interest payable by the Applicant to the Service Provider at the time of such demand).
5. The submission of the Application does not constitute a commitment or obligation on the part of the Service Provider to award a Grant or advance funds.
6. To submit an invoice of Eligible Costs (as defined in **Schedule "A"**) and proof of payment of such Eligible Costs to the Service Provider within three (3) months of entering this Agreement.
7. The Grant will not be payable to the Applicant until the Applicant has submitted an expense report of Eligible Costs and proof of payment of such Eligible Costs to the Service Provider, and such expense report and Eligible Costs have been approved by the Service Provider. Cash payments will not be accepted as a valid or acceptable form of payment for Eligible Costs
8. The Grant will only be used to pay Eligible Costs incurred as part of an Eligible Project.
9. The Service Provider has full and sole discretion to receive, evaluate, and approve the Application, description of Eligible Project, invoice of Eligible Costs, and any other matters relating to the Program in accordance with the terms and conditions of the Program and the Program Guide,
10. The maximum Grant payable to the Applicant under the Program will be twenty-four hundred Canadian dollars (CAD \$2,400). The Service Provider will determine the amount of the Grant payable to the Applicant in its sole discretion in accordance with the terms and conditions of the Program and the Program Guide.
11. To reimburse the Grant to the Service Provider in full and without delay, in the event that the Service Provider determines subsequently that the Grant was not provided in compliance with the Program Guide or was otherwise provided erroneously or under false representations.
12. To maintain eligibility to receive the Grant in accordance with the terms and conditions of the Program and the Program Guide from the time of the Application until payment of the Grant is made by the Service Provider to the Applicant.
13. To immediately inform the Service Provider of any change in eligibility to receive the Grant or any other material occurrence that may impact the Applicants eligibility to receive the Grant.
14. The Grant and any future advances related thereto may be reduced or terminated immediately without prior notice or warning in the event that the Applicant no longer meets the eligibility requirements outlined in the terms and conditions of the Program and the Program Guide.

15. To act in compliance with the terms, conditions, and guidelines governing the Program including the Program Guide. This Agreement may be terminated by the Service Provider, in its sole discretion, if the Service Provider determines that the Applicant is not in compliance with any of the terms and conditions of the Program and/or Program Guide.
16. To fully and accurately complete the initial *CDAP Small Business Data Collection Survey*.
17. The Service Provider may disclose any information submitted by the Applicant in connection with the program (including the Application, surveys, and other communications) to His Majesty and any other government agencies for the following purposes (subject to applicable restrictions associated with privacy, confidentiality and security):
  - (a) To reach a decision on the Application;
  - (b) To support transparency, accountability and citizen engagement;
  - (c) To promote and market the Program;
  - (d) To otherwise satisfy the Service Provider's obligations to His Majesty, the Minister and all other government agencies or third parties while administering the Program; and
  - (e) To respond to requests made under any applicable privacy legislation.
18. The Applicant may be contacted by the Minister or other government officials in order to assess the Applicant's experience with the Program and support service evaluation and improvement.
19. This Agreement does not create a partnership, agency, or joint venture and the Applicant shall not represent itself as an agent, partner or employee of the Service Provider, the Program, or His Majesty.
20. The Applicant is not in any way authorized to make a promise, agreement or contract or to incur any liability on behalf of the Service Provider, the Program, or His Majesty.
21. This Agreement will constitute the entire agreement between the Applicant and the Service Provider.
22. Not to engage in any exclusive relationships with vendors. The Service Provider will use its best efforts to provide a variety of e-commerce platforms to the Applicant for consideration, and the Applicant will make the final decision regarding choice of platform.
23. The Applicant will ensure compliance with all federal, provincial, territorial, municipal and other applicable laws governing the Applicant and the Eligible Project including without limitation, statutes, regulations, by-laws, rules, ordinances and decrees.
24. To acknowledge the financial support of the Minister in all public communications (including but not limited to web sites, publications, news releases, presentations, annual reports, on-site signage). Acknowledgement must be in a form that is satisfactory to the Minister and in accordance with the [Federal Identity Program](#). The Applicant also agrees to limit the acknowledgement to applications agreed upon by the Minister and to terminate the acknowledgement upon request of the Minister.

25. To give reasonable prior notice to the Service Provider and the Minister of a proposed public announcement or ceremony relating to the Program and invite the Service Provider and the Minister to participate in the proposed public announcement or ceremony at a mutually agreeable date.
26. To measure, collect, and report data related to performance expectations and key performance indicators to the Service Provider and His Majesty upon request.
27. To take full responsibility for the ownership of intellectual property and other assets created or acquired as part of the Eligible Project in accordance with applicable legislation and any agreements the Applicant is subject to, where applicable.
28. The Minister has the right to audit, or cause to have audited, the accounts and records of the Applicant and to have a right of access to the books and accounts and premises of the Applicant for the purpose of assessing the ongoing performance of the Applicant and determining whether funds advanced under the Grant should be discontinued.
29. To release certain information and records to His Majesty upon reasonable request, and in a timely manner. Without limitation, this may include all records held by the Applicant, or by agents or contractors of the Applicant, relating to the relevant Eligible Project and the use of funds; and such further information and explanations as His Majesty, or anyone acting on her behalf may request relating to any part of this Agreement. Such information may be released to the Auditor General of Canada.
30. To not disclose or copy any confidential information obtained by the Applicant through participating in the Program or in the performance of this Agreement, except as required by law or a court of competent jurisdiction.
31. This Agreement may not be assigned by the Applicant to any other party without the written consent of the Service Provider acting in its sole discretion.
32. This Agreement shall ensure to the benefit of and be binding on the respective administrators, successors and permitted assigns of each of the parties hereto.
33. Any failure of the Service Provider to insist upon strict compliance with any terms and conditions of this Agreement shall not be construed as a waiver of such terms and conditions and agreements, or of the right of the Applicant to insist at any time thereafter upon such strict compliance.
34. If any provision or part of any provision in this Agreement is found to be invalid, illegal, or unenforceable, such provision will be severable from this Agreement and the remainder thereof will be construed as if the severable provision has been deleted from this Agreement.
35. This Agreement shall be interpreted in accordance with the laws of British Columbia and the laws of Canada applicable therein.
36. To at all times indemnify and save harmless, His Majesty and the Service Provider and any of their respective officials, employees and agents from and against all claims and demands, losses, costs, damages, actions, suits or other proceedings (including, without limitation, those relating to injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights) by whomsoever brought or prosecuted, or threatened to be brought or prosecuted, in any manner

based upon or occasioned by any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights, caused by, or arising directly or indirectly from:

- the Program, its operation, design, conduct, or any other aspect thereof;
- the performance or non-performance of this Agreement, or the breach or failure to comply with any term, condition, representation or warranty of this Agreement by the Applicant, its officers, employees and agents, or by a third party or its officers, employees, or agents;
- the design, construction, operation, maintenance and repair of any part of the Eligible Project; or,
- any omission or other willful or negligent act or delay of the Applicant and their respective employees, officers, or agents, except to the extent to which such claims and demands, losses, costs, damages, actions, suits, or other proceedings relate to the negligent act or omission of an officer, official, employee, or agent of His Majesty or the Service Provider in the performance of their duties
- **In the event that Small Business BC does not receive a signed copy of this contract by 5:00 PM Pacific Daylight Time on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ this contract shall be deemed null and void, and neither party shall have any further obligations or liabilities hereunder.**

[Signature Page Follows]



I have read and accepted the terms above.

Dated as of the day first written above.

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Per: \_\_\_\_\_

Title: \_\_\_\_\_

\*I have authority to bind the Applicant



## SCHEDULE A

Eligible Costs for the Applicant are those that relate to implementation of an e-commerce solution or the net new cost for improving an existing e-commerce plan, which include:

- Costs related to the implementation or improvement of a digital e-commerce plan (e.g. online reservation/booking tools, online ordering systems, electronic payments and search engine optimization)
- Costs related to the installation of an e-commerce platform (including subscription fees/costs)
- Hardware and accompanying non-e-commerce related software are eligible for up to 20% of total grant amount. All hardware and software requests must be clearly backed up by how the request directly ties to selling products and/or services online
  - An example of limited coverage for software would be any software that is bought with the equipment that is required to support an e-commerce strategy. For instance, if a small business buys a new e-commerce integrated point of sale (POS) system that costs \$1,300, CDAP will cover 20% or \$260.
  - **Note:** The maximum amount of the grant that can be allocated to hardware and related software is 20% of \$2,400 or \$480.
- Costs related to digital marketing including:
  - Costs of social media marketing
  - Hiring a consultant or agency to execute digital marketing initiatives related to your e-commerce store
    - **Note:** Plan cannot be used solely for digital marketing or social media advertising; such uses must be tied to an overall e-commerce implementation plan and not a standalone item
- Costs of back-office solutions to support an e-commerce strategy
- Costs related to the creation of customer databases
- Development of new e-commerce website
- Upgrading existing eCommerce sites for added functionality (i.e., new plugins, or features)
  - **Note:** *redesign of an existing site is not eligible*

*\*Please note that all eligible costs must be directly tied to the sale of goods and services online, and you will need to clearly outline this in your application. The Service Provider retains discretion to verify the completeness and quality of work performed prior to the disbursement of funds.*

**Ineligible costs include, but are not limited to, the following:**

Non-arms length transactions between CDAP SME recipients and their chosen service providers.

- A non-arms length transaction is defined as follows: A transaction made between related parties as described in Section 251 of the Income Tax Act, which defines related persons as individuals connected by blood relationship, marriage, or adoption, and any situation involving different degrees of control by these persons or corporations.
  - Costs of connectivity
  - Costs related to the shipping of goods purchased through the e-commerce platform
  - Purchases made prior to grant approval
  - Office Software (e.g., Microsoft Office, iWork, Google Workspace, etc.)
  - Renewal of digital services such as domain name, software subscription etc.
  - This includes existing eCommerce subscriptions.
  - Signage and printing
  - Logo redesign and rebranding
  - Business Owner's salary or any employee salary for executing the project
  - Costs of land, building or vehicle purchase
  - Costs of intangible assets such a goodwill, whether capitalized or expensed
  - Depreciation or amortization expenses
  - Interest on invested capital, bonds, or debentures
  - Bond discount
  - Monthly mortgage, loan and/or rent payments
  - Refinancing of an existing debt
  - Losses on investments, bad debts, and any other debts
  - Fines or penalties
  - Costs related to litigation
  - Fees for administrators including payments to any member or officer of the Recipient's Board of Directors
  - Opportunity costs
  - Hospitality and entertainment costs
  - Franchise fees and/or franchise license costs
  - Lobbyist fees
  - New capital expenditure
  - Consulting fees for submission of CDAP application or any costs not related to the acquisition or set up of technology solution