

INVESTMENT AGREEMENT

(Alberta Entrepreneurship Incubator Program
Entrepreneurial Internship)

Agreement Number: [Record Number]

THIS INVESTMENT AGREEMENT, DATED THE ___ DAY OF _____, 20___, BETWEEN:

ALBERTA INNOVATES

A Provincial research and innovation corporation
established pursuant to Section 6.1(3) of the *Alberta
Research and Innovation Amendment Act, 2016*

- and -

[NAME]

An individual legally permitted to work in Canada

(the “**Applicant**”)

- and -

[NAME]

A Corporation incorporated pursuant
to the laws of [TBD]

(the “**Mentor Company**”)

BACKGROUND

1. The Applicant is an individual with a plan to develop and commercialize a novel technology or business solution to address a gap or market need in Alberta.
2. The Mentor Company wishes to employ the Applicant as an intern for the purpose as outlined in the Application.
3. Alberta Innovates has reviewed the Application and agreed to fund the Project, on the terms set out in this Investment Agreement.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Terms and Conditions

The Investment is governed by the Terms and Conditions which form a part of this Investment Agreement. A copy of the Terms and Conditions are attached as Schedule A.

1.2 Definitions

For ease of reference, a list of defined terms is included in Schedule B.

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ARTICLE 2 START AND COMPLETION DATES

2.1 Project Start Date

The Applicant and Mentor Company must determine a Project Start Date and indicate such below. This date will be the commencement of the Project. The Project Start Date must be after the date Alberta Innovates receives a fully executed copy of this Investment Agreement from the Applicant and Mentor Company, be the first day of a month and must fall within the first 2 months following the date of the notice of award email from Alberta Innovates.

If the Project Start Date is different from the proposed start date initially set out in the Application, such amended Project Start Date will replace whatever was initially included with the Application. Alberta Innovates will not fund any costs incurred prior to the Project Start Date, and all costs incurred prior to the Project Start Date are considered Ineligible Expenses.

The effective date of this Agreement shall be the Project Start Date.

2.2 Project Completion Date

The Project Completion Date must be no sooner than three (3) months and no more than twelve (12) months from the Project Start Date.

ARTICLE 3 INVESTMENT BY ALBERTA INNOVATES, CONTRIBUTION OF THE MENTOR COMPANY

3.1 Investment by Alberta Innovates

Subject to the Terms and Conditions of this Investment Agreement, Alberta Innovates agrees to make an Investment in the amount of up to **XXXXXXXXXX** for the Project.

3.2 Monthly Payments

The Investment will be paid to the Mentor Company in equal monthly payments. Upon completion of the Project, the Applicant and Mentor Company are required to submit a Final Report to Alberta Innovates.

3.3 Contribution by the Mentor Company

The Mentor Company must provide a Contribution of a minimum of 33% of the Eligible Salary.

3.4 Eligible and Ineligible Expenses

The Investment shall only be applied towards monthly Salary paid to the Applicant. It is a condition of the Investment that Alberta Innovates has the right to require the Mentor Company to repay all amounts of the Investment which were used to cover any expenses other than the monthly Salary of the Applicant, and such amount shall constitute a debt owing and repayable by the Mentor Company to Alberta Innovates.

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ARTICLE 4 EMPLOYMENT CONSIDERATIONS

4.1 Employment Location

The Mentor Company will employ the Applicant at [Mentor Company Address] in the Province of Alberta. A copy of the employment agreement between the Applicant and the Mentor Company shall be provided to Alberta Innovates prior to the execution of this Investment Agreement.

4.2 Applicant Commitment

The Applicant will agree to work for the Mentor Company as set out in the employment agreement.

The Applicant further agrees to meet with their Business Development Advisor (BDA) on a regular business and keep the BDA informed of the progress of the Project.

ARTICLE 5 REPORTING REQUIREMENTS

5.1 Terms and Conditions

All Monthly Payments are subject to the Terms and Conditions governing the Project.

5.2 Reporting Requirements During the Project

The Applicant and the Mentor Company agree to provide Alberta Innovates with a Final Report in the standard form within fourteen (14) days of the Project Completion Date, signed by the BDA, The Applicant and the Mentor Company Representative. For clarity, the failure to provide the required Final Report may be cause for Alberta Innovates to reclaim payment of any portion of the Investment.

Alberta Innovates may refuse to approve a Final Report, or request changes to such report, as determined in its sole discretion upon written notice to the Applicant advising of the reason for refusing approval and/or requesting a change.

5.3 Post-Investment Period

As it is critical for Alberta Innovates to report on the outcomes of the Project, it may from time to time request certain information from the Applicant and/or the Mentor Company regarding the results of its Investment in the Project. All such information is deemed to be non-confidential for all of Alberta Innovates' purposes and the Applicant and Mentor Company agree to provide such information when requested by Alberta Innovates during the Post-Investment Period.

ARTICLE 6 CHANGES TO THE PROJECT

6.1 Changes and Review Procedure

Alberta Innovates expects the Applicant and Mentor Company to set reasonable Project start and completion dates as set out above. Should an unforeseen circumstance arise whereby it is not possible to meet the deliverables as set out in the Application and employment contract, the Applicant and Mentor Company may request an Amendment to the Agreement by contacting the Alberta Innovates representative set out in ARTICLE 7 below. Changes may include, but are not limited to, the following: (i) an increase or decrease in the Investment associated with the Project as a whole due to the departure of the Applicant for any reason; (ii) illness or other leave of absence of the Applicant; (iv) a Change in Control of the Mentor Company; or (v) any other changes as determined by Alberta Innovates. Upon

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review of the request, Alberta Innovates may, at its sole and unfettered discretion, approve, decline or request further information concerning the change. Should an amendment be approved by Alberta Innovates, all other terms and conditions of the Investment Agreement shall remain in full force and effect. If the requested change is declined, the Applicant and Mentor Company may either elect to proceed with the Project as previously approved by Alberta Innovates or terminate the Agreement, in which case no further payments from the Investment will be provided.

6.2 Cumulative Changes in Excess of Twelve Months

For clarity, any changes over the term of the Project that result in more than a twelve (12) month extension from the original Project Completion Date will not be approved by Alberta Innovates. Should such changes delay the Project Completion Date for more than twelve (12) months from the initial Project Completion Date, all funding from Alberta Innovates shall cease on the day after the one year anniversary of the original Project Completion Date, unless otherwise approved by Alberta Innovates in writing.

ARTICLE 7 NOTICES

7.1 Generally

Any notice or other communication regarding the matters contemplated by this Agreement shall be delivered to the individuals listed below and must be in writing and delivered by courier, registered mail or email, as follows:

IF TO ALBERTA INNOVATES:

Name: Isabel Salcedo
Address: 250 Karl Clark Rd. NW
Edmonton, AB T6N 1E4
Phone: (780) 450-5111
Email: inbox_grants@albertainnovates.ca

IF TO THE APPLICANT:

Please complete the following:

Name: _____
Address: _____
Phone: _____
Email: _____

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IF TO THE MENTOR COMPANY:

Name: _____
(This Person is the Mentor Company Representative)

Address: _____

Phone: _____

Email: _____

A notice is deemed to be delivered and received on the date of delivery if delivered prior to 4:30 p.m. (MST time) on a Business Day and otherwise on the next Business Day.

A Party may change its address for service from time to time by notice given to all other Parties in accordance with the foregoing provisions.

[The remainder of this page has been intentionally left blank. Signature pages follow]

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ALBERTA INNOVATES

Nancy Davidson
Team Lead, Grants Management, CPPMO

Carla Otto
Director, Regional Innovation

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CONSENT AND ACKNOWLEDGEMENT TO BE BOUND TO THE AGREEMENT BY THE APPLICANT:

The undersigned agrees to and accepts the terms and conditions of the Investment, as set out in this Agreement. Prior to signing this Agreement, the Applicant acknowledges he/she has carefully read and understands the Guide and this Agreement.

In addition, the undersigned agrees to the Project Start Date and the project completion date above.

[INSERT APPLICANT NAME]

WITNESS

Signature

Signature

(Printed) Name

(Printed) Name

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CONSENT AND ACKNOWLEDGEMENT TO BE BOUND TO THE AGREEMENT BY THE MENTOR COMPANY:

The undersigned agrees to and accepts the terms and conditions of the Investment, the approved Application and this Agreement, and has agreed to provide the Contribution to the Applicant.

Prior to signing this Agreement, the Applicant acknowledges it (or an authorized representative acting on its behalf) has carefully read and understands the Guide, the approved Application and this Agreement.

In addition, the undersigned request the Project Start Date to be: **CHOICE OF THE 2 MONTHS FOLLOWING THE DATE ON THE LETTER ABOVE – [1st day of one of the next 2 months]**

[INSERT MENTOR COMPANY NAME]

Per:

The Project Start Date is:

Signature (I have the authority to bind the
[corporation OR Limited Partnership OR General
Partnership OR Limited Liability Partnership])

(dd-mm-yyyy)
The date must be
completed by the
Mentor Company.

(Printed) Name of authorized signatory

The Project Completion
date is:
(3 to 12 months from the
Project Start Date)

Date

(dd-mm-yyyy)
The date must be
completed by the
Mentor Company.

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SCHEDULE A – TERMS AND CONDITIONS

THE FOLLOWING LEGAL TERMS AND CONDITIONS ARE INCORPORATED INTO AND FORM PART OF THE INVESTMENT AGREEMENT. PLEASE REVIEW THESE TERMS CAREFULLY.

1. Conditions of Payment

Alberta Innovates' obligation to pay the Investment, or any portion or instalment thereof, is conditional on:

- (a) the Applicant and the Mentor Company at all times being in compliance with the Investment Agreement;
- (b) the Project progressing as set out in ARTICLE 5 - REPORTING REQUIREMENTS above;
- (c) the Project being completed by the Project Completion Date;
- (d) the Contribution to carry out and complete the Project remaining in place and being applied in accordance with ARTICLE 5 - REPORTING REQUIREMENTS;
- (e) timely completion of all Reports as required.

2. Alberta Innovates' Right to Terminate Funding

Notwithstanding any other term of this Investment Agreement, Alberta Innovates may terminate its obligations under this Investment Agreement immediately or at any time during the term in the event the Government of Alberta at any time suspends, revokes, reduces or terminates funding to Alberta Innovates. In such event this Agreement shall terminate immediately subject to the obligation of the Applicant and Mentor Company to provide a summary Report as set out below. Alberta Innovates will notify the Applicant and Mentor Company of such suspension as soon as is reasonably practicable.

Notwithstanding any other terms of this Investment Agreement, Alberta Innovates may terminate this Investment Agreement at any time without cause on thirty (30) days' written notice to the Applicant and Mentor Company, and Alberta Innovates' obligation to make any further payments of the Investment shall cease upon delivery of such notice.

Alberta Innovates additionally has the right to unilaterally terminate the Investment for any Project that incurs a Default or a Change of Control. Alberta Innovates will not terminate the Investment in the case of a Change of Control where:

- (a) the Applicant continues to satisfy the minimum requirements to be eligible for the Program; and
- (b) Alberta Innovates, the Applicant, the Mentor Company and the new entity execute an assignment and novation agreement whereby the original Applicant or Mentor Company as the case may be agrees to assign its rights to the new entity, and the new entity assumes all obligations under the Investment Agreement and Alberta Innovates consents to such assignment and assumption.

Should Alberta Innovates elect to terminate this Agreement, for any reason, the Applicant and Mentor Company will not be obligated to deliver the Final Report, but will provide to Alberta Innovates a Progress Report summarizing the outcomes of the Project up to the effective date of such termination, such report to be delivered not later than ninety (90) days from the date of termination.

3. Termination of the Project for Delay

If the Applicant or the Mentor Company suspends or delays the Project for any reason whatsoever for a period in excess of three (3) months, or for periods which in the aggregate exceed three (3) months during the term of the Project, then Alberta Innovates may terminate this Agreement immediately upon notice to the Applicant and Mentor Company, in which case Alberta Innovates will have no further payment obligation. If any one of the Applicant or the Mentor Company terminates their part of the Project for any reason prior to the Project Completion Date, Alberta Innovates must be notified immediately. Nothing will excuse the Applicant and Mentor Company from providing a Final Report summarizing the outcomes of the Project up to such date of termination.

4. Repayment of the Investment

Alberta Innovates has the right to require the Mentor Company to repay to Alberta Innovates any portions of the Investment paid to the Mentor Company where:

- (a) the Applicant or the Mentor Company terminate their portion of the Project prior to the Project Completion Date; or
- (b) the Applicant or Mentor Company incurs a Default.

In any of these instances, any amount of the Investment already advanced to the Mentor Company shall constitute a debt owed by the Mentor Company to Alberta Innovates on a dollar for dollar basis, together with interest, which shall accumulate from and after the date of notice of rescission from Alberta Innovates at the prime rate for commercial loans fixed by the Royal Bank of Canada at that date, plus 3%. Such debt plus accrued interest is due and payable within forty-five (45) days of Alberta Innovates delivering its notice of rescission.

5. Intellectual Property

Alberta Innovates makes no claim to any Intellectual Property generated as a result of its Investment in the Project. Alberta Innovates requires a written intellectual property ownership agreement be executed between the Applicant and the Mentor Company prior to executing this Investment Agreement. A copy of such agreement shall be provided to Alberta Innovates on request.

6. Representations and Warranties

Alberta Innovates represents and warrants that:

- (a) it is a Provincial research and innovation corporation established pursuant to the laws of Alberta and is in good standing under the laws of such jurisdiction;
- (b) it has all necessary power and authority to enter into, deliver, and perform its obligations under this Investment Agreement and all necessary action has been taken to approve this Investment Agreement and the transactions contemplated herein; and
- (c) the entering into and performance of this Agreement

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does not violate or breach any other agreement to which Alberta Innovates is a party to or any of its constating documents.

7. Representations of the Applicant

The Applicant represents and warrants that, both at the time of signing this Investment Agreement and throughout the term of the Project:

- (a) all information contained in the Application and any other documentation provided to Alberta Innovates in relation to the Project is accurate and complete;
- (b) disclosure of all facts relevant to the Project and its commitments under this Investment Agreement are full, true and plain and the Applicant will comply with same throughout the term, including specifically any ongoing disclosure and reporting obligations;
- (c) the Applicant has all necessary power and authority to execute, deliver and perform its obligations under this agreement and all necessary action has been taken by it to approve this Investment Agreement and the transactions contemplated hereby;
- (d) the entering into and performance of this Investment Agreement does not violate or breach any other agreement to which it is a party or any of its constating documents, and that throughout the Project it will remain an eligible entity under the guidelines set out in the Program Guide;
- (e) it will complete the Project in accordance with ARTICLE 5 - REPORTING REQUIREMENTS;

8. Representations of the Mentor Company

The Mentor Company represents and warrants, on a several and not joint basis, both at the time of signing this Investment Agreement and throughout the term of the Project:

- (a) it is a corporation in good standing, either incorporated in the Province of Alberta or incorporated federally or in another province and extra-provincially registered in Alberta;
- (b) all information contained in the Application, together with any other documentation provided to Alberta Innovates in relation to the Project are accurate and complete;
- (c) it has made full, true and plain disclosure of all facts relevant to the Project and its commitments under this Investment Agreement and will comply with same throughout the term, including specifically any ongoing disclosure and reporting obligations;
- (d) it has all necessary power and authority to execute, deliver and perform its obligations under this agreement and all necessary action has been taken by it to approve this Investment Agreement and the transactions contemplated hereby;
- (e) the entering into and performance of this Investment Agreement does not violate or breach any other agreement to which it is a party or any of its constating documents;
- (f) it will complete the Project in accordance with ARTICLE

5 - REPORTING REQUIREMENTS;

- (g) it will only use the Investment solely for costs related to the Project; and
- (h) it will not change the Project in any way from what is set out in the Application without the prior written consent of Alberta Innovates, which consent may be withheld for any reason.

9. Records, Reporting and Monitoring

During the term of the Project the Applicant and the Mentor Company shall maintain or cause to be maintained full, accurate and complete records of the activities conducted in furtherance of, and the results achieved through the conduct of the Project, including without limitation full, accurate and complete records and books of account relating to the receipt and expenditure of the Investment, including specifically pay stubs detailing salary payments to the Applicant. The Parties acknowledge that certain records required to be maintained under this Investment Agreement are subject to the protection and access provisions of the *Freedom of Information and Protection of Privacy Act* (Alberta). Alberta Innovates may, from time to time, upon reasonable prior notice to the Applicant and the Mentor Company, audit or examine the records or books of account to be maintained in accordance with this section. The costs of any such audit, examination or report shall be paid by Alberta Innovates unless such audit, examination or report reveals a breach of this Agreement or a failure by the Applicant or Mentor Company to maintain proper records as required by this section, in which case the costs shall be paid by the Applicant or Mentor Company, as the case may be.

Alberta Innovates shall be entitled, at reasonable times and upon reasonable prior notice to the Applicant and Mentor Company to have its authorized agents attend at the premises of the Mentor Company or the location where the Project is being carried out for the purposes of examining the files, documents, records and other assets pertaining to the project, or to assess whether the Applicant and Mentor Company are complying with the terms of this Investment Agreement. The Applicant and Mentor Company agree to provide Alberta Innovates' authorized agent with all such assistance as may be reasonably required during such inspection. For clarity, such right of inspection shall be limited to the purpose of ascertaining whether this Investment Agreement has been complied with, and Alberta Innovates will not have any general right to obtain custody or copies of the records of the Applicant or Mentor Company except as contemplated by this section.

10. Forms

The Applicant and Mentor Company agree to use Alberta Innovates' standard form documents during the course of completing and reporting on the Project. All forms can be found on the funding page for the [Alberta Entrepreneurship Incubator Program](#). Alberta Innovates may update or amend its standard forms from time to time without notice to the Applicant or the Mentor Company. Accordingly, all Parties are encouraged to access the particular form from Alberta Innovates' website at the time it is required in order to ensure the most current version of the form is used.

11. Acknowledging Alberta Innovates

All publications, presentations and public messages

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concerning the Investment or the Project must acknowledge the contribution of Alberta Innovates, the Ministry of Economic Development and Trade, and the Government of Alberta, where applicable, and be provided to Alberta Innovates in draft form for approval. Use of the full legal name 'Alberta Innovates' is required, rather than 'AI' or a similar acronym. Alberta Innovates' financial support or investment in a project in no way constitutes an endorsement of the Project, the Applicant, or the Mentor Company and any suggestion or statement that Alberta Innovates endorses or approves of a Project or a party involved in the Project is strictly prohibited and may result in termination of this Investment Agreement by Alberta Innovates.

12. Non-Confidential Information and Publication of Non-Confidential Information

The Applicant and the Mentor Company agree that Alberta Innovates may either: (1) publish and/or disseminate in the public domain certain information contained within the Application, Final Report, and/or Post-Investment Metrics Reports marked 'non-confidential' as a way of promoting the success of innovation initiatives within the Province of Alberta, or; (2) use certain information within the Application to verify other information provided by the Applicant. To that end, the Parties acknowledge and agree that the information expressly set out as non-confidential information in the Application, and the results with respect to those components described in any Final Report or Post-Investment Metrics Report is non-confidential and may be used or disclosed by Alberta Innovates in its sole and absolute discretion at any time without notice to the Applicant or the Mentor Company.

13. Liability and Indemnities

Alberta Innovates shall not be liable in any way whatsoever to the Applicant or the Mentor Company, or any of their respective directors, officers, employees, agents, personal legal representatives and/or heirs for any losses, damages or claims, including but not limited to indirect, incidental, consequential, or special damages or any loss of profits, loss of business opportunity, loss of revenue, or any other loss or injury suffered or arising in any way whatsoever in the course of the Project, whether arising before or after submitting an Application or entering into the Investment Agreement with Alberta Innovates.

Each of the Applicant and the Mentor Company, severally and in accordance with their allocable share of negligence or fault at law, agree to indemnify and hold harmless Alberta Innovates, its directors, officers, employees and agents against and from any and all third party claims, demands, actions and costs whatsoever (including legal costs on a solicitor and his own client full-indemnity basis) that may arise directly or indirectly out of any act or omission of the Applicant or the Mentor Company, or any of their respective directors, officers, employees, contractors, agents or legal representatives or the negligence or tortious act or willful misconduct of the Applicant or the Mentor Company or any of their respective directors, officers, employees, contractors, agents or legal representatives in relation to their obligations under the Project.

This section will survive termination or expiry of this Investment Agreement.

14. Insurance

The Mentor Company shall, at their own expense and without

in any way limiting their liabilities herein, insure their operations under a contract of General Liability Insurance in accordance with the *Insurance Act* (Alberta) in an amount of not less than **\$2,000,000** inclusive per occurrence, insuring against bodily or personal injury and property damage, including the loss of use thereof. Such insurance must be in place before the signing of this Investment Agreement and shall be maintained during the term of the Project. The Applicant and Mentor Company acknowledge that no protection is available from Alberta Innovates for any third-party claims pursuant to the Project. The Applicant and Mentor Company shall provide a certificate of insurance when requested by Alberta Innovates. In addition, the Mentor Company shall maintain all workers' compensation coverage required by applicable laws.

15. Dispute Resolution

In the event of any dispute regarding the interpretation of any provision of this Investment Agreement, the Parties agree to refer the matter to joint discussion by the Applicant, the Mentor Company and Alberta Innovates. If such senior officials cannot resolve a dispute, the Parties may agree to participate in mediation with a mutually acceptable mediator. Mediation will proceed on the following basis:

- (a) if the Parties cannot agree on a mediator they will ask the President or Executive Director of the Alberta Arbitration and Mediation Society to assist in the selection process;
- (b) the Parties will share the cost of the mediator equally and bear their own costs incurred with respect to the mediation, including but not limited to any legal costs;
- (c) no evidence of anything said or of any admission or communication made in the course of the mediation shall be admissible in any further legal proceedings, except with the consent of all Parties; and
- (d) any resolution reached will be based on the full participation of and agreement between the Parties.

For clarity, nothing in this agreement shall abrogate Alberta Innovates' rights to seek judicial or equitable relief or to enforce the terms of this Agreement in a court of law.

16. No Partnership, Joint Venture or Agency

Nothing in this Investment Agreement shall be deemed to create a partnership, joint venture, association, agency, trust, or employer-employee relationship and no Party shall be authorized to hold itself out or to act as the agent or employee of any other Party for any purpose whatsoever.

17. Governing Law

This Investment Agreement shall be governed by the laws of the Province of Alberta and the laws of Canada applicable therein and the Parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta for all disputes arising under this Agreement.

18. Interpretive Aids

All references to the singular include the plural and vice versa and references to one gender include both genders and gender-neutral parties, where applicable. Derivations of terms or expressions defined herein shall have a corresponding meaning to the defined term or expression. The headings, article and section references appearing in this Investment Agreement are for convenience and ease of

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reference only and in no way define, limit or describe the scope or intent of this Investment Agreement or any part thereof. All of the provisions of this Investment Agreement shall be construed to be covenants and agreements as though the words specifically expressing covenants or agreements were used in each separate provision hereof. All recitals and schedules to this Investment Agreement are expressly incorporated herein. Any references to a statute include all applicable regulations, all amendments to that statute or applicable regulations and any statute or applicable regulation that supplements or replaces such statutes or applicable regulations, as the case may be. All monetary references are in lawful currency of Canada.

19. Assignment

Alberta Innovates may assign its rights under this Investment Agreement to an 'affiliate' (as that term is defined in section 2(1) of the *Business Corporations Act* (Alberta)) or successor entity on written notice to the Applicant and the Mentor Company.

20. General Terms and Conditions

A waiver of any provision of this Investment Agreement must be in writing and signed by the Party providing the waiver, and is legally binding only in the specific instance and for the specific purpose for which it was given. The failure or delay of any Party to exercise any right under this Agreement does not constitute a waiver of that right. No single or partial exercise of any right will preclude any other or further exercise of that right or the exercise of any other right, and no waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar).

If any provision of this Agreement or its application to any Party or circumstance is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, it will be ineffective only to the extent of its illegality, invalidity or unenforceability without affecting the validity or the enforceability of the remaining provisions of this Agreement and without affecting its application to the other Parties or circumstances.

This Agreement does not and is not intended to confer any

rights or remedies upon any Person other than the Parties. Any third party is not entitled to rely on the provisions of any project document in any action, suit, proceeding, hearing or other forum.

This Investment Agreement, including all schedules hereto, constitutes the entire agreement between Alberta Innovates and the other Parties as they relate to the obligations of Alberta Innovates under the Program. This Investment Agreement supersedes all other understandings, agreements and representations with Alberta Innovates. There are no representations, warranties, terms, conditions, covenants or other understandings, express or implied, collateral, statutory or otherwise from Alberta Innovates that the Parties are relying on in entering into and completing the Project. The Parties hereto acknowledge and agree that: (i) each Party has read and understands the terms and provisions of this Investment Agreement, have had the opportunity to review same with their legal counsel, and any rule whereby an ambiguity is to be resolved against the drafting Party does not apply in the interpretation of this Agreement; and (iii) the terms and provisions of this Agreement will be construed fairly as to all Parties hereto and not in favour of or against any Party, regardless of which Party was generally responsible for the preparation of this Investment Agreement.

Each Party agrees to execute, acknowledge and deliver such further instructions, and to do all such other acts, as may be necessary or appropriate in order to carry out this Investment Agreement.

If any act is required by the terms of this Investment Agreement to be performed on a day which is not a Business Day, the act will be valid if performed on the next succeeding Business Day.

This Investment Agreement may be executed in any number of counterparts and delivered via facsimile or electronically in portable document format. Each such counterpart, when so executed and delivered, shall be deemed an original and all such counterparts, when taken together, shall constitute one and the same instrument.

SCHEDULE B – DEFINED TERMS

For the purposes of this Agreement, the following terms are defined to have the corresponding meaning:

- (a) **“Applicant”** means the individual identified on the front page of this Agreement who completed and submitted an approved Application;
- (b) **“Application”** means the initial application form submitted by the Applicant for consideration and attached as Schedule C;
- (c) **“Business Day”** means any day other than a Saturday, Sunday, or statutory holiday in the Province of Alberta;
- (d) **“Change of Control”** means any change in Control of a Person, directly or indirectly, by any means whatsoever (whether by merger, plan of arrangement, sale of shares or other equity interest through a single transaction or a series of related transactions), but all provided that the appointment of one additional co-trustee of any trust (for a total of two co-trustees in respect of such trust) is not a change in Control for purposes of this Agreement;
- (e) **“Contribution”** means the financial contribution to be provided by the Mentor Company as detailed in ARTICLE 5;
- (f) **“Control”** means one or more of the following:
- i a body corporate is controlled by a Person if: (A) securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate are beneficially owned by the Person; and (B) the votes attached to those securities are sufficient to elect a majority of the directors of the body corporate;
 - ii a trust is controlled by a Person if that Person is a trustee of such trust;
 - iii an association, partnership, or other organization is controlled by a Person if: (A) more than 50% of the ownership interests, however designated, into which the association, partnership or other organization is divided are beneficially owned by the Person; and (B) the Person is able to direct the business and affairs of the association, partnership, or other organization; and
 - iv a Person that controls another Person is deemed to control any Person that is controlled or deemed to be controlled by the other Person.
- (g) **“Default”** means any one (1) or more of the following:
- i. the bankruptcy or insolvency of the Mentor Company, (including becoming the subject matter of any proceeding relating to its bankruptcy, insolvency, receivership, liquidation, dissolution or winding up); or
 - ii. any breach of an obligation or failure to perform or observe any provision on its part under the Agreement or, made by the Applicant or the Mentor Company and any such breach or default continues for a period of five (5) days after receipt of written notice from Alberta Innovates specifying such breach; and
- iii. but provided that where Alberta Innovates gives notice of the occurrence of a Default and the Default is cured within five (5) days, notice that the Default is no longer continuing will be given to Alberta Innovates by the Applicant immediately after the Applicant becomes aware that the Default has been cured, and Alberta Innovates will not rescind its Investment on the basis of that Default.
- (h) **“Final Report”** means Alberta Innovates' standard form entitled the “Final Report” under the Program;
- (i) **“Intellectual Property”** means tangible or intangible property in which Intellectual Property Rights subsist and/or that is subject to Intellectual Property Rights including, without limitation, ideas, formulae, algorithms, concepts, techniques, processes, procedures, approaches, methodologies, plans, systems, research, information, documentation, data, data compilations, specifications, requirements, designs, diagrams, inventions, technology, computer programs (including all related code), tools, products, knowledge, know-how and trade secrets;
- (j) **“Intellectual Property Rights”** means:
- i. any and all proprietary rights anywhere in the world provided under: patent law, copyright law, trademark law, design patent or industrial design law, semiconductor chip or mask work law, trade secret law, or any other statutory provision or common law principle that provides a right in either intellectual property or the expression or use of intellectual property; and
 - ii. any and all applications, registrations, licenses, sub-licenses, franchises, agreements or any other evidence of a right in any of the foregoing;
- (k) **“Investment”** means the amount of funding granted by Alberta Innovates to an Applicant under the Program and governed by this Investment Agreement;
- (l) **“Investment Agreement”** means this Alberta Entrepreneurship Incubator Program – Entrepreneurial Internship Investment Agreement between Alberta Innovates, the Mentor Company and the Applicant;
- (m) **“Mentor Company Representative”** means the individual who is authorized to act on behalf of the Mentor Company;
- (n) **“Parties”** means the parties to this Investment Agreement, and ‘Party’ means any of them;

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- (o) **"Person"** means any individual, body corporate, partnership, sole proprietorship, joint venture, trust, unincorporated association, unincorporated organization, and any other entity or organization of any nature whatsoever. Unless the context otherwise requires, any reference to a Person includes its heirs, administrators, executors and other legal representatives, successors and permitted assigns;
- (p) **"Post-Investment Metrics Report"** means a report completed by the Applicant upon request by Alberta Innovates for the Post-Investment Period;
- (q) **"Post-Investment Period"** means the seven (7) year period following Alberta Innovates' acceptance of the Final Report;
- (r) **"Program"** means the Alberta Entrepreneurship Incubator Program;
- (s) **"Project"** means the scope of work to be performed and term of employment by the Applicant and the Mentor Company;
- (t) **"Project Completion Date"** means the date on which the Applicant and Mentor Company anticipate completing the Project,
- (u) **"Project Start Date"** means the earliest date upon which the Applicant can start working with the Mentor Company, as shown on Page 7, "Consent and Acknowledgement to be Bound to the Agreement by the Mentor Company";
- (v) **"Salary"** means the aggregate contribution from Alberta Innovates and the Mentor Company;
- (w) **"Terms and Conditions"** means the terms and conditions governing this Investment Agreement, as set out in Schedule A.

The preceding definitions are not exclusive and other defined terms may be used throughout this Agreement.

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SCHEDULE C – APPLICATION

AS ATTACHED