

SCALE AI ACCELERATION AGREEMENT: ORGANIZATION

This agreement ("Agreement") dated **month, day, 202●** ("Effective Date"), is made between:

SCALE AI - Canadian Artificial Intelligence Supercluster
a not-for-profit corporation under the laws of Canada ("Cluster");
- and -

ORGANIZATION FULL LEGAL NAME
a corporation under the laws of **JURISDICTION OF INCORPORATION** ("your organization"),

(collectively, the "parties");

Background:

The Cluster's Acceleration Program ("Program"), supported by Canada's Department of Innovation, Science and Economic Development ("ISED"), aims to support eligible ventures in Canada seeking to apply AI to intelligent supply chains, by funding a portion of the cost of certain defined activities pertaining to them.

Subject to entering this Agreement, the Cluster has selected your organization to receive funding under the Cluster Program as further described in this Agreement.

Terms of Agreement. The parties agree as follows:

1. Definitions:

An "**Eligible Venture**" is a small business that:

- (a) is based in and operates primarily in Canada, focusing on applied AI and intelligent supply chain products and/or services;
- (b) employs fewer than 500 globally (including affiliates); and
- (c) has been validated by the Cluster as meeting the requirements for support under the Cluster Program.

"**Allocation**" is the Cluster's maximum financial contribution per Eligible Venture, as set out in a Cluster Cohort Approval (Appendix 1).

"**Guidelines for Funding: Acceleration Program**" or "**Guidelines**" refer to the Cluster's guidelines for funding pertaining to the Program.

2. To participate in the Cluster Program, your organization will:

- (a) exclusively use the Cluster's online portal for submitting all applications, proposals, claims and reports under this Agreement;
- (b) submit a cohort proposal detailing proposed ventures and budget (must be submitted prior to the start of the cohort);
- (c) where the Cluster approves all or part of a cohort proposal (per Section 3(a) below), sign a Cohort Approval (Appendix 1) setting out relevant details;

- (d) perform the services and support for Eligible Ventures set out in the Cluster's Acceleration Program Guide according to the relevant AI stage;
- (e) **within 45 days** after the end of the cohort date specified in the Cohort Approval, submit a completion report, including an expense claim and evidence of payment of Eligible Costs as required by the Guidelines, further as follows:
 - i. **Allocation:** furnish receipts and other detailed evidence to support the Eligible Costs as defined in the Guidelines for supporting the Eligible Ventures; and
 - ii. **Administration Portion:** furnish evidence required by the Guidelines for relevant administrative expenses, to receive up to an additional 15% of the Allocation, as specified in the Cohort Approval;
- (f) within 45 days after completion of each cohort, and then once annually for 5 years thereafter, use reasonable efforts to submit an annual KPI report in the required format;
- (g) within 45 days after completion of the final cohort under this Agreement, submit a final report in the required format;
- (h) upon reasonable prior notice, permit representatives of the Cluster to attend, free of charge, your program's cohort kickoff activities (eg., launch or kickoff event), end of cohort activities (eg., closing event or demo day) and other key cohort milestones;
- (i) acknowledge the Cluster's financial support in publicity, per written guidance provided by the Cluster, and collaborate with reasonable requests relating to Cluster announcements, success stories and similar communications; and
- (j) become a member of the Cluster, by signing a Cluster membership agreement and paying the following membership fee:
 - a. \$1,000, where the Cluster funds to be received for a 12-month period are between \$20,000 and \$50,000, or where your organization is a not-for-profit entity; or
 - b. \$1,000 + 5% of the Cluster funds received for a 12-month period, where the Cluster funds will exceed \$50,000 during that 12-month period.
 - c. For clarity, entities receiving less than \$20,000 of Cluster funds annually are not eligible to become Cluster members.
- (k) For the first cohort under this Agreement, the Organization may request in writing to extend the deadline under Section 2(e) from 45 days to 90 days, to permit the Organization additional time to prepare and submit their first completion report. No such extension will be available for subsequent cohorts.

3. The Cluster:

- (a) based on a submitted cohort proposal and budget, will determine Eligible Ventures (if any), the maximum Allocation upon completion of your organization's program,

and the Administrative Portion, and will prepare and communicate a corresponding Cohort Addendum for signature by the parties, generally in the form set out in Appendix 1;

(b) where the deadline and requirements of Section 2(e) have been met, will reimburse up to 100% of the maximum Allocation and Administrative Portion, subject to adjustments for: (i) drop-outs (non-completion) of any Eligible Ventures; and (ii) any claimed amounts that do not meet the Guidelines' requirements for Eligible Costs. **For the avoidance of doubt, the Cluster is not obligated to pay any expense claims submitted after the deadline specified in Section 2(e);**

(c) will comply with the Agreement and Guidelines but otherwise retains full discretion as to what is an Eligible Venture, what constitutes Eligible Costs and any decisions to reimburse, including but not limited to adjusting any payment to deduct amounts owed to Cluster under this Agreement or Cluster membership agreement;

(d) may release a public announcement of the Cluster contribution. Any other public announcement requires your organization's prior approval, which shall not be unreasonably withheld or delayed; and

(e) will contact Eligible Ventures after the completion of a cohort to join the Cluster's network and to complete a brief survey. The Cluster accepts sole responsibility for these communications and relations with Eligible Ventures.

4. Your organization represents and warrants that:

(a) its board of directors is not controlled by the Government of Canada;

(b) it will comply with all relevant laws and regulations;

(c) information provided to the Cluster is not and will not be knowingly materially false or misleading; and

(d) Eligible Costs submitted by your organization to the Cluster are solely from your organization's program and are not materially funded from any other government source.

5. The Cluster may appoint third party auditors on reasonable notice to conduct an audit, no more than once per year, to audit relevant records of your organization for the purpose of confirming the information furnished under this Agreement.

6. Your organization will indemnify the Cluster, its employees, officers and directors against any damage they may suffer pertaining to this Agreement caused by your organization or its negligence.

7. This Agreement and Cohort Approval(s) constitute the entire agreement between the parties relating to the subject matter hereof, and supersedes all prior agreements, discussions and understandings.

8. This Agreement is valid from its signature and automatically terminates January 31, 2028.

- 9. This Agreement shall be governed by the laws applicable in Quebec, without regard to its conflicts of law principles. The parties have agreed that this Agreement be in English ("*Les parties ont convenu que les présentes soient rédigées en anglais.*")
- 10. All information received from your organization will be treated as confidential by the Cluster and not disclosed to others or used for any purpose other than the administering this Agreement, however the Cluster is permitted to confidentially disclose such information to ISED for the purpose of permitting ISED to monitor the Cluster Program, and the Cluster is entitled to publicly release the names and descriptions of supported Eligible Ventures and financial support amounts (subject to Section 3(d) above). The terms of this Agreement are also confidential.

The parties signify their acceptance of the terms of this Agreement by signing below.

**SCALE AI – Canadian Artificial Intelligence
Supercluster**

ORGANIZATION FULL LEGAL NAME

By: _____

Name: Julien Billot

Title: CEO

Date:

By: _____

Name:

Title:

Date:

Appendix 1
Scale AI Acceleration Program
COHORT APPROVAL

The following aspects of the organization's cohort proposal are approved by the Cluster:

Organization Name	
Scale AI Project #	
Cohort #	
Cohort Start Date	
Cohort End Date	
Reporting deadline	45 days after End Date
Total Allocation (details in table below) + Total Administration Portion (+15%)	
Addition conditions:	

Eligible Venture Name	AI Journey Stage	Allocation (Maximum amount for this venture)	Administration Portion
	Proof of Concept (P... ▾)		+15% of Allocation
	Choose One ▾		+15% of Allocation
	Choose One ▾		+15% of Allocation
	Choose One ▾		+15% of Allocation
	Choose One ▾		+15% of Allocation
	Choose One ▾		+15% of Allocation

For clarity, no other express or implied terms of the cohort proposal are approved or accepted by the Cluster. The Acceleration Agreement and Cohort Approval constitute the entire agreement between the parties.

Approved by Cluster:

 Julien Billot, CEO

Date: