Sustainable Canadian Agricultural Partnership

Resilient Agricultural Landscape Program

Land Use Agreement

BETWEEN:

Ontario Soil and Crop Improvement Association

1-367 Woodlawn Road W. Guelph ON N1H 7K9

(the "OSCIA")

AND

«Operation_Legal_Name» «Address» «City» ON «Postal_Code» Application ID: SCAP-«ApplicationId» (the "Farm Business")

This Agreement is made effective upon signing by someone who is legally authorized to sign on behalf of the Farm Business.

BACKGROUND:

The Resilient Agricultural Landscape Program (RALP) is supported through the Sustainable Canadian Agricultural Partnership (Sustainable CAP), a Federal-Provincial-Territorial initiative. Sustainable CAP is a five-year (April 2023- March 2028), \$3.5-billion investment by federal-provincial and territorial governments to strengthen competitiveness, innovation, and resiliency of the agriculture and agri-food sector. The objective of RALP (the "Program") is to increase the environmental resiliency of agricultural landscapes by accelerating the adoption of on-farm land use and management practices that maximize provision of multiple ecological goods and services, including reducing greenhouse (GHG) emissions. In Ontario, RALP is delivered by OSCIA under agreement with the Ontario Ministry of Agriculture, Food and Rural Affairs (the "Ministry").

THE PARTIES AGREE AS FOLLOWS:

1. PROJECT TERM AND IMPLEMENTATION DATES

1.1 The "Project Term" for an eligible Best Management Practice (BMP) activity (the "Approved Project") is the timeline under which a project must be fully implemented and maintained and starts on the approval date of the Project Application as identified by the date of Approval Letter, and ends on December 15, ___, or the effective date of the termination of the Approved Project, whichever is earlier.

- 1.2 The Project Term is determined by the project category of the Approve Project. The Project was approved under _____.
- 1.3 The Project Term for the Approved Project supported under this Agreement is January 22, 2024, to December 15, ___.

2. IMPLEMENTATION OF ELIGIBLE BMP ACTIVITIES

- 2.1 Upon signing this Land Use Agreement, the Farm Business agrees to develop, construct, install and otherwise be ready to implement the Approved Project and complete it by December 15, 2024. The specific project location and eligible acreage of the Approved Project are as identified on the RALP application as approved by OSCIA.
- 2.2 The Farm Business may request an extension to complete the project, in writing from OSCIA where extenuating circumstances have prevented the completion of the Approved Project. The OSCIA is not obligated to grant the extension but will consider reasonable requests that are within the program limitations set by the Ministry.
- 2.3 The Farm Business must implement the Approved Project in a manner that does not cause adverse effects on wildlife or the environment. If OSCIA determines that the on-site activity has or may have adverse effects, OSCIA may terminate the Approved Project under section 4.
- 2.4 The Farm Business shall take reasonable measures to manage and maintain the Approved Project to ensure that the activity continues to function and provide its original benefits through to the end of the Agreement, and it is strongly encouraged to maintain the project beyond this timeframe. Depending on the Approved Project, reasonable measures may include protection against over-grazing, excessive weed growth, invasive species, sediment loading and other perils.
- 2.5 In conducting any activities in relation to an Approved Project, the Farm Business shall:
 - a) Comply with all applicable laws; and
 - b) Obtain all required regulatory approvals (through applicable federal, provincial, municipal and/or conservation agencies) before starting the Approved Project, including those related to wildlife habitat, environmental protection, public health and safety, and labour codes and standards.

3. CARBON OR GHG OFFSET CREDITS

- 3.1 Information provided by the Farm Business in the RALP Application Form submitted by the Farm Business will be reported by OSCIA to the Ministry to assist in quantifying carbon offset credits or other acreage offsets created through each Approved Project for the duration of the Project Term.
- **3.2** Any GHG emission reductions arising from an approved project between April 1, 2023, and March 31, 2028, shall not be used by the Farm Business to apply for any existing or future federal or provincial offset credit programs.
- 3.3 The Farm Business warrants that, as of their date of signature on this Agreement, Carbon/GHG offset credits or other acreage offsets on the specific lands where the Approved Project is to be practiced, have not been previously assigned or otherwise accounted for. OSCIA may request from time-to-time confirmation of status of credits of the Farm Business.

4. EARLY TERMINATION OF THE APPROVED PROJECT

- 4.1 In the event the land on which the Approved Project was completed is sold during the Project Term, the Approved Project shall be deemed to have been terminated as of the date of the transfer of the land unless the purchaser agrees to allow the Farm Business to maintain the Approved Project on the said lands for the remainder of the Project Term and the Farm Business is in good standing under the terms of the Approved Project. In the event of such continuation OSCIA may require the purchaser to sign appropriate documentation to confirm the continuation and the terms.
- 4.2 The Farm Business may request OSCIA to terminate this Agreement prior to the end of the Project Term. In such a circumstance, the Payment Schedule shall be amended and OSCIA will determine whether a portion of the RALP payment awarded to the Farm Business is to be returned to the Program. The Farm Business shall, upon demand by OSCIA, agree to return a portion of the payment made to the Farm Business under the Program, in an amount that is proportional to the years remaining in the Project Term compared to the original Project Term.

5. FINANCIAL PROVISIONS

- 5.1 Subject to the terms and conditions of this Agreement, OSCIA will contribute up to a maximum of \$_____ by way of a RALP grant to the Farm Business.
- 5.2 The amount of grant payable to each Approved Project shall be determined by OSCIA in accordance with the incentive funds set out by RALP for the applicable BMP category and specific project funding level.
- 5.3 Subject to the terms and conditions of this Agreement and any adjustments to the grant amount made pursuant to section 5.4, the OSCIA will provide a grant to the Farm Business as follows:

50% of approved funding up to a maximum funding allocation of \$30,000.00, as outlined in your Application Approval Letter, based on eligible BMPs on acres proposed on the application form, and after returning a signed copy of this Land Use Agreement; and

The remaining approved funding, up to the maximum identified in your Application Approval Letter, based on successful project implementation on the total acres identified in your Claim submission (noting adjustments will be made if acres completed are less than those proposed) and submission of a Final Report completed to the satisfaction of OSCIA.

- 5.4 The amount of grant payable under this Agreement may be reduced at the discretion of OSCIA if, in their determination, any of the following has occurred:
 - a) The Farm Business failed to meet its full obligations for the Approved Project by the stated end date, or by the expiry of any extension granted at the discretion of OSCIA.
 - b) The Approved Project was terminated under section 4.
 - c) The amount of grant paid to the Farm Business exceeds what they were rightfully entitled to through RALP, based on completion of the project.

- d) The Approved Project received or will receive during the Project Term, any government funding from another source.
- e) The Farm Business refuses to submit the necessary claim documentation or allow access by an OSCIA representative to conduct a final inspection of the Approved Project.
- 5.5 The Farm Business acknowledges that the grant provided through RALP may not be sufficient to cover the entire cost of the eligible BMP activity and that the Farm Business shall be solely responsible for funds to complete the eligible BMP activity.
- 5.6 Payment of the grant by OSCIA does not obligate the provincial or federal government or any other issuing body to provide licenses or regulatory approvals under any legislation or regulations or by-laws.

6. **REPORTING**

- 6.1 The Farm Business is requested to provide an interim report (verbal) to the OSCIA Client Services Representative, who will initiate contact with them approximately 30 days following the signing of the Agreement. The report will include an update on the status of the eligible BMP activity, to the satisfaction of OSCIA, and assurance the project will be completed on time and as approved.
- 6.2 The Farm Business must submit a written Final Report to OSCIA at the end of the Project Term, using the provided template. The report must document to the satisfaction of OSCIA, that the eligible BMP activity was completed, and the Farm Business continued to maintain the activity for the Project Term. Examples of acceptable documentation that may be required with the Final Report may include, but are not limited to site photos, invoices and receipts for related materials or contracted work performed. Requirements will be outlined in the Application Approval Letter.

7. INSPECTIONS AND RETENTION OF RECORDS

7.1 Through to the end of RALP, the Farm Business shall allow OSCIA or its designated agents and representatives, to visit the property at a mutually agreed time, and respecting all biosecurity measures in place, to inspect the Approved Project and determine compliance with the terms and conditions of this Agreement. If the Farm Business fails to provide such access, they may forfeit their right to further payments of the grant, and/or may be required to repay some or all of the grant already paid, as per section 5.4.

8. DISCLOSURE OF INFORMATION

- 8.1 The Farm Business consents to OSCIA sharing any information contained in the RALP Project Application or Final Report with the governments of Ontario and Canada so that they may verify:
 - a) the Farm Business's eligibility for carbon /GHG offset programs; or
 - b) the Farm Business's compliance with this Agreement.
- 8.2 The Farm Business acknowledges and agrees that the Government of Canada may publicly disclose the following information relating to the Agreement: grant recipient name, amount of

the grant, the program under which the grant is paid, the payment date, and the general nature of the eligible BMP activity.

8.3 The Farm Business acknowledges records maintained by OSCIA relating to this Agreement are subject to the *Freedom of Information and Protection of Privacy Act (Ontario)*.

9. GENERAL PROVISIONS

- 9.1 The Farm Business reaffirms their acceptance of the terms and conditions as stated in the RALP project application.
- 9.2 This Agreement is binding on the parties. It is not assignable or transferable, by operation of law or otherwise, except in the case of early termination as outlined in Section 4 herein. This Agreement shall be interpreted according to the laws of the Province of Ontario. If either party fails to enforce this Agreement on one occasion, it will not be prohibited from enforcing this agreement on another occasion. No party shall be liable or deemed to be in default for any delay or failure to perform under this Agreement resulting directly or indirectly from any cause beyond such party's reasonable control. This Agreement sets forth the entire understanding of the parties, and supersedes all prior agreements and undertakings, both written and oral, between the parties, with respect to the subject matter hereof. If any provision of this Agreement is deemed illegal, invalid or unenforceable, then such provision shall be considered separate and severable from this Agreement and the remainder of this Agreement shall not be affected by the severance but shall remain in force and binding upon the parties and enforceable to the fullest extent of the law.

Any dispute in respect of this Agreement shall be resolved firstly by way of good faith discussion and negotiation, and secondly by way of non-binding mediation, failing which, the determination of any such matter may be settled by way of binding arbitration with no right to judicial appeal, the costs of which shall be shared between the parties.

This agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall constitute one and the same instrument.

9.3 The Farm Business acknowledges there is no requirement to enter this Agreement on the legal title for the property, but agrees to insert in any subsequent lease, transfer, sale conveyance, transmission or other disposition of all or part of the lands where the Approved Project is located, the same covenants as set forth in this Agreement (excluding sections 5, 6, 7 and 8 herein), and encourage any lessee, successor or transferee or purchaser to covenant to observe the terms and conditions of this Agreement (as applicable), such covenant being so framed that the burden thereof shall run with the land and with the intent that all such persons should be bound by the covenants herein contained.

9.4 One objective of RALP is to encourage all farm businesses to adopt practices that contribute to reducing GHG emissions, increasing carbon sequestration and enhancing climate resilience. As such, program participants may be asked to participate in communication activities that include but are not limited to interviews for media stories, requests to speak at meetings to convey experiences with RALP, social media posts and other knowledge transfer

events and activities. Wherever possible, communication activities will be coordinated through OSCIA and will not occur without expressed permission by the Farm Business.

9.5 The Farm Business consents to OSCIA taking photographs of the positive aspects of the Approved Project and using the images in promotion and reporting activities for RALP.

9.6 Changes to this Agreement must be acknowledged by signature by both parties will be reflected in supporting documentation held by OSCIA (e.g. application form, approval letter, final report).

The person signing is duly authorized to enter the Agreement, bind the Farm Business to the Agreement, and in the case of a partnership, bind the partners to the Agreement on the basis of joint liability, confirming that all partners are aware of and in agreement.

This agreement may be executed and delivered by electronic means including email which will be treated as binding as if originals.

SIGNED BY THE PARTIES:

Name of Signing Authority for Farm Business (please print) Signature of Signing Authority for Farm Business

Date

Name of Signing Authority for OSCIA

Signature of Signing Authority for OSCIA

Date

Should you have any questions about RALP please contact s-cap@ontariosoilcrop.org