

Canadian Foundation for Governance Research (CFGR) Fondation Canadienne de Recherche sur la Gouvernance (FCRG)

2011 Call for Doctoral Research Proposals

Application Deadline: April 26th 2011

The Robert Bertram Doctoral Research Awards

The Robert Bertram Doctoral Research Awards have been established to promote Canadian-based research on corporate governance and build Canada's corporate governance research capacity by encouraging the next generation of young scholars.

Each year the Robert Bertram Doctoral Research Awards support the research of the country's most promising senior PhD candidates (doctoral students) at universities across Canada studying corporate governance issues.

Robert Bertram is a visionary leader with a passion for finance, governance, and education. His leadership helped to propel the Ontario Teachers' Pension Plan (OTTP) to international stature. Robert has been an instrumental figure in corporate governance across the country and in the establishment of both the Institute of Corporate Directors and the Canadian Foundation for Governance Research (CFGR). Robert Bertram is the former head of the investment side of OTTP, having overseen the investment activities of the Canadian and international equity indexes, fixed income and foreign exchange, equities, merchant banking, quantitative investment, real estate, and the research and economics departments. Prior to joining OTTP, Robert was a long-time employee of Alberta Government Telephone/TELUS, including serving as Treasurer. Robert has held governance roles in a number of organizations including Glass Lewis, Cadillac Fairview, Maple Leaf Sports and Entertainment, the Canadian Public Accountability Board, Pension Investment Association of Canada, the Institute of Corporate Directors, and Toronto Community Fund. A Chartered Financial Analyst and ICD.D certified director, Robert holds an MBA from the University of Alberta and a Bachelor's degree from the University of Calgary.

In honour of Robert's career and his ongoing commitment to corporate governance and education, friends and colleagues made gifts on the occasion of his retirement from OTTP to establish an endowment fund with the CFGR.

Eligibility

To qualify to apply for a Robert Bertram Doctoral Research Award you must be a full-time student registered at a recognized Canadian university in September 2011. You must be entering at least your third year of a doctoral program that includes significant original, autonomous research that leads to the completion of a dissertation or major scholarly publication. You must not have exceeded the allowable number of years already spent in doctoral study, as set out by your university, and you must be pursuing your first PhD. You must not have previously been awarded a Robert Bertram Doctoral Research Award.

Value and Duration

The annual awards of up to \$15,000 are to be expended over 12-18 months and will be used to support the direct costs of the doctoral student's research.

Targeted Areas of Research

Research proposals should address questions within one or more of the following targeted areas of research:

1. Corporate governance issues of practical interest to Canadian directors and boards of Canadian public, private, government-agency and not-for-profit organizations;
2. Corporate governance best practices through the Canadian perspective; and
3. The role of directors in the governance process and the criteria deemed necessary to be an effective director.

Proposal Submission Process

In order to apply, you must do the following:

- Ensure that you meet the requirements specified in the **Eligibility** section.
- Submit a proposal of not more than 5 pages, together with the required attachments specified in the **Proposal Requirements** section, that clearly articulates the following:
 1. The proposed research study and research methodology for which you are seeking funding, and how this funding will enable and/or support the proposed study;
 2. Your overall doctoral research area and how this proposal for funding (and the work it will enable) will enhance your overall doctoral research; and
 3. How results from the proposed study will advance corporate governance knowledge in Canada, including, if applicable, the practical applications for directors and/or boards.
- Submit your proposal and all required attachments by email to cbuhagiar@icd.ca no later than **5:00 p.m. EST on Tuesday, April 26th 2011**.

Proposal Requirements

Proposals must include the following additional items:

1. A **signed appraisal letter from the student's doctoral advisor** (who themselves should be a researcher and faculty member at a recognized Canadian university) attesting to the validity of the research study and methodology proposed, and to the general quality of the student's doctoral work;
2. A **signed letter from an appropriate university official** (e.g. Dean of Graduate Studies, Vice-President Research or equivalent) attesting specifically:
 - that the applicant meets the eligibility requirements as outlined in the **Eligibility** section; and
 - that the university is prepared to execute the standard research funding agreement as provided in the **Appendix** section; and
 - that the university is prepared to receive and administer the research funds on the student's behalf (either in a student research account or on behalf of the student in a faculty member research account); and
 - that the university is prepared to cover all indirect costs associated with the research; and
3. A **detailed budget** on how the applicant will make use of the research funds. Broadly speaking, you may use CFGR research funds only for direct costs involved in the conduct of research and the communication of research results. A recipient of CFGR research funds must not have any financial or personal interest, direct or indirect, in any transaction charged against CFGR grants. The student's institution must agree to provide for indirect or overhead costs and these types of costs should not be included in the proposed budget. The CFGR research funds must be used effectively and economically, and the expenses proposed in the budget must be essential for the research for which the funds are requested. See the **Administrative Requirements** section for details on budgeting for travel to Toronto.

Administrative Requirements of Award Recipients

- Award recipients must participate in a one-day research dissemination event in Toronto, to which they will be invited by the CFGR. **Therefore, applicants must include travel and accommodation costs related to attendance at the event as part of the proposal budget.** Details about this event will be available a later date, however, it is likely that it will be held in the fall of 2012. It will be designed to meet the enunciated objective of the Bertram Awards to *"enable these students to present their findings together, and to ensure that the students have an opportunity to meet annually with Robert and with other practitioners"*.
- Award recipients may be required to prepare a short article for the Institute of Corporate Director's *Director* journal targeted at the director practitioner community, summarizing the key findings of their research. The deadline for this article and the final research report to the CFGR will be in the fall of 2012. This will assist in meeting the enunciated objective of the Bertram Awards to *"ensure that knowledge created by these doctoral students is connected with those who can best use the new knowledge"*.
- Award recipients must agree to the CFGR's research integrity policy and conflict of interest policy, both of which are included in the standard research funding agreement as provided in the **Appendix** section.

Evaluation Criteria

The Board of Directors of the CFGR will evaluate all eligible proposals on the relevance of the proposal to the Robert Bertram Doctoral Research Award objectives and to the corporate governance research areas targeted, the strength of the appraisal letter from the applicant's thesis advisor, and the quality of the proposed budget.

Announcement of Results

The 2011 Robert Bertram Doctoral Research Awards recipients will be notified by June 2011. It is anticipated that approximately three awards will be granted, subject to the availability of funds and qualifying proposals being received. Research funding agreements (see **Appendix** section for sample) must be executed between the CFGR, the recipient and an authorized signatory from the recipient's university prior to the release of funds in September 2011.

Appendix

The CFGR's standard research funding agreement along with the CFGR's Research Integrity Policy and the CFGR's Conflict of Interest Policy are attached as an appendix for information only. The CFGR reserves the right to modify these documents at any time without notice prior to execution.

More Information

For more information about the Robert Bertram Doctoral Research Awards program, please contact:

Mr. Christian Buhagiar
Executive Director
Canadian Foundation for Governance Research
cbuhagiar@icd.ca

Canadian Foundation for Governance Research Robert Bertram Doctoral Research Awards Research Funding Agreement

THIS AGREEMENT made the <Insert Day> day of <Insert Month>, <Insert Year>

BETWEEN: Canadian Foundation for Governance Research
(hereinafter referred to as “CFGR”)

AND

<Insert University Name>
(hereinafter referred to as the “Administering Institution”)

(hereinafter referred to collectively as the “Parties”)

RECITALS

WHEREAS the Canadian Foundation for Governance Research has created the Robert Bertram Doctoral Research Awards program to support the research of the country’s most promising doctoral students at universities across Canada who are studying corporate governance issues and to build Canada’s corporate governance research capacity by encouraging the next generation of young scholars;

AND WHEREAS an Affiliated Doctoral Student at the Administering Institution has submitted a grant proposal, appended hereto as Schedule “A”, to the Robert Bertram Doctoral Research Awards program for funding assistance to conduct a research project on <Insert Brief Description>;

AND WHEREAS CFGR is prepared to provide financial assistance to the Administering Institution in the form of a Grant to assist the Administering Institution and Affiliated Doctoral Student to deliver the Project, subject to the terms and conditions in this Agreement;

AND WHEREAS CFGR and the Administering Institution wish to set out in this Agreement their respective rights and obligations concerning the Grant of funds from CFGR;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the Grant, CFGR and the Administering Institution agree as follows:

ARTICLE 1 – INTERPRETATION

1.1 Definitions:

The following terms shall have the meanings ascribed to them below unless there is something in the context inconsistent therewith:

- (a) “Administering Institution” means the university at which the Affiliated Doctoral Student is enrolled and which will be responsible for the administration of the Grant;
- (b) “Agreement” means this agreement and all of the Schedules hereto and all amendments made hereto in accordance with the provisions hereof;
- (c) “Affiliated Doctoral Student” means the principal researcher at the Administering Institution who submitted a proposal and will undertake the Project described in Schedule “A” hereto;
- (d) “Disbursement” means any advance of funds by CFGR to the Administering Institution on account of the Grant;
- (e) “Effective Date” means the date first set out above;
- (f) “Eligible Project Expenditures” means those costs described in Schedule “C” hereto which are incurred by the Administering Institution to undertake the Project and may be reimbursed from the Grant funds;
- (g) “Grant” means the financial assistance to the Administering Institution up to a maximum total amount as set out in Article 4.1 hereto to be disbursed by and repaid to CFGR in the manner provided in this Agreement;
- (h) “Material Change” includes but is not limited to a change of circumstances respecting the Project that could reasonably be expected to influence CFGR’s decision whether to make or reduce a Disbursement and/or pursue any of its remedies;
- (i) “Project Deliverables” means the key Project tasks, timelines, and reports described in Schedule “B” hereto;
- (j) “Project” means the research project described in Schedule “A” hereto;
- (k) “Request for Disbursement” means a request for Grant funds in the form described in Article 5.1 hereto;

- (1) “Term” means the period commencing on the Effective Date and ending <Insert Date>.
- 1.2 The division of this Agreement into articles, sections, clauses, paragraphs and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- 1.3 In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing gender include all genders or the neuter, and words importing the neuter include all genders.
- 1.4 The words “herein”, “hereof” and “hereto” and other words of similar import refer to this Agreement as a whole and not to any particular article, section, paragraph or other subdivision of this Agreement.
- 1.5 Any reference in this Agreement to currency is to Canadian currency and any amount advanced, paid or calculated is to be advanced, paid or calculated in Canadian currency.
- 1.6 All references to Schedules refer to Schedules attached to this Agreement which are part of and form an integral part of this Agreement. The Schedules to this Agreement are:

Schedule “A” Affiliated Doctoral Student’s Application, Budget, and References
Schedule “B” Project Deliverables
Schedule “C” Eligible Project Expenditures
Schedule “D” CFGR Conflict of Interest Policy
Schedule “E” CFGR Research Integrity Policy

ARTICLE 2 – THE PROJECT

- 2.1 CFGR agrees subject to the provisions of this Agreement, to provide financial assistance in the form of a Grant to assist the Administering Institution to carry out the Project.
- 2.2 The Administering Institution shall implement and carry out the Project substantially in accordance with the Affiliated Doctoral Student’s application and project budget and the Project Deliverables as described in Schedules “A” and “B” hereto.
- 2.3 The Administering Institution shall expend the Grant only on Eligible Project Expenditures. The Eligible Project Expenditures, which are eligible for reimbursement from the Grant are more particularly described in Schedule “C” hereto.

- 2.4 The Administering Institution shall commence the Project on <Insert Start Date> and shall complete the Project on or before <Insert End Date>.
- 2.5 The Administering Institution shall use the Grant solely for the purposes of Eligible Project Expenditures and no Material Change shall be made to the Project without the prior written consent of CFGR.
- 2.6 The Administering Institution shall ensure that during the Term all subcontracts, including consultant contracts, for work and services and for the purchase of goods related to the Project achieve best value for money spent and are obtained through the Administering Institution's procurement policies.

ARTICLE 3 – REPRESENTATIONS AND WARRANTIES

- 3.1 The Administering Institution represents, covenants and warrants to and in favour of CFGR:
 - (a) The Administering Institution is a corporate body validly existing in good standing under the laws of the <Insert Appropriate Jurisdiction(s)> and is responsible for the Project. The execution, delivery and performance of this Agreement has been duly and validly authorized by the necessary corporate actions of the Administering Institution and when executed and delivered by the Administering Institution constitutes a legal, valid and binding obligation of the Administering Institution enforceable in accordance with the terms hereof;
 - (b) During the Term, the Administering Institution shall be in substantial compliance with all applicable laws, regulations and orders and duly observe all requirements of governmental authorities, and all statutes and regulations, which could affect the performance of the Agreement and the Project;
 - (c) The Administering Institution has policies regarding conflicts of interest and research integrity which are substantially in accordance with, or more stringent than those contained in Schedules "D" and "E" hereto, and that the Administering Institution's policies are fully applicable to the Project and will be fully enforced except where CFGR otherwise consents;
 - (d) The description of the Project is accurately described in Schedule "A" hereto;
 - (e) The information supplied to CFGR in support of the application by the Administering Institution and the Affiliated Doctoral Student for the Grant is true and accurate and the Administering Institution recognizes that CFGR has relied upon the truth, authenticity and accuracy of the information in authorizing the Grant;

- (f) The Administering Institution will meet all Project Deliverables as described in Schedule “B” hereto;
- (g) The Administering Institution will use the proceeds of the Grant exclusively for Eligible Project Expenditures as described in Schedule “C” hereto and for no other purposes;
- (h) The Administering Institution shall not sell, lease or otherwise dispose of the equipment or fixtures, or any of the items forming a part of the Project, as described in Schedule “A” hereto, during the Term of this Agreement without the prior written consent of CFGR;
- (i) The Administering Institution will forthwith notify CFGR of any Material Change that would adversely or otherwise affect the ability of the Administering Institution to fulfill its obligations under this Agreement or the carrying out of the Project or performance and/or attainment of the Project Deliverables within the project budget as described in Schedules “A” and “B” hereto;
- (j) The Administering Institution, unless otherwise advised beforehand by CFGR, will acknowledge and credit CFGR's financial contribution to the Project in all of its communications, advertising and promotional material related to the Project of whatever nature or kind provided that the aforementioned material indicates that the opinions, results and conclusions are those of the authors and that no endorsement by CFGR is intended or inferred; and in the case of a media event, the Administering Institution shall work with CFGR to define a role for a CFGR spokesperson and include a CFGR press release and background material in the press kit;

3.2 The Administering Institution warrants to CFGR that as of the Effective Date, to the best of the Administering Institution’s information, knowledge and belief, after searching its own records but without conducting any searches of public registries:

- (a) The Administering Institution or those under its control have all necessary rights to the intellectual property provided by the Administering Institution that are required for the performance of the Administering Institution’s tasks and obligations as described in Schedules “A” and “B” hereto and the completion of the Project. For the purposes of this section, the Administering Institution is deemed to have “control” of the Affiliated Doctoral Student;
- (b) The Administering Institution has not received any notice, claim or threat of any claim that it is infringing the intellectual property rights of third parties in respect of the Project and the performance of the Project Deliverables as described in Schedules “A” and “B” hereto;

(c) The Administering Institution has not and will not, during the Term of the Agreement, dispose of, license or otherwise encumber the intellectual property rights referred to in subparagraph (a) in such a way that the Administering Institution knowingly compromises such intellectual property rights required for the Administering Institution's completion of the Project.

3.3 Except as disclosed to CFGR in writing, the Administering Institution represents and warrants that:

(a) As of the Effective Date, it has no knowledge of litigation that is outstanding or pending or threatened against the Administering Institution which, if successful, would have a materially adverse effect on the continuing business of the Administering Institution with respect to its ability to perform its obligations pursuant to this Agreement, including the financial obligations of the Administering Institution. The Administering Institution agrees that if it receives notice that any such litigation is commenced or threatened against the Administering Institution during the Term of this Agreement, it will immediately notify CFGR, and CFGR may at its option and discretion suspend any further Disbursement of Grant funds pursuant to this Agreement pending the final resolution of the litigation, or receipt by CFGR of information and evidence that is satisfactory to CFGR that the litigation will not materially affect the Administering Institution's ability and financial resources to complete the Project and to fully carry out its duties and obligations pursuant to this Agreement.

(b) As of the Effective Date, it has no knowledge of litigation or disciplinary action that is outstanding or pending or threatened against the Affiliated Doctoral Student which, if successful, would have a materially adverse effect on the ability of the Administering Institution to perform its obligations pursuant to this Agreement, including the financial obligations of the Administering Institution. The Administering Institution agrees that if it receives notice that any such litigation or disciplinary action is commenced or threatened against the Affiliated Doctoral Student during the Term of this Agreement, it will immediately notify CFGR, and CFGR may at its option and discretion suspend any further Disbursement of Grant funds pursuant to this Agreement pending the final resolution of the litigation or disciplinary action, or receipt by CFGR of information and evidence that is satisfactory to CFGR that the litigation or disciplinary action will not materially affect the Administering Institution's ability and financial resources to complete the Project and to fully carry out its duties and obligations pursuant to this Agreement.

ARTICLE 4 – THE GRANT

4.1 The total projected costs and expenses for the Project as set out in the Affiliated Doctoral Student's project budget are anticipated to be <Insert Grant Amount>. Subject to and in accordance with all the terms and conditions of this Agreement and in reliance on the representations and warranties in Article 3 hereof, CFGR

agrees to provide the Administering Institution with a Grant up to a maximum total amount of <Insert Grant Amount> to assist the Administering Institution to carry out the Project.

- 4.2 In no event shall CFGR be responsible to pay the Administering Institution any amount in excess of the Grant if the Grant is insufficient to cover the purpose of the Grant or the Administering Institution's eligible expenses.
- 4.3 Disbursements on account of the Grant shall be subject to and conditional upon prior completion, to the satisfaction of CFGR, of the terms and conditions described in Article 5.1 hereof.
- 4.4 The Administering Institution agrees that any portion of the Grant that has not been used to pay for Eligible Project Expenditures by the end date of the Term shall be repaid to CFGR on demand.

ARTICLE 5 – TERMS AND CONDITIONS OF DISBURSEMENT

- 5.1 Disbursement of the Grant by CFGR to the Administering Institution on account of the Grant shall be made as a lump sum in the amount of <Insert Grant Amount> on or before <Insert Disbursement Date> subject to and conditional upon satisfaction of the following conditions:
 - (a) Execution of this Agreement by the Parties;
 - (b) The Administering Institution shall submit to CFGR a written Request for Disbursement certified by an officer of the Administering Institution or such individual duly authorized by the Administering Institution to bind the Administering Institution which shall contain the amount requested, provide the legal name of the Administering Institution to which the Disbursement cheque will be made payable, and any reference number or identifying information assigned by the Administering Institution to identify the Grant and/or Project which should be noted by the CFGR upon the Disbursement cheque;
 - (c) The Administering Institution shall submit to the CFGR a written biography of the Affiliated Doctoral Student not to exceed 150 words which may be used in whole or in part by the CFGR in communications materials; and
 - (d) The Administering Institution shall submit to the CFGR a written description of the Project using lay terminology not to exceed 250 words that shall include how the Project intends to advance corporate governance knowledge in Canada which may be used in whole or in part by the CFGR in communications materials.

ARTICLE 6 – INTELLECTUAL PROPERTY AND PUBLICATION

- 6.1 The Parties agree that CFGR shall not acquire any title or ownership rights, including copyright, in the intellectual property developed or created by the Administering Institution or Affiliated Doctoral Student pursuant to this Agreement. Ownership of the intellectual property developed pursuant to or resulting from the Project shall be with the Affiliated Doctoral Student, or the Administering Institution or as determined by them in accordance with the Administering Institution's intellectual property policy, which shall be provided to CFGR if requested.
- 6.2 The Administering Institution grants to CFGR a non-exclusive, irrevocable, royalty-free license to use the Project Deliverables for its own purposes.
- 6.3 The Parties agree that CFGR shall acquire the right to publish the Project Deliverables as described in Schedule "B" prior to any publication by the Administering Institution or Affiliated Doctoral Student. Such a delay in the right to publish by the Administering Institution or Affiliated Doctoral Student shall not exceed twelve (12) months from the end date of the Term as described in Article 1.1(i) hereto and shall not apply to the publication of the Affiliated Doctoral Student's thesis.

ARTICLE 7 – REPORTING AND MONITORING

- 7.1 The Administering Institution must maintain reasonable, up-to-date and accurate records relating to the Grant and the Project to verify its compliance with this Agreement.
- 7.2 The Administering Institution shall keep and maintain all records, invoices and other documents relating to the Grant funds in a manner consistent with generally accepted accounting principles and administrative practices, and shall maintain such records and keep them available for review by CFGR and its agents during the Term and for a period of seven (7) years thereafter. The Administering Institution authorizes CFGR and its agents, upon forty-eight (48) hours' notice or such other time as agreed upon by the parties and during normal business hours, to visit the Administering Institution's premises to review the progress of the Project and to inspect and copy any records, invoices and documents in the possession or under the control of the Administering Institution relating to the Project and the Grant funds. CFGR's right of inspection includes the right to perform a full or partial audit. To assist CFGR in the tasks described in this section, the Administering Institution shall provide any other information to CFGR reasonably requested by CFGR.
- 7.3 The Administering Institution shall provide to CFGR the reports described in Schedule "B" hereto.

ARTICLE 8 – TERM AND TERMINATION

8.1 Term

This Agreement shall take effect on the Effective Date and continue in effect for the Term.

8.2 Events of Default

Each of the following events constitutes an Event of Default under this Agreement:

- (a) The Administering Institution fails to observe or perform a term, condition, obligation, or covenant in the Agreement and such failure continues for a period of 30 (thirty) days after receipt by the Administering Institution of written notice by CFGR of such failure;
- (b) The Administering Institution or the Affiliated Doctoral Student abandons the Project in whole or in part, or ceases to actively cause the Project to be completed in a timely manner;
- (c) The Affiliated Doctoral Student ceases for any reason to be enrolled at the Administering Institution during the Term of this Agreement;
- (d) The Administering Institution knowingly makes or has made a material misrepresentation in this Agreement or of a material fact relevant to this Agreement, or in its application to CFGR for the Grant;
- (e) If any portion of the Grant is used for any purpose other than those permitted by this Agreement;
- (f) The Administering Institution becomes insolvent, bankrupt, or a receiver or manager, court appointed or otherwise, is appointed for its assets; or
- (g) An order is made or a resolution is passed or proceedings commenced for the winding up, liquidation, or dissolution of the Administering Institution, or the Administering Institution is otherwise dissolved or ceases to carry on its operations.

8.3 Remedies

Immediately upon the occurrence of any of the Events of Default set out in Article 8.2 hereto:

- (a) CFGR may, at its option, terminate this Agreement; and/or
- (b) CFGR may, at its option, refuse to provide any further Grant funds; and/or

(b) CFGR may, at its option, demand repayment by the Administering Institution of all or part of the Grant funds paid under this Agreement including all unspent Grant funds and any Grant funds not spent in accordance with this Agreement and this amount shall become a debt of the Administering Institution owing to CFGR; and/or

(c) CFGR may, at its option, avail itself of any of its legal remedies which it may deem appropriate.

8.4 Costs of Collection

(a) All reasonable costs and expenses of collection of all amounts owing hereunder shall be for the account of the Administering Institution and shall be added to the principal amount of the Grant.

(b) The Administering Institution expressly acknowledges that interest at the then current rate charged by the CFGR on accounts receivable shall apply, from the date of the notice to the Administering Institution, to any and all amounts in the event that CFGR demands repayment pursuant to Article 8.3 hereto until payment in full, including during the course of any and all proceedings to collect such amounts, and such interest shall apply to and be exigible as additional damages in any award of damages made by a court of competent jurisdiction pursuant to any such action, all without the necessity of any further act or agreement or notification to the Administering Institution.

8.5 Administering Institution's Obligations on Termination

The Administering Institution shall in addition to its other obligations under this Agreement and at law upon termination of this Agreement in accordance with Article 8.3:

(a) provide CFGR with a report detailing:

(i) the current state of the Project at the date of termination, and

(ii) any other information requested by CFGR pertaining to the performance of this Agreement; and

(b) execute such documentation as may be reasonably required by CFGR to give effect to the termination of this Agreement; and

(c) comply with any other instructions reasonably provided by CFGR including but not limited to instructions for facilitating the transfer of the Administering Institution's obligations to another party.

8.6 Survival

Articles 6, 7, 8 and 9 shall survive the expiration and any termination of this Agreement.

ARTICLE 9 – GENERAL

9.1 Audit

All contracts, papers, correspondence, copy, books, payrolls, records, accounts, invoices, statements, accounting records and other information and material of the Administering Institution and any of its subcontractors relating to this Agreement and relating to the expenses incurred and cash and in-kind contributions provided or obtained by the Administering Institution pursuant to the Project and this Agreement and relating to the Request for Disbursement pursuant to this Agreement shall be open to audit examination by CFGR and/or its designees at all reasonable times during the Term of this Agreement and for a period of seven (7) years thereafter.

9.2 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein.

9.3 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof. There are no representations (including negligent misrepresentations), warranties or conditions (including any that may be implied by statute), and there are no promises, covenants or agreements (including collateral contracts) in connection with such subject matter, except as are specifically set forth in this Agreement. No reliance is placed by any party hereto on any representation (including negligent misrepresentation), warranty, promise, covenant, agreement, opinion, advice or assertion of fact made prior to or contemporaneously with the entering into of this Agreement by any party hereto or its directors, officers, employees or agents to any other party hereto or its directors, officers, employees or agents, except to the extent that the same has been reduced to writing and included as a term of this Agreement. None of the parties to this Agreement have been induced to enter into this Agreement by reason of any such representation (including negligent misrepresentation), warranty, promise, covenant, agreement, opinion, advice or assertion of fact. Accordingly, there shall be no liability, either in tort (including negligence and negligent misrepresentation) or in contract, assessed in relation to any such representation (including negligent misrepresentation), warranty, promise, covenant, agreement, opinion, advice or assertion of fact, except to the extent that the same has been reduced to writing and included as a term of this Agreement.

9.4 Severability

Each of the provisions contained in this Agreement is distinct and severable and a declaration of illegality, invalidity or unenforceability in respect of any such provision or part thereof by a court of competent jurisdiction shall not affect the legality, validity or enforceability of any other provision, each of which shall remain in full force and effect.

9.5 Amendments

This Agreement may be amended, altered or modified only by written documents signed by both CFGR and the Administering Institution.

9.6 Waiver

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing (i) by the Parties hereto, in the case of an amendment, or (ii) by the party to be bound, in the case of a waiver. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall a waiver of any provision of this Agreement constitute a continuing waiver of that provision unless otherwise expressly provided. For greater certainty, no waiver of any provision of this Agreement shall be inferred or implied from anything done or omitted to be done by any of the Parties hereto.

9.7 Materiality and Merger

All representations, warranties and covenants of the Administering Institution made in this Agreement, or in any other document, certificate, expenditure statement, or writing delivered by or on behalf of the Administering Institution pursuant to the provisions of this Agreement, or otherwise with respect to this Agreement and the transactions contemplated in this Agreement, are material, are deemed to have been relied upon by CFGR and survive the execution of this Agreement.

9.8 Time

Time is of the essence in this Agreement.

9.9 Assignment

This Agreement and all documents delivered pursuant to it enure to the benefit of CFGR and the Administering Institution, their respective assigns and successors at law. This Agreement may not be assigned, in whole or in part, by the Administering Institution without the written consent of CFGR.

9.10 Further Assurances

The Administering Institution agrees at any time and from time to time after the execution and delivery of this Agreement to execute and deliver such further acts and things as CFGR may reasonably request in order to fully effect the purpose of this Agreement and the transactions contemplated herein.

9.11 Limitations of Liability

In no event will CFGR be responsible for any direct, or indirect, or consequential damages sustained by the Administering Institution, howsoever caused.

9.12 Notices

Any notice, request, demand, consent, approval, correspondence, report or other communication required pursuant to or permitted under this Agreement must be in writing and must be given by personal delivery, or transmitted by email, fax, or other electronic message which provides a hard copy, or be sent by first class mail, postage or charges prepaid, and addressed to the party to whom it is intended at its address as set out below:

To CFGR:
Executive Director
Canadian Foundation for Governance Research
Suite 602, 40 University Ave
Toronto, Ontario M5J 1T1

To the Administering Institution:
<Insert University Contact and Address>

Any such notice shall be deemed to be received, if personally delivered or sent by email, fax, or other electronic message on the day it is sent and if such notice is sent by first class mail it shall be deemed to have been received on the date that is five days after the date of mailing.

9.13 Indemnity and Insurance

The Administering Institution agrees that CFGR shall not be liable for any injury or damage (including death) to the person or property of any officer, employee, agent or student of the Administering Institution, or for any claim, demand, action or cause of action by any third party arising out of or in any way related to the Project or the operation of the Administering Institution, or in any way related to this Agreement, and the Administering Institution agrees to indemnify and save CFGR harmless therefrom. The Administering Institution agrees to maintain in force during the Term all necessary insurance that would be considered appropriate for a prudent administering institution of the type undertaking a

Project similar to this Project, including comprehensive general liability insurance subject to limits of not less than \$3,000,000 per occurrence.

9.14 Non-Agent

The Administering Institution and CFGR agree and declare that nothing in this Agreement shall be construed as creating a partnership, joint venture, or agency relationship between the Administering Institution and CFGR and the Administering Institution is not the agent of CFGR.

9.15 Confidentiality

The Parties agree not to disclose any confidential information of the other party without the written consent of the other party. For greater certainty, the Project deliverables are not confidential information.

9.16 Freedom of Information and Protection of Privacy Legislation

The Administering Institution shall at all times during the Term of this Agreement comply with legislation and regulations governing the protection of personal information. CFGR acknowledges that the Administering Institution may be bound by freedom of information and protection of privacy legislation and that the information provided to CFGR may be subject to disclosure under such legislation.

9.17 Dispute Resolution

The Parties agree that in the case of any dispute arising under this Agreement, the Parties shall first try in good faith to resolve the dispute by an appropriate alternative dispute resolution mechanism, including mediation, arbitration, or otherwise.

[Remainder of this section left purposely blank]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date set out above.

**CANADIAN FOUNDATION FOR
RESEARCH GOVERNANCE**

Per: _____

Christian Alan Buhagiar
Executive Director

I have authority to bind CFGR.

**<NAME OF ADMINISTERING
INSTITUTION>**

Per: _____

Name:

Title:

I have authority to bind the
Administering Institution.

SCHEDULE “A”

<Insert Proposal, Budget, and Letters of Reference>

SCHEDULE “B”

Project Deliverables are the key Project tasks and timelines required to be completed by the Administering Institution, subject to the terms and conditions of this Agreement, and described below.

CFGR shall have the right to use information disclosed in these reports, subject to the terms and conditions of this Agreement.

Interim Progress Report

The Administering Institution must ensure that the Affiliated Doctoral Student provides CFGR with a written Interim Progress Report, in a form and substance satisfactory to CFGR, by <Insert Date> which shall include the following:

- (a) A description of the progress made to date on the Project; and
- (b) An itemized financial statement prepared by the Administering Institution to account for expenditures to date, which have been reimbursed by the Grant; and
- (c) Such other information, records or reports as CFGR may reasonably request.

Final Research Report

The Administering Institution must ensure that the Affiliated Doctoral Student provides CFGR with a written Research Report, in a form and substance satisfactory to CFGR and its review mechanisms, by <Insert Date> which shall include a description of the Project developments, outcomes, and results obtained.

Final Financial Report

The Administering Institution must ensure that the Affiliated Doctoral Student provides CFGR with a written Final Report, in a form and substance satisfactory to CFGR, by <Insert Date> which shall include the following:

- (b) A financial statement submitted by the Administering Institution and audited through an appropriate internal process containing itemized information on all expenditures reimbursed by the Grant and any unspent Grant funds; and
- (c) Such other information, records or reports as CFGR may reasonably request.

Dissemination Activities

If requested by CFGR, the Administering Institution must ensure that the Affiliated Doctoral Student completes the following research dissemination activities, in a form and substance satisfactory to CFGR:

- (a) Authoring an article for the Institute of Corporate Director's *Director Journal* targeted at the director practitioner community, in which the Affiliated Doctoral Student summarizes the key findings of the Project. A submission deadline and a publication date will be provided by CFGR to the Affiliated Doctoral Student by **<Insert Date>**; and
- (b) Participating in a one-day research dissemination event in Toronto, to which the Affiliated Doctoral Student will be invited by the CFGR, and at which the Affiliated Doctoral Student will be required to make an oral report summarizing the key findings of the Project. The costs associated with attendance at this event are an Eligible Project Expenditure. Details about the event will be provided by CFGR to the Affiliated Doctoral Student by **<Insert Date>**.

SCHEDULE “C”

Eligible Project Expenditures are direct expenses incurred and necessary for the successful completion of the Project as set out in the project proposal by the Affiliated Doctoral Student, subject to the terms and conditions of this Agreement, and described below.

Expenses not described below require written approval of CFGR in order to be considered Eligible Project Expenditures.

At no time will the CFGR allow indirect expenses, such as overhead costs of the Administering Institution, to be considered Eligible Project Expenditures.

<Insert List of Allowable Expenditures Taken From Project Proposal Budget>

SCHEDULE “D”

Canadian Foundation for Governance Research

Conflict of Interest Policy

The purpose of this policy is to define CFGR policies with regard to conflicts of interest, in a manner consistent with encouraging the highest ethical standards as a registered charity and as a public foundation and consistent with the CFGR’s belief that directors of charities should not receive benefits by virtue of their position and board service.

1. Covered Persons

This policy shall apply to all directors, officers, employees and other persons who are acting on behalf of the CFGR whether or not such persons are remunerated.

Persons acting on behalf of the CFGR shall include the Investment Manager and other contractors.

2. Definition of Conflict

A conflict of interest is a situation where a reasonable person would consider a covered person to have an interest that may conflict with the covered person’s ability to act in good faith and in the best interest of the CFGR.

Conflicts of interest arise whenever the financial or personal interests of a covered person are, or appear to be, inconsistent or at odds with the interests of the CFGR. An appearance of a conflict of interest exists when it is reasonably likely that an observer may perceive a conflict of interest.

A conflict of interest exists when a covered person has an existing or potential interest in any entity, transaction or arrangement in which the CFGR also has an existing or potential interest, or when a covered person will derive a financial or other benefit directly or indirectly from the CFGR.

3. Financial and Business Transactions

Covered persons shall avoid financial transactions between themselves and the CFGR, themselves and a third party, or the CFGR and a third party that may adversely affect the performance of their duties. This includes transactions involving entities of which a covered person is a director, trustee, officer, committee member or key employee or has a substantial financial interest through ownership or control. The CFGR defines substantial financial interest as ownership interests of 5% or greater or any other substantial financial interest in any general partnership, limited partnership, limited liability company or

similar type of business entity. This also includes all manner of interests, direct or indirect, including but not limited to profit sharing arrangements, rebates, commissions, compensation in any form, etc.

It is not the intent of this Policy to prevent a covered person from investing in publicly traded securities of issuers in which the CFGR has an interest or with which the CFGR does business. This Policy also is not meant to preclude a covered person from holding other equities or debt instruments which could not be expected to adversely affect the performance of his or her duties because of their relative size, the nature of the covered person's duties, or the insignificant nature of the relationship of the CFGR with the issuer. Special caution shall be taken in the timing of purchases and sales of securities, however, and a covered person whose duties involve the investment operations of the CFGR shall avoid purchases and sales of securities that may be interpreted as attempting to profit from special knowledge of the CFGR's investment operations or other confidential information obtained by reason of their duties. Any CFGR transaction takes precedence over any covered person's transaction.

Covered persons shall avoid investing in any property in which the CFGR has, or to their knowledge is considering, an investment. A covered person shall use special caution to avoid purchases and sales of any property that may be interpreted as attempting to profit from special knowledge of the CFGR's investment operations or other confidential information obtained by reason of the covered person's duties.

4. Other Interests

Covered persons shall avoid outside directorships, officerships, partnerships, trusteeships, employment and other business involvement and investments that may adversely affect the performance of their duties with the CFGR.

Covered persons shall avoid receipt of benefits or favors, or gifts or entertainment that may influence the performance of their duties with the CFGR.

Covered persons shall avoid promoting their personal interests by reason of their connection with the CFGR.

In the course of their duties, covered persons may receive confidential information concerning the CFGR, its administration, financial transactions, funding recipients and donors. Such information shall be used only for CFGR purposes and shall not be disclosed to any third parties.

5. Requirement to Disclose and Report

A covered person must make a timely and full disclosure in any situation where they have a conflict of interest or an appearance of a conflict of interest.

Covered persons have a duty to report suspected violations of the Policy to the Chair of the Governance Committee. Reports of suspected violations shall be addressed to the Chair of the Governance Committee and delivered to the Secretary of the Board in a sealed confidential envelope.

6. Failure to Disclose Conflict and Remedies

If the Board or a Committee has reasonable cause to believe that a covered person has failed to disclose an actual or possible conflict of interest, it shall inform the Chair of the Governance Committee and such covered person of the basis for such belief.

The Governance Committee shall afford such covered person an opportunity to explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted by the circumstances, the Governance Committee determines that such covered person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate action which may include recommendation to the Board for removal from the Board or termination of employment, as appropriate, as well as reconsideration of whether the transaction or arrangement was in the best interests of and fair and reasonable to the CFGR at the time it was undertaken.

If it is determined that the transaction was not fair and reasonable to the CFGR, the CFGR, in its discretion, may void the contract and/or require such covered person to restore the CFGR to the financial position it would have been in if such covered person had been acting in compliance with this Policy. Where the latter remedy is employed, such covered person shall be required to make payments of cash or property to the CFGR in amounts equal to the value of the excess benefit he or she received plus interest. Any covered person who violates this Policy also may be liable for any penalties or taxes imposed under federal, provincial or other regulations.

7. Administration of the Policy

The Governance Committee of the Board shall be responsible for the administration of the Policy. The Governance Committee shall review disclosure reports, receive questions about the application of the Policy from covered persons and provide guidance and instructions in those matters. The Governance Committee shall receive reports of suspected violations and make appropriate recommendations to the Board. The Governance Committee shall have the ability to retain outside experts as appropriate to ensure that a proposed transaction where a conflict of interest exists does not constitute an act of self-dealing. When a conflict of interest is reported prior to and in regard to a particular transaction, the Governance Committee shall make the determination whether and when that transaction may proceed. The Governance Committee shall review the Policy annually to ensure its continued appropriateness and applicability and report to the CFGR Board on any recommendations.

The interpretation of the Policy is one of caution and conservatism. While primary reliance is placed on the good judgment and integrity of covered persons, they are expected to err on the side of strict adherence to the Policy.

Directors and officers shall make disclosures and refer questions to the Chair of the Governance Committee. Other employees and those acting on behalf of the CFGR shall make disclosures and refer questions to the Executive Director.

Whenever a covered person determines that a conflict of interest or an appearance of a conflict of interest exists, or is in doubt about the appropriate application of the Policy, the covered person shall report in writing the facts and circumstances of the matter to the Chair of the Governance Committee or the Executive Director as appropriate, and shall govern themselves in accordance with the instructions received. Except as otherwise directed by those instructions, the covered person shall not participate in any discussion or decision relating to such matter.

In the event a conflict of interest or an appearance of a conflict involving a covered person arises, then unless and until such covered person receives contrary instructions from the Chair of the Governance Committee or from the Executive Director as appropriate the following procedures shall apply:

- The covered person shall not participate in any formal or informal discussion of, any decision or vote on, or attempt to exert influence over the contract, relationship, person or organization with respect to which the conflict or appearance of a conflict may relate. Such a covered person who is a director may be counted to establish a quorum for meetings.
- Unless invited to answer questions or participate in discussions, the covered person shall temporarily recuse himself/herself from meetings in order to allow the remaining persons or members of the Board or Committee to engage in a full discussion regarding the contract, relationship, individual or organization in question. If the covered person is a director and a vote is taken, then such director shall abstain from voting and the minutes of the Committee or the Board meeting shall record this fact.

Annually, the Governance Committee shall require directors, officers, and other employees designated by the Executive Director to complete a confidential conflict of interest questionnaire.

This Policy is in addition to any other duties and responsibilities imposed on covered persons by applicable law or regulation.

8. Documentation of Conflicts

The minutes of any meeting at which a transaction involving a conflict of interest or an appearance of a conflict of interest is considered shall reflect that:

- The covered person made disclosure, withdrew from consideration of the transaction or recused him/herself from the meeting room and abstained from voting; or
- The covered person made disclosure but continued to participate pursuant to written instructions from the Chair of the Governance Committee or from the Executive Director, as appropriate, where those instructions shall be included with the minutes.

SCHEDULE “E”

Canadian Foundation for Governance Research

Research Integrity Policy

The purpose of this policy is to define CFGR policies and expectations with regard to research integrity, in a manner consistent with encouraging the highest standards of research.

As a registered charity and as a public foundation, the CFGR is committed to the highest standards of integrity in research and regards any action that is inconsistent with integrity as misconduct.

Integrity in research includes the principles contained in this policy and should be interpreted with the understanding that research can involve honest error, conflicting data or valid differences in experimental design or in interpretation or judgment of information.

This policy is consistent with standard operating practices in Canadian academic research and best practice in any research environment.

This policy overlaps with CFGR rules governing the use of research funds.

1. Principles and Responsibilities

The CFGR is responsible to its donors, funders, member, and to the legal and regulatory requirements of charities for ensuring that funds administered by it are used with a high degree of integrity, accountability and responsibility.

The CFGR holds individual researchers and practitioners receiving CFGR research funds, either as grants or commissioned research, responsible for promoting integrity in research and scholarship and upholding the following principles:

- recognizing the substantive contributions of collaborators and students; using unpublished work of other researchers, practitioners and scholars only with permission and with due acknowledgement; and using archival material in accordance with the rules of the archival source;
- obtaining the permission of the author before using new information, concepts or data originally obtained through access to confidential manuscripts or applications for funds for research or training that may have been seen as a result of processes such as peer review;

- using scholarly and scientific rigour and integrity in obtaining, recording and analysing data, and in reporting and publishing results;
- ensuring that authorship of published work includes all those who have materially contributed to, and share responsibility for, the contents of the publication, and only those people;
- revealing to sponsors, postsecondary institutions, journals or funding agencies, any material conflict of interest, financial or other, that might influence their decisions on whether the individual should be asked to review manuscripts or applications, test products or be permitted to undertake work sponsored from outside sources; and
- following the guidelines established for research involving human participants as set forth in *Canadian Institutes of Health Research, Natural Sciences and Engineering Research Council of Canada, Social Sciences and Humanities Research Council of Canada, Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans. 1998 (with 2000, 2002 and 2005 amendments) and as may be amended from time to time.*

2. Promotion and Investigation Requirements

The primary responsibility for high standards of conduct in research rests with the individuals carrying out these activities. The CFGR expects individual researchers and practitioners receiving funds from the CFGR to adhere to the principles detailed in this policy.

The CFGR also holds institutions, organizations, corporations and other entities that receive and administer CFGR research funds responsible for investigating allegations of misconduct involving researchers, students or employees working with funds from the CFGR.

Promoting Integrity in Research

Integrity in research is best encouraged by developing awareness among all involved of the need for the highest standards of integrity, accountability and responsibility. Institutions should provide an environment conducive to this goal, and actively promote programs for the education of researchers, students, and employees.

The CFGR requires individuals, institutions, organizations, corporations and other entities that receive and administer CFGR research funds to establish mechanisms to educate all who are involved in the collection, recording, citing, reporting and retention of research material about their expectations for the highest standards of integrity. Mechanisms for meeting this objective should include encouraging awareness of the issues involved and establishing policies on specific areas. As appropriate, awareness

might be encouraged by establishing information sessions on the principles and practices of research integrity for researchers, students and employees when they arrive in the institution and at regular intervals thereafter. Entities are encouraged to develop policies on such areas as requirements for authorship for publications or applications, on copyrights and patents, and on the responsibilities for retention of data.

Investigating Allegations of Misconduct in Research

Allegations may arise from anonymous or identified sources within or outside entities; the allegations may be well founded, honestly erroneous or mischievous. Whatever their source, motivation or accuracy, such allegations have the potential to cause great harm to the persons accused, to the accuser, to the entity in question, and to research in general.

When contracting with the CFGR on commissioned research proposals and grant funding, the CFGR requires individuals, institutions, organizations, corporations and other entities that receive and administer CFGR research funds to demonstrate that appropriate impartial and accountable procedures have been established to:

- receive allegations of misconduct in research;
- conduct and document appropriate enquiries within an established time period;
- protect the privacy of the person(s) accused and of the person(s) making the allegations as far as is possible given the need for due process in pursuing the enquiry;
- allow the accused person(s) due process and full opportunity to respond to the allegations throughout the enquiry through mechanisms consistent with due process and natural justice;
- decide whether or not there has been misconduct;
- determine the actions to be taken as a result of conclusions reached, including:
 - any sanctions imposed;
 - any actions taken to protect or restore the reputation(s) or credibility of any person(s) wrongly accused of, or implicated in, misconduct in research, including procedures to ensure that if the charges have been dismissed copies of documents and related files provided to third parties have been destroyed;
 - any actions taken to protect the person(s) deemed to have made a responsible accusation.
- inform the accused person(s) of the results of the enquiry and of the actions that have been decided upon;

- prepare a written report on the above and make such report available for review by the CFGR.

Allegations of misconduct made to the CFGR might involve past or present research grantees or those undertaking or who have undertaken research on behalf of the CFGR. Such allegations might also arise from the research funding and granting processes of the CFGR. In order to protect privacy, the CFGR will only transmit allegations of misconduct in research with the permission of the person making the allegations. The CFGR will not transmit oral allegations to the individual(s) and/or institution(s) involved, or otherwise act upon them, since these can not be assessed or transferred accurately.

In the event that the CFGR identifies evidence of misconduct as part of its research funding and granting processes, the CFGR will request the entity or entities involved to carry out an enquiry and to inform the CFGR in writing of the outcome.

The CFGR requests that entities that have carried out enquiries of alleged misconduct in research involving projects funded by the CFGR provide the CFGR with a written report of their findings. The CFGR will consider the report and may request clarification or additional information.

In cases in which misconduct is concluded to have occurred, the CFGR will also consider imposing its own sanction(s) in relation to grants made and research funds provided to the individual(s) implicated and/or the entity or entities involved. These sanctions may include, but are not limited to:

- refusing to consider future applications for a defined time period;
- withdrawing remaining installments of the grant, award or funding; and/or
- seeking a refund of all or part of the funds already paid or granted for the research.

If such actions are being considered, the CFGR will provide an opportunity for the individual(s) and/or entity or entities involved to present a response.

The CFGR will then inform the person(s) and/or the entity or entities involved of impending sanction.

The CFGR retains the right at any time to bring a case to the attention of the appropriate legal authorities.

3. Declaration Requirements

The CFGR requires that all individuals and entities receiving CFGR research funds agree in writing to be bound by this policy.