| Your reference no: <reference number><title> <first name> <last name><position><organisation name><organisation postal address 1><organisation postal address 2><organisation postal address 3> | 10 Binara StreetCANBERRA ACT 2601GPO Box 2013CANBERRA ACT 2601p: < state office phone number>e: ,<program mailbox address>w: business.gov.auabn: 74 599 608 295 |
| --- | --- |

Dear <title> <first name> < last name>

# Letter of Agreement

The <organisation name> application was successful and I am writing to offer you a CDIC Capability Improvement Grant.

The Agreement

This letter is an offer to enter into a binding grant agreement (Agreement) between <organisation name> ABN <organisation ABN> (Grantee/you) and the Commonwealth of Australia as represented by the Department of Industry, Science, Energy and Resources on behalf of the Department of Defence (Commonwealth/we).

The Agreement includes:

* this letter
* the grant schedule (attachment A)
* the letter of agreement terms and conditions (attachment B)
* your application
* the grant opportunity guidelines applicable on the date you submitted your application.

We may use information contained in this Agreement for public reporting purposes, including the grantee name and grant amount.

What you must do

To accept this offer, a representative authorised to enter into an agreement on behalf of your organisation must accept the grant Agreement on the portal. Accepting the Agreement on the portal is equivalent to signing a grant agreement. We may withdraw the offer if you do not accept the Agreement by <agreement due date> which is 30 days from the date we notified you that you were successful.

If you are not authorised to enter into a grant agreement on behalf of your organisation, you will need to identify a representative who is. You must invite them to be a new participant in the grant application. To do this, return to your application on the portal and select the ‘participants’ option. Follow the instructions to add a new participant as an Authorised signatory.

The Agreement takes effect from the date we acknowledge receipt of your acceptance of this Agreement.

Before we can make any payments we need you to identify the bank account into which we will pay your grant. An Accounts Payable – Supplier Details form used for this purpose is available for you to download from the [portal](https://portal.business.gov.au/). If you have not already done so, you must complete the form and email it to.

You must undertake the project in line with this Agreement. You must only spend the grant on eligible activities to undertake the project.

If you spend any amount of the grant on activities not identified in the project, or if you have a grant amount unspent at the project end date, you will need to repay those amounts to the Commonwealth.

If you make a public statement, publish any material or erect any signage in relation to your project you must acknowledge the funding you received from this grant. You must use any form of acknowledgment the Commonwealth reasonably specifies. You must notify us about events relating to the project and provide an opportunity for the Minister or their representative to attend.

What we will do

After you have accepted the Agreement on the portal, we will acknowledge receipt of your acceptance. The Agreement will take effect from that date. We will notify you when this happens and a copy of the executed Agreement will be available on the portal.

For projects up to 6 months

We will pay the grant into the bank account that you nominate in the Supplier Details form when you submit a satisfactory end of project report demonstrating that you have met end of project reporting obligations.

For projects from 6 – 12 months

We will pay you six monthly in arrears, subject to available funds and satisfactory progress on the project. We calculate payments based on expenditure against eligible activities. We will retain a minimum of 10 per cent of the total grant funding (whichever is higher) for the final payment when you submit a satisfactory end of project report demonstrating you have met end of project reporting obligations.

We may notify you of issues or concerns with the project and withhold the grant if we consider that you are unable to undertake the project in accordance with this Agreement. We will pay the grant once you have corrected the issues raised in the notice.

Any questions?

If you have any questions please contact <CSM name> on <CSM phone number>.

Yours sincerely

<signature block 1>

<signature block 2>

<signature block 3>

<date>

# Attachment A

## Grant schedule

| Program | <program name> |
| --- | --- |
| Grantee | <organisation name> |
| Grantee ABN | <organisation ABN> |
| Project title | <project title> |
| Application ID | <project number> |
| Project description (Grant Activity) | <project description><project outcome> |
| Project start date | <project start date> |
| Project end date | <project end date> |
| Total eligible expenditure | $<total eligible expenditure> |
| Grant percentage | Up to <project grant percentage> per cent |
| Total/maximum grant | $<funding amount>(plus GST where applicable) |
| Capped amount in financial year <yyyy-yy 1> | $<amount year 1> (plus GST where applicable) |
| Capped amount in financial year <yyyy-yy 2> | $<amount year 2> (plus GST where applicable) |
| Agreement end date | <agreement end date> |

## Reporting table

| Report type | Period start date | Period end date | Agreed evidence | Due date |
| --- | --- | --- | --- | --- |
| <report type> | <dd/mm/yyyy> | <dd/mm/yyyy> | <agreed evidence> | <report due date> |
| <report type> | <dd/mm/yyyy] | <dd/mm/yyyy> | <agreed evidence> | <report due date> |

## Signatures

I agree to the terms and conditions outlined in this grant

|  |  |
| --- | --- |
| Full legal name of the Grantee | <name of the grantee>ABN <ABN of the grantee> |
| Name of Authorised Representative | <name of person accepting on the portal> |
| Date | <date when grant agreement is accepted on the portal> |

|  |  |
| --- | --- |
| Name of Commonwealth Authorised Representative | <name of person executing> |
| Grant agreement effective date | <date when the grant agreement is executed> |

## Attachment B - Letter of Agreement Terms and Conditions

### Undertaking the Grant Activity

The Grantee agrees to use the Grant and undertake the Grant Activity in accordance with this Agreement.

### Acknowledgements

The Grantee agrees to acknowledge the Commonwealth’s support in any material published in connection with this Agreement and agrees to use any form of acknowledgment the Commonwealth reasonably specifies.

### Notices

The Grantee agrees to promptly notify the Commonwealth of anything reasonably likely to affect the performance of the Grant Activity, including any actual, perceived or potential conflict of interest which could affect the Grantee’s performance of this Agreement and to take action to resolve the conflict.

### Payment of the Grant

4.1 The Commonwealth agrees to pay the Grant to the Grantee in accordance with this Agreement.

4.2 The parties agree that the amount of the Grant is inclusive of any GST payable and the Grantee agrees to pay all taxes, duties and government charges in connection with the performance of this Agreement. The Grantee must on request provide the Commonwealth with a tax invoice before the Commonwealth is obliged to pay any amount under this Agreement.

4.3 Where applicable, the parties acknowledge and agree that they are each registered for GST purposes, have each quoted their Australian Business Number to the other and must notify the other of any changes in their GST status. The Grantee agrees that the Commonwealth will issue the Grantee with a recipient created tax invoice, and the Grantee will not issue any tax invoices, for any taxable supply the Grantee makes under this Agreement.

### Spending the Grant

The Grantee agrees to spend the Grant for the sole purpose of undertaking the Grant Activity, and to provide a statement, in the form required by the Commonwealth and signed by the Grantee, verifying that the Grant Activity has been undertaken and the Grant was spent in accordance with this Agreement.

### Repayment

If any of the Grant amount has been spent other than in accordance with this Agreement or on expiration or termination of this Agreement is additional to the requirements of the Grant Activity, the Grantee agrees to repay that amount to the Commonwealth, unless the Commonwealth agrees in writing otherwise.

### Record keeping

The Grantee agrees to maintain records of the performance of the Grant Activity and the expenditure of the Grant for two years after completing the Grant Activity and to make them available to the Commonwealth on request.

### Privacy

When dealing with Personal Information (as defined in the *Privacy Act 1988*) in carrying out the Grant Activity, the Grantee agrees not to do anything which, if done by the Commonwealth, would be a breach of the *Privacy Act 1988*.

### Grant Activity material

The Grantee gives (or procures for) the Commonwealth a non-exclusive, irrevocable, royalty-free licence to use, reproduce, communicate, publish and adapt all material that is provided to the Commonwealth under this Agreement. This includes a right to sub-license that material.

### Confidentiality

A party agrees not to disclose the other’s confidential information without its prior written consent unless required or authorised by law or Parliament.

### Insurance

The Grantee agrees to maintain adequate insurance for the duration of this Agreement and provide the Commonwealth with proof when requested.

### Licences and approvals

The Grantee must ensure that all persons engaged to work on the Grant Activity obtain and maintain all relevant licences, registrations or other approvals required by applicable laws or as directed by the Commonwealth, including but not limited to police checks, Working With Children checks and Working with Vulnerable People checks.

### Dispute resolution

13.1 The parties agree not to initiate legal proceedings in relation to a dispute unless they have tried and failed to resolve the dispute by negotiation.

13.2 The parties agree to continue to perform their respective obligations under this Agreement where a dispute exists.

13.3 The procedure for dispute resolution does not apply to action relating to termination or urgent litigation.

### Termination for default

The Commonwealth may terminate this Agreement by notice where it reasonably believes the Grantee:

1. has breached this Agreement; or
2. has provided false or misleading statements in their application for the Grant; or
3. has become bankrupt or insolvent, entered into a scheme of arrangement with creditors, or come under any form of external administration.

The Commonwealth will not be required to make any further payments of the Grant after the termination of the Agreement.

### General provisions

15.1 A party is not by virtue of this Agreement an employee, agent or partner of the other party.

15.2 This Agreement may only be varied by the parties’ signed written agreement.

15.3 Clauses 5 (Spending of the Grant), 6 (Repayment), 7 (Record keeping), and 9 (Grant Activity material) survive the expiry or termination of this Agreement.

15.4 This agreement is governed by the law of the Australian Capital Territory.

## Attachment C – Reporting requirements

Appendix 1

Capability Improvement Grants -
progress report requirements

You will need to provide the following information in your progress reports. The Commonwealth reserves the right to amend or adjust the requirements.

You must complete and submit your report on the [portal](https://portal.business.gov.au/). You can enter the required information in stages and submit when it is complete.

Project activities and outcomes

1. Briefly outline the project activities that have been completed to date. If you are implementing more than one recommendation, please provide details for each.

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| --- |
|       |

1. Are all the project activities being undertaken as specified in the grant agreement and providers quote(s) on track?

Yes [ ]  No [ ]

If no, explain why.

|  |
| --- |
|  |

1. Describe how the project is increasing the capability of your business.

|  |
| --- |
|       |

Project expenditure

Refer to the grant opportunity guidelines or contact us if you have any questions about eligible expenditure.

1. What is the eligible expenditure you have incurred in this reporting period?

Evidence

Copy of Tax Invoices

1. Please upload a copy of the tax invoice(s) issued to you by the provider for provision of services and/or other evidence of eligible project costs incurred.

Comments

Upload Attachment

Proof of payment

1. Please upload proof of payment of eligible project costs (e.g. receipts and/or bank statements)

Comments

Upload Attachment

Certification

You must ensure an authorised person completes the report and can certify the following:

* The information in this report is accurate, complete and not misleading and that I understand the giving of false or misleading information is a serious offence under the *Criminal Code 1995* (Cth).
* The activities undertaken and the expenditure incurred is in accordance with the grant agreement.
* I am aware of the grantee’s obligations under their grant agreement.
* I am aware that the grant agreement empowers the Commonwealth to terminate the grant agreement and to request repayment of funds paid to the grantee where the grantee is in breach of the grant agreement.

Appendix 2

Capability Improvement Grants -
end of project report requirements

You will need to provide the following information in your end of project report. The Commonwealth reserves the right to amend or adjust the requirements.

You must complete and submit your report on the [portal](https://portal.business.gov.au/). You can enter the required information in stages and submit when it is complete.

Project activities and outcomes

1. Briefly outline the project outcomes

|  |
| --- |
|       |

1. Are all the project activities as specified in the grant agreement and providers quote(s) completed?

Yes [ ]  No [ ]

If no, explain why.

|  |
| --- |
|  |

1. Was the project aimed at creating an immediate and/or longer-term impact for your business?
2. Immediate (<1 year)
3. Medium Term (1-3 years)
4. Long Term (>3 years)
5. All of the above
6. Describe how the project has impacted your business in terms of capacity, capability and improved opportunities in the defence sector.

Updated business indicators

1. Provide the following financial data for your organisation for your latest complete financial year

These fields are mandatory and entering $0 is acceptable if applicable.

* + - Financial year completed
		- Sales revenue (turnover)
		- Export revenue
		- R&D expenditure
		- Taxable income
		- Number of employees including working proprietors and salaried directors (headcount)
		- Number of independent contractors (headcount)

Project expenditure

Refer to the grant opportunity guidelines or contact us if you have any questions about eligible expenditure.

1. Indicate the total eligible project expenditure incurred

Copy of Tax Invoices

1. Please upload a copy of the tax invoice(s) issued to you by the provider for provision of services and/or other evidence of eligible project costs incurred.

Comments

Upload Attachment

Proof of payment

1. Please upload proof of payment of eligible project costs (eg receipts and/or bank statements)

Comments

Upload Attachment

Certification

You must ensure an authorised person completes the report and can certify the following:

* The information in this report is accurate, complete and not misleading and that I understand the giving of false or misleading information is a serious offence under the *Criminal Code 1995* (Cth).
* The activities undertaken and the expenditure incurred is in accordance with the grant agreement.
* I am aware of the grantee’s obligations under their grant agreement.
* I am aware that the grant agreement empowers the Commonwealth to terminate the grant agreement and to request repayment of funds paid to the grantee where the grantee is in breach of the grant agreement.