

ENVIRONMENTAL TRUST

GRANT AGREEMENT

GRANT NUMBER: 2015/MG/0001
GRANTEE: Forestry Corporation of NSW
PROJECT: Protection of Koalas in Murrah Mumbulla Tanja
MAXIMUM GRANT AMOUNT: \$ 2,503,546

This Agreement consists of 2 parts:

- Part 1: Agreement
- Part 2: Schedules

Part 1: Agreement

The Environmental Trust ("the Trust"), pursuant to the provisions of the Environmental Trust Act 1998, agrees to provide **Forestry Corporation of NSW** ("you") an amount of **\$2,453,546** ("the grant") subject to the following conditions.

The Trust will retain **\$50,000** of the grant amount to undertake an independent audit of the grant project.

The Trust approved the Protection of Koalas in Murrah Mumbulla Tanja Business Plan and attachments on the 29 September 2015. The Business Plan and attachments are complementary documents to this Grant Agreement.

CONDITIONS

Acceptance of Grant

- 1) You must accept the conditions of the grant by signing this Agreement and delivering it to the Trust within 30 working days of receiving this document.

General

- 2) You must carry out the project and spend the grant in accordance with the approved **Business Plan** and in accordance with these conditions.
- 3) You must complete the project and submit your final report by **30 July 2019** or such other date as is approved in writing by the Trust.
- 4) You must provide any information in relation to the project within 14 days (unless otherwise specified) of it being requested in writing by the Trust and agree to co-operate with the Trust in the performance of this role.
- 5) You must not enter into any arrangements or commitments in relation to the project that are incompatible or inconsistent with the approved **Business Plan** for the grant.
- 6) Subject to clause 42, any court proceedings arising out of or relating to this grant or conditions of grant must not be heard or started in any court other than a court in New South Wales. The grant and conditions of grant will be governed by and construed in accordance with the law for the time being in force in the State of New South Wales.
- 7) Severability: The invalidity or unenforceability of any one or more of the conditions of grant shall not invalidate or render unenforceable the remaining conditions of grant. Any invalid or

unenforceable condition shall be severable and all other conditions shall remain in full force and effect.

- 8) Subject to the terms and conditions of this Agreement, the Trust will make grant payments in accordance with the amounts and timetable set out in **Schedule A**.
- 9) The Trust may amend the Schedules in writing during the term of the grant. The Trust will send you a copy of the revised Schedules.
- 10) The Trust may review the approved business plan and may request amendments to the approved business plan from time to time by written notice to you.
- 11) You must maintain regular contact with the Trust in order to monitor the implementation of the project.

Reporting

- 12) You must provide the Trust with reports in accordance with the approved **Business Plan**, the timetable in **Schedule A** and the requirements in **Schedule B**.
- 13) The Trust may impose additional conditions on this grant by notice given to you in writing if you are, in the opinion of the Trust, not carrying out the project with competence and diligence or in conformity with the actions or timetable specified in your approved **Business Plan**.

Intellectual Property

- 14) In this clause, Intellectual Property includes all statutory, legal, equitable and other proprietary rights and interests, including without limit, in copyright, patents, registered and unregistered trademarks, registered designs, circuit layouts, and trade secrets.
 - a) You warrant that:
 - (i) in carrying out the project, you will not infringe any Intellectual Property rights; and
 - (ii) any report by you will not contain anything that, to your knowledge, is libellous or defamatory.
 - b) All Intellectual Property created as part of the project will be owned by you, and you shall grant to the Trust a royalty-free licence to use any such Intellectual Property.
 - c) Where Intellectual Property rights are not capable of being owned by you, you shall ensure that the Trust is licensed to use that Intellectual Property.
 - d) Copyright in the reports, documents and any other materials produced with Trust funds will vest in you, and you grant the Trust a permanent, irrevocable royalty-free, non-exclusive licence to make these reports, documents and any other materials publicly available and to otherwise communicate, reproduce, adapt and publicise them on a non-profit basis. This includes the use and reproduction of photographs for Environmental Trust purposes.

The final report, excluding the financial report component, will be made publicly available by the Trust once the grant is acquitted. If it is suitable, the Trust will place the final report in the library of the Office of Environment and Heritage for public viewing or display it on the Environmental Trust website. Those final reports not placed in the library will be made freely available to the public on request to the Trust.

Privacy

- 15) The Trust will not disclose any information that is contained in the reports, documents and materials that you have indicated is confidential and that the Trust has agreed not to disclose.

- a) The Trust undertakes not to disclose any personal information (in accordance with the definition of personal information contained in the *Privacy and Personal Information Protection Act 1998*), that is contained in the reports, documents and materials that you have submitted without your written consent, with the exception of the purpose outlined in 13(c).
- b) The Trust will not use any personal information for purposes other than the original purposes for which that personal information was supplied without your written consent, with the exception of the purpose outlined in 13(c).
- c) The Trust may disclose information contained in reports, documents and materials you have submitted to a third party for the sole purpose of evaluation of its grants programs. The Trust will ensure that any third party agrees to keep all information acquired, material prepared or collected and any findings of the project confidential.

Variation and Transfer

- 16) You must seek and obtain the prior written approval of the Trust on the template provided by the Trust before varying any of the following:
- a) The nature and purpose of the project;
 - b) The way in which the project is to be carried out and completed, as outlined in your approved project business plan, milestones and project completion dates;
 - c) The approved project budget:
 - (i) The Trust's approval is required for budget variations (increases or decreases) with a value of over \$50,000 or 10% per individual line item (whichever is less) cumulatively over the life of the project;
 - (ii) Note that Administration costs can still not exceed 10% of the total direct project costs;
 - d) The Trust may impose additional conditions on the grant in relation to any variation;
 - e) There will be no increases granted in the total amount awarded by the Trust.
 - f) Any changes to the predictions in the haulage costs /harvest volumes/rates.

Breach of conditions

- 17) If you breach any of your obligations under this grant agreement, or are otherwise not undertaking or are unable to carry out the project in accordance with your approved project business plan, the Trust may make a written request to you to rectify the breach or to resume carrying out the project in accordance with your approved project business plan.
- 18) The Trust may suspend or withhold any payments under this grant agreement or part thereof until you have taken action to comply with a request under clause 17.
- 19) If you cannot rectify a breach or complete the project to the satisfaction of the Trust after receiving a request under clause 17, the Trust may take steps to revoke this grant in accordance with clause 21.
- 20) On receipt of a request under clause 17, you must not spend any further grant monies nor commit any such monies for expenditure without seeking and obtaining the prior written approval of the Trust.

Revocation of Grant

- 21) The Trust may revoke the grant by notice given to you in writing by the Trust if you:
- a) At any time give misleading or false information;
 - b) Are, in the opinion of the Trust, not carrying out the project with competence and diligence or in conformity with the actions or timetable specified in your approved project business plan;
 - c) Do not comply with the conditions of the grant;

- d) Fail to rectify a breach in accordance with clause 17;
- d) Being an individual, die or become mentally ill (as defined in the Mental Health Act 1990); or are declared bankrupt or enter into any scheme or make any assignment for the benefit of creditors;
- e) Being a company, resolve to go into liquidation or enter into any scheme or arrangement with your creditors under the Corporations Act or if any liquidator, receiver or official manager is appointed or if a petition or other Court proceedings is instituted for such appointment;
- f) Being a non-profit company, cease to retain your non-profit status; or
- g) Being an organisation, cease to operate.

22) If the Trust revokes the grant:

- a) You must not spend any further grant monies nor commit any such monies for expenditure;
- b) You must, within 7 working days, repay to the Trust all grant monies which have not been spent or committed for expenditure at the time you receive the written notification of the revocation and provide a financial report to the Trust on the proportion of the grant already spent;
- c) The Trust may take steps to recover the whole or any part of the grant, including those parts already spent. This includes any goods or assets acquired using Trust funds.

Publications, Promotional Material and Events

23) You must acknowledge the Trust's assistance on all signs, publications, reports, websites and promotional material relating to the project with the statement, prominently displayed:

This project has been assisted by the New South Wales Government through its Environmental Trust.

You may seek permission from the Trust to vary the wording.

24) You must also prominently display the logo of the Environmental Trust on all material referred to in condition 23. Trust staff will provide the logo.

25) You must issue an invitation to a government representative to any launch or public event associated with your project and, where they are able to attend, they are acknowledged as official guests. Where practicable, they should be afforded the courtesy of publicly addressing the event.

26) You must co-operate as required by the Trust in the preparation of case study documentation based on the final outcomes of the project.

Compliance with law

27) You must ensure that in delivering the project, all applicable standards, laws, regulations, policies and statements are complied with.

28) You must hold all rights, licences and consents required to conduct the project and otherwise fulfil your obligations under this Agreement.

Indemnities

29) You will indemnify and keep indemnified the Trust from and against all actions, claims, demands and other proceedings that may be made or recovered against the Trust, its members or officers, in respect of any damage to property, personal injury or death where the damage, injury or death was caused by any wilful, unlawful or negligent act or omission of the grant recipient in relation to the carrying out of the project. The Trust will inform you as soon as it becomes aware of any such action, claim, demand or proceeding.

- 30) Neither you nor any person engaged by you shall by virtue of the grant be in the service or employment of the Trust.
- 31) You shall be responsible for effecting and maintaining all Insurances required under worker's compensation legislation and for taking all other actions requisite as employer of person so engaged. You shall also be responsible for ensuring volunteers are covered by volunteer personal accident insurance.
- 32) You must effect and maintain public liability insurance in relation to all premises and sites on which the project is carried out for all works and activities undertaken for this project. The insurance shall be for an amount of at least \$20,000,000. The policies shall be made available to the Trust for inspection on request.

Requests for information and review of projects

- 33) You must, at all times and upon reasonable notice, allow Trust officers to visit the project.
- 34) You must provide access to project sites (where applicable) for up to five years after project completion for the purpose of assessing whether the environmental outcomes have been maintained.
- 35) You must maintain financial and operational records throughout the project and for seven (7) years after the expiry or termination of this agreement.

Audit

- 36) An audit of any aspect of the project or your compliance with this Agreement may be conducted at any time by the Trust or any person authorised by the Trust.
- 37) The Recipient must co-operate fully with an audit, including:
 - a) granting the person conducting the audit reasonable access to your premises, records and all materials relevant to the project and the performance of this Agreement; and
 - b) permitting the person conducting the audit to inspect and make copies of your records and materials relevant to the project and the performance of this Agreement; and
 - c) making available on request at no additional cost to the person conducting the audit reasonable facilities to enable a legible reproduction to be created of your records and materials stored on a medium other than in writing.
- 38) The Trust must give you reasonable notice of its requirements in relation to an audit and use its reasonable endeavours to minimise disruption and interference to your performance of its obligations under this Agreement arising from an audit.
- 39) Except where otherwise determined by the Trust, you are responsible for the costs of participating in an audit and such costs are not to be paid out of the Grant.
- 40) You must promptly take any reasonable action required by the Trust to rectify any error, non-compliance or inaccuracy identified in an audit in relation to the project or your performance of this Agreement.
- 41) You are not entitled to any delay costs or other costs or expenses of whatever nature relating in any way to an audit.

Dispute resolution

- 42) You agree that any dispute arising under this agreement will be dealt with as follows:
- a) for the day-to-day operation of this agreement, in the first instance the parties agree to address any operational difficulties, disputes, issues or disagreements together in a transparent manner and through open discussion;
 - b) a party claiming that a dispute has arisen must give written notice of the dispute to the other party;
 - c) following notification of the dispute, officers from each party at senior manager level are to attempt to resolve the dispute;
 - d) if the officers at senior manager level are unable to resolve the dispute within 30 days of notification of the dispute, the dispute should be referred to Agency Heads or an independent mediator agreed upon and appointed by the parties;
 - e) if the dispute is not resolved by Agency Heads or an independent mediator, the parties are to refer the dispute to the Ministers with responsibility for administering their respective legislation. If the Ministers are unable to reach a resolution, the dispute should be referred to the Premier; and
 - f) court proceedings should only be commenced if the processes in this clause have been followed and the dispute is still unresolved.
- 43) The parties must continue performing their obligations under this agreement while the dispute is being resolved, to the extent practicable to do so.
- 44) Being involved in a dispute resolution process does not affect the ability to exercise rights under the agreement, including rights in relation to revocation and breach of the agreement.

Financial Administration (This section is subject to *Special Conditions* at clause 48-50)

- 45) Funding will be provided to the grantee as per **Schedule A**. Any underspends within a financial year need to be managed by the grantee within their existing financial systems.
- 46) Funds can only be returned to the Trust upon acquittal or termination of this grant agreement and receipt of a final report for the program that includes a reconciled financial statement for the full funding period and is signed by the chief financial controller of your organisation.
- 47) All unspent funds, as outlined in the financial statement, must be returned to the Trust within 28 days of written confirmation of acquittal or termination of the grant by the Environmental Trust.

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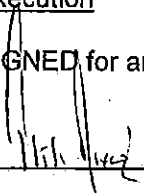
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Execution

SIGNED for and on behalf of the Environmental Trust by:

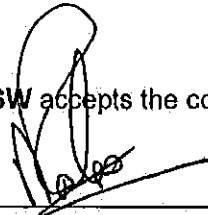


Peter Dixon
Senior Manager Grants
Office of Environment and Heritage.

10/12/15

(date)

Forestry Corporation of NSW accepts the conditions in this Grant Agreement.



(sign)

N.J.V. Roberts

(print name)

CEO

(position in organisation)

23.12.2015

(date)

Note:

1. This Agreement should be signed by a person with the delegated authority to bind the organisation.
2. All correspondence should be addressed to:
Environmental Trust, PO Box 644, PARRAMATTA NSW 2124

ENVIRONMENTAL TRUST

GRANT AGREEMENT

GRANT NUMBER: 2015/MG/0001

GRANTEE: Forestry Corporation of NSW

PROJECT: Protection of Koalas in Murrumbidgee Mumbulla Tanja

MAXIMUM GRANT AMOUNT: \$ 2,503,546

This Agreement consists of 2 parts:

- Part 1: Agreement
- Part 2: Schedules

Part 2: Schedules

Schedules may be amended by the Trust during the term of your project. In this instance, the Trust will forward you a revised copy of the Schedules.

Schedule A - Payment and Reporting Timetable

1) Subject to the conditions outlined in Part 1 of the Grant Agreement, the timetable for grant payments and reports will be as follows:

Activity	Description/Amount	Due Date	Financial Year Paid / Reporting Period Covered
Payment 1	\$ 212,801.50	Within 30 days of signed grant agreement being received by the Trust	2015/16
Report 1	Progress Update (linked to the establishment of the flora reserve and OEHL being appointed as the land manager by 31/3/16 – refer to clause 48)	30/04/2016	2015/16
Payment 2	\$ 212,801.50	Within 30 days after receipt of satisfactory Report 1 and endorsement by Subcommittee	2015/16
Report 2	Annual Progress Report 2, Financial spreadsheet	31/07/2016	2016/17
Payment 3	\$ 413,085	Within 30 days after receipt of satisfactory Report 2 and endorsement by Subcommittee.	2016/17
Report 3	6 month Progress Report 3 and Financial Spreadsheet	31/01/2017	2016/17
Payment 4	\$ 413,085	Within 30 days after receipt of satisfactory Report 3 and endorsement by Environmental Trust.	2016/17
Report 4	Annual Progress Report 4, Financial spreadsheet	31/07/2017	2017/18
Payment 5	\$ 413,085	Within 30 days after receipt of satisfactory Report 4 and	2017/18

		endorsement by Environmental Trust.	
Report 5	6 month Progress Report 5 and Financial Spreadsheet	31/01/2018	2017/18
Payment 6	\$413,085	Within 30 days after receipt of satisfactory Report 5 and endorsement by Environmental Trust	2017/18
Report 6	Annual Progress Report 6, Financial spreadsheet	31/07/2018	2018/19
Payment 5	\$212,801.50	Within 30 days after receipt of satisfactory Report 6 and endorsement by Environmental Trust.	2018/19
Report 7	6 month Progress Report X and Financial Spreadsheet	31/01/2019	2018/19
Payment 5	\$162,801.50	Within 30 days after receipt of satisfactory Report 7 and endorsement by Environmental Trust.	2018/19
Report 8	Final Report, Certified/Audited Financial Statement	31/7/2019	2019/20

Note: The Trust will retain an additional \$50,000 of the total grant amount to undertake an independent audit of the project.

- 2) The above amounts are GST exclusive.
- 3) Any portion of the grant which you do not spend by the date referred to in Condition 3 of 'Part 1: Agreement', must be repaid to the Trust.
- 4) The requirements for reporting are outlined in **Schedule B**.

Schedule B - Guidelines for Presenting Progress/Annual and Final Reports

Why we require reports

The Trust needs project reports in order to be satisfied that our investment in your project achieves environmental outcomes and funds are appropriately spent. Reporting also:

- provides you an opportunity to evaluate your project and make improvements where necessary,
- informs the Trust where environmental benefits can be spread beyond your project, and
- assists the Trust in developing future funding programs and policies.

What we do with your project reports

Your reports will be reviewed by the Trust and/or any other people we think necessary, to assess progress, performance and achievement. These reviews can cover both administrative aspects (e.g. project management, financial, timeframes and milestones) as well as technical aspects (*project measures*). Continuing grant payments are dependent on satisfactory reviews of your reports. We provide feedback from these reviews and may require clarification, amendment or further reports.

The Final Project Report is an important part of your Agreement with the Trust. This Report (except the financial information) is generally placed in the Office of Environment and Heritage Library and the Trust may also place them on its website and otherwise make them publicly available.

Timing of reports

The due dates and reporting periods for different reports are specified in writing by the Trust in Schedule A or in other correspondence. It is very important that you meet due dates. Missing a due date could delay a grant payment.

Project reports

About the report	PROGRESS/ANNUAL REPORT	FINAL PROJECT REPORT
Purpose	<ul style="list-style-type: none"> • Enable review of: <ul style="list-style-type: none"> - outcomes achieved. - project management milestones met - activity/approach. • Inform the Trust of any issues, opportunities and changes. • Demonstrate appropriate use of funds and allow release of further funds. 	<ul style="list-style-type: none"> • Comprehensively report on: <ul style="list-style-type: none"> - outcomes achieved. - project management milestones met. - activity/approach. - evaluation of achievement of projected project outcomes and actuals. • Outline lessons learnt and future opportunities. • Demonstrate appropriate use of funds and allow acquittal of grant. • Complete Project Measures spreadsheet.
Reporting period	Period since last report (progress) or full year (yearly)	Whole project duration, life of the project.
Number of copies	e-copy of each progress/yearly report should be provided to the Trust	1 hard copy plus an e-copy of final report should be provided to the Trust

Reporting template

You will be provided with a reporting template from the Trust, you must use this reporting template for all reporting.

Attachments

Your project may also produce other reports, documents, publications or materials, before and after data, species lists etc. – the nature and scope of these depend completely on your specific project and are not the subject of this document. These additional documents should be included with your project reports to the Trust.

You should include data from the project's monitoring and evaluation process particularly if your project is a trial or demonstration, or if you believe that it may be of use to other grantees' projects.

Trust acknowledgement

You must acknowledge the Trust's assistance on all signs, reports, websites and promotional material relating to the project (see condition 15 of your Grant Agreement). Copies (or summary) of media coverage obtained should also be included with your report.

Photographs

Photographic documentation about the project should be included in your report. Where applicable, these should document sites before, during and after the project. All photographs should be clearly referenced. If you wish the photographer to be credited in any public use of the images, please include the photographer's name.

Financial reports

Progress/Yearly financial reports for all grantees

You will be provided with a reporting template from the Trust, you must use this reporting template for all reporting.

- A quarterly breakdown of the actual/predicted haulage costs /harvest volumes/rates are to be provided each reporting period.
- Progress/Annual financial reports do not require independent certification or certification by a Chief Financial Officer. Progress financial reports can be signed off by the project manager or the financial officer preparing the report.
- Small underspends can be carried over to the next stage of the project. If in doubt, please contact your Grants Administrator.
- The Trust requires that progress financial reports be presented on the Trust's progress report financial spreadsheet which is available on the Trust website.
- A tax invoice or written request for the next progress payment should also be submitted at this time (see Schedule A).
- GST is not to be included on any invoice from a government agency (Local Government, State Government or Commonwealth Government). If the Trust receives an invoice with GST from a government agency, it will request a new invoice without GST, before the invoice is paid.

Final financial reports:

Final financial reports, regardless of the grant amount, **must be presented on the Trust's *Final Report Financial Spreadsheet*** which is available on the Trust website. Your Income and Expenditure statement is not an acceptable financial report.

Government agencies and councils (this includes State and Federal government organisations, all Universities and NSW local government organisations)

Certification – Local Government

- Final financial reports regardless of the grant amount **must be certified by your Chief Financial Officer** and do not require independent certification.

Certification – State/Federal Government and Universities

- **Final financial reports regardless of the grant amount must be certified by your Chief Financial Officer or a Senior Manager who has delegated authority to certify expenditure on behalf of your organisation and do not require independent certification.**

All other organisations

Certification – Final financial reports for grants over \$20,000 must be certified by an independent certifier as follows:

- A member of the Institute of Chartered Accountants, the Australian Society of Practising Accountants or the National Institute of Accountants, must certify your financial report and submit a 'Report on Factual Findings' as per Australian Auditing Standard ASRS 4400.
- The certifying accountant should ensure that:
 - i. the financial report accurately reflects income and expenditure for the project,
 - ii. all payments were supported by adequate documentation to show that expenditure was for bona fide goods and services related to the project,
 - iii. competitive pricing was obtained for all individual items of expenditure of \$5,000 and over.

Final financial reports for grants \$20,000 and under do not require independent certification. You must however, **sign a statutory declaration** certifying the accuracy of your financial report. An Environmental Trust statutory declaration is available on the Trust website.

Unspent grant funds

Any unspent grant funds should be returned to the Trust. To return funds you should include a cheque for the amount of unspent grant funds (plus GST if you are registered for GST) made payable to the Environmental Trust.

Notes:

- (1) This may be used for promotional purposes.
- (2) This should report against the approved Project Business Plan outputs.
- (3) **Project Measures** – these are the measures you will be using to report on the environmental outcomes of your project as listed in the conditions of this grant.
- (4) Photographic documentation about the project should be included in your report. Where applicable, these should document sites before, during and after the project. All photographs should be clearly referenced. If you wish the photographer to be credited in any public use of the images, please include the photographer's name.