



## **Request For Proposal For External Audit Services - Pride Toronto**

Issue Date: April, 22, 2022

Closing Deadline: May 20, 2022

Delivery Method: Courier or Canada Post

**Proponents are requested to deliver four (4) sealed proposals in packages marked “Proposal - External Audit Services”**

to be received at:

Pride Toronto

702-158 Sterling Road

Toronto, Ontario, M4P 2H4

Attention: Sherwin Modeste, Executive Director

**The name and address of the proponent must be clearly indicated on the face of the sealed packages containing the Proposal.**

Proposals sent by fax or e-mail will not be accepted.

**Reference: PT-RFP2022**

# Table of Contents

- 1.0 Introduction..... 3**
- 1.1 Overview of Pride Toronto .....3
- 2.0 Services..... 3**
- 2.1 Description of Services.....3
- 2.2 Annual Schedule .....4
- 3.0 Proposal Submission Guidelines..... 5**
- 3.1 Communication subsequent to issuance of RFP.....5
- 3.2 RFP Schedule .....5
- 3.3 When and Where to Submit a Proposal.....5
- 3.4 Withdrawal or Amendment of Proposal.....5
- 3.5 Proposal Irrevocable.....6
- 3.6 Addenda.....6
- 3.7 Clarification and Verification of Proposal .....6
- 3.8 Auditor Inquiries .....6
- 3.9 Conflict of Interest.....6
- 3.10 Type and Term of Contract for Services.....6
- 3.11. Pricing and Taxes.....6
- 4.0 RFP Terms and Conditions.....7**
- 4.1 Reservation of Rights of Pride Toronto.....7
- 4.2 Costs.....7
- 4.3 Confidentiality .....7
- 4.4 Governing Law .....7
- 5.0 Requirements for Completion.....8**
- 5.1 Mandatory Requirements .....8
- 6.0 Evaluation of Proposals.....9**
- 6.1 RFP Evaluation Process .....9
- 6.2 Selection of Auditor.....10
- 6.3 Contract Award .....11
- 6.4 Failure to Enter into Agreement.....11
- 6.5 Notification to Other Auditors.....11
- Schedule A - Pride Toronto’s Mission Statement.....12**
- Schedule B - Conflict of Interest Form .....13**
- Schedule C - Services Agreement (Sample Only).....14**
- Appendix A - Contractor Agreement as to Confidentiality and IP Ownership.....17**



## 1.0 Introduction

### 1.1 Overview of Pride Toronto

Pride Toronto is a not-for-profit organization with a mission to support our communities in the pursuit of our unequivocal rights to be known, be heard, be understood, be accepted, be respected, and to celebrate the beauty of who we are. Uniting and empowering people with diverse sexual orientations, gender identities, and gender expressions, the annual Pride Toronto Festival has become a major Canadian Arts and Cultural Event and the largest Pride celebration in North America. Pride Toronto showcases Toronto on the world stage with diversity, inclusion and vibrant creativity.

Pride Toronto's Board of Directors possesses the multi-disciplinary representation necessary for effective governance, and prioritized ongoing Board development. The Board and the Finance Committee each meet monthly with management.

Pride Toronto is held accountable in the form of both external and internal compliance monitoring to ensure provincial standards, regulations, and directives, in addition to fulfilling Pride Toronto's Mission, Vision, Mission and Strategic Priorities.

At the end of the 2019 fiscal year, Pride Toronto's overall budget was approximately \$5.3 million dollars. Please view past audited financial statements for the previous years by visiting Pride Toronto's website.

## 2.0 Services

### 2.1 Description of Services

Perform an examination of Pride Toronto's records and financial statements in accordance with Canadian Generally Accepted Auditing Standards to express an audit opinion on Pride Toronto's financial statements and provide an auditor's report for same, for approval by the Board at the regular board meeting (held in November) prior to the Annual General Meeting held in January each year. Certain elements of the financial statements of particular interest to various users include but not limited to:

1. A schedule of Pride Toronto's various Program Revenues and Expenses indicating the ending surplus or deficit as at July 31<sup>st</sup> year end.  
Prepare a draft management letter of findings, if necessary, during the course of the audit and provide management with an opportunity to discuss the issues before final content of the management letter is determined.
2. Perform a review of Pride Toronto's performance with regard to the Broader Public Sector Attestation of Compliance.
3. Ensure Pride Toronto's is advised of any changes in legislation and Canadian generally accepted auditing standards for non-profit organizations that may affect required accounting and/or reporting practices.
4. Be available for consultation on accounting issues as they arise.
5. Attend two (2) scheduled meetings of the Finance and Audit Committee, including a pre-audit meeting, and a post-audit meeting to present the Audited Financial Statements and Audit Findings Report.
6. Attend the Annual General Meeting of Pride Toronto to present the Audited Annual Financial Statements.

### **Pride Toronto's Support to be provided.**

1. Pride Toronto's finance staff will prepare the financial statements and all related notes to the statements.
2. Pride Toronto's finance team will prepare all submissions and any reconciliations required for the various funders.
3. Pride Toronto's finance team will prepare working paper file schedules together with all supporting documentation, a copy of which will be made available to the auditors for their files.
4. Pride Toronto's staff will be available to respond to questions and to complete any additional reconciliations required by the auditors during the course of the audit, as agreed to before the commencement of the audit.
5. Space within Pride Toronto's premises will be provided for the audit firm's staff for the duration of all required field work.

### **Reporting**

The successful audit firm will report to the Executive Director and to the Pride Toronto's Board through the Finance and Audit Committee.

## **2.2 Annual Schedule**

No later than Aug. 31<sup>st</sup>, the auditor shall meet with the Pride Toronto's Executive Director and finance team staff to discuss and agree upon the timelines required for the completion of the audit.

An Audit Plan must be drawn up by the auditor and mutually agreed upon by Pride Toronto and the auditor. The Audit Plan should include, but not be limited to:

1. A list of necessary schedules, working papers, analysis, and other information to be prepared by Pride Toronto's finance staff.
2. Letter of Engagement.

### **Fees and Pricing Requirement:**

1. The audit fees are to be specified by fiscal year together with a schedule of hourly rates for each of the audit staff participating in the audit.
2. Rates for any additional services available are to be provided in the quotation.
3. All prices bid shall include applicable taxes, insurance, and all other charges of every kind attributable to the work. This is intended to be a fixed price contract with no extra fees unless specifically provided for otherwise in this RFP.
4. All work required or desired under the terms of this RFP is to be included in the price and the price is not to be subject to adjustment, including due to unknown or undisclosed conditions, increases in costs of labour, unavailability of labour other than changes in HST or other applicable taxes.

### 3.0 Proposal Submission Guidelines

#### 3.1 Communication subsequent to issuance of RFP.

The Client Representative is:  
Sherwin Modeste  
Executive Director of Pride Toronto  
E-mail: [sherwin@pridetoronto.com](mailto:sherwin@pridetoronto.com)

All questions must be directed to the Client Representative. Proponents are prohibited from contacting any other staff to obtain any information pertaining to this RFP, RFP Process, or to demonstrate or justify the prospective auditor’s services or relay other benefits of doing business with Pride Toronto. It is inappropriate for the auditor to initiate contact with any member of the RFP Evaluation Committee or any other staff unless specifically requested to do so by the Client Representative. Please note that it is inappropriate for prospective auditors to engage in any entertaining of any staff member connected with this RFP. Any prospective auditor who fails to comply with this requirement will be disqualified from the bidding process.

#### 3.2 RFP Schedule

The following is a summary of the key dates in the RFP process. The RFP schedule is tentative and may be changed by Pride Toronto at its sole discretion.

Event	Date
RFP Release	Apr 22, 2022
Final Date for RFP Inquiries	May 6, 2022
Final Date for responses to RFP Inquiries	May 12, 2022
RFP Closing Date	May 20, 2022
Auditor Interviews	May 30, 2022
Selection Completed (approximate date)	Jun 6, 2022

#### 3.3 When and Where to Submit a Proposal

To be eligible for consideration, proposals must be received by 4:00 p.m. Eastern Standard Time (EST) on May 20th 2022 (“RFP Closing Date”), in the office of Pride Toronto in a sealed envelope or package labelled “Proposal for Auditor Services” to the following address:

Pride Toronto  
702-158 Sterling Road  
Toronto, Ontario, M4P 2H4  
Attention: Mr. Sherwin Modeste, Executive Director

Late proposals **will not** be accepted.

#### 3.4. Withdrawal or Amendment of Proposal

A prospective auditor may withdraw or amend its proposal any time prior to the RFP Closing Date by



written notice to the Client Representative at the address noted above. Pride Toronto will return a proposal that has been withdrawn.

### **3.5 Proposal Irrevocable**

Subject to the prospective auditor's right to withdraw or amend a proposal prior to the RFP Closing Date, proposals will be irrevocable by the prospective auditor and will remain in effect and open for acceptance by Pride Toronto's until May 20th 2022.

### **3.6 Addenda**

The issuance of addenda will be the only method recognized for revisions to the RFP document. Pride Toronto will make its best effort to issue addenda within a reasonable period of time on its website.

### **3.7 Clarification and Verification of Proposal**

Pride Toronto reserves the right to seek clarification and supplementary information from prospective auditors after the proposal submission deadline. The response received by Pride Toronto from a prospective auditor shall, if accepted by Pride Toronto, form an integral part of that prospective auditor's submission.

Pride Toronto reserves the right to verify any auditor statement or claim by whatever means Pride Toronto deems appropriate and may reject any auditor statement or claim, if in the judgement of Pride Toronto, the statement or claim appears unwarranted or not credible.

### **3.8 Auditor Inquiries**

All inquiries regarding this RFP should be directed in writing, via email to the Client Representative. The deadline for inquiries is **May 6th, 2022, at 5:00 p.m. Pride Toronto** will issue a summary of questions and answers to all prospective auditors through its website. Auditors who submit inquiries will not be identified in communication with other prospective auditors.

### **3.9 Conflict of Interest**

Each proposal must include confirmation that the prospective auditor does not and will not have any conflict of interest (real or perceived) in submitting its proposal, or if selected, with its contractual obligations under the contract. Where applicable, the prospective auditor must disclose in its proposal, information pertaining to any situation which may be a conflict of interest in submitting a proposal or, if selected, with the contractual obligations of the auditor under the contract. Each prospective auditor will sign and return an original copy of the Conflict of Interest Form attached in Schedule B.

The proposal of any prospective auditor may be disqualified where that auditor fails to provide confirmation of the foregoing or makes misrepresentations regarding any of the above. Further, Pride Toronto, in addition to any other remedies it may have in law or in equity, shall have the right to rescind any contract awarded to an auditor if Pride Toronto, in its sole and absolute discretion, determines that the auditor made a misrepresentation regarding any of the above.

### **3.10 Type and Term of Contract for Services**

The selected auditor will be required to enter into a Services Agreement with Pride Toronto.

### **3.11. Pricing and Taxes**

Prices shall be firm for the duration of the Services Agreement.

## **4.0 RFP Terms and Conditions**

### **4.1 Reservation of Rights of Pride Toronto**

In addition to any other express rights or any other rights which may be implied in the circumstances, without liability, cost or penalty to Pride Toronto. Pride Toronto may at any time prior to or after the RFP Closing Date:

1. Waive formalities and accept proposals that substantially comply with the requirements of this RFP;
2. Waive irregularities in any prospective auditor's proposal;
3. Check references other than those provided by a prospective auditor;
4. Disqualify a prospective auditor whose proposal contains misrepresentations or any other inaccurate or misleading information;
5. Disqualify a prospective auditor or the proposal of a prospective auditor who has engaged in conduct prohibited by this RFP;
6. Accept or reject a proposal if only one copy is submitted;
7. Cancel this RFP process at any stage;
8. Cancel this RFP and issue a new RFP for the same or similar services;
9. Discuss with any prospective auditor different or additional terms to those contemplated in this RFP or in any prospective auditor's proposal;
10. Accept a prospective auditor's proposal as is, or negotiate with any prospective auditor any new requirements or terms, or changes that may be deemed necessary by Pride Toronto; and
11. Reject any or all proposals in the absolute discretion of Pride Toronto.

Any amendment or supplement to this RFP will be communicated to interested parties in the same manner in which this RFP was issued. Any reference to RFP in this document will mean this RFP and all addenda, amendments or supplements, if any.

### **4.2 Costs**

Each prospective auditor will bear all costs associated with or incurred in the preparation and presentation of its proposal. Neither the failure of a prospective auditor to understand the RFP,

### **4.3 Confidentiality**

All information distributed in connection with this RFP is confidential, and is to be used for the sole purpose of completing proposals and is to be used for no other purpose unless prior written consent has been provided by Pride Toronto. All material and information distributed will remain the property of Pride Toronto to be used at its discretion. All candidates electing not to submit a proposal will dispose of any and all confidential information in a responsible manner.

### **4.4 Governing Law**

The RFP, the successful auditor's proposal, and every document that will be required to be executed by the parties pursuant to the RFP will be governed by the laws of Ontario and the laws of Canada applicable therein, without reference to their respective conflict of laws principles.

## 5.0 Requirements for Completion

### 5.1 Mandatory Requirements

To be eligible for consideration, a prospective auditor must be invited to submit a proposal for the provision of auditor services for Pride Toronto.

The prospective auditor must deliver the following:

- A. One (1) original, signed paper copy of the proposal
- B. Three (3) paper copies of the proposal spiral bound.

The following is a list of mandatory items to be included in the proposal:

1. **Cover Letter:** An introduction to the prospective auditor's firm and a clear statement that the Terms and Conditions of this RFP have been read, understood and agreed to in their entirety and confirming that the information provided in the proposal is accurate. The letter must be signed by an authorized representative from the prospective auditor's organization, and include a clear statement noting that the individual signing the proposal has the authority to bind the prospective auditor's firm.
2. **Company Profile:** A description of the business (including breadth of other audit assignments and clients: resources, support services available and relevant to this audit) and contact details of the prospective auditor's firm, including:
  - i. The full legal name of the prospective auditor's firm;
  - ii. Any other name under which the prospective auditor's firm carries on business;
  - iii. The address, telephone and facsimile numbers for the prospective auditors' firm;
  - iv. The name and title of a primary contact for all questions and clarifications arising from the RFP;
  - v. The address, e-mail, telephone and facsimile number for the primary contact;
  - vi. The name and title of the proposed individual(s) who will be performing the services for Pride Toronto; and
  - vii. The proposed start date for performing the services for Pride Toronto.
3. **Conflict of Interest Form:** Complete, sign and attach the Conflict of Interest Form included in Schedule B
4. **References:** Include three (3) references in the proposal, including name, title, organization and telephone number for each reference. References within the Community sector and prior audit work with similar, non-profit, charitable organizations is preferred.
5. **Pricing Information:** Identify annual and special project fees for the provision of auditor services. All pricing information will be in Canadian funds.



## 6.0 Evaluation of Proposals

### 6.1 RFP Evaluation Process

The evaluation of the proposals will be conducted by Pride Toronto in five (5) stages. A proposal must meet the requirements of each applicable stage to proceed to the next stage.

Stage 1: consists of validating that all proposal requirements are included and complete according to section 5.1 - Mandatory Requirements.

Stage 2: evaluating the list of services in accordance with section 2.1 and compliance to the proposed timelines per section 3.2.

Stage 3: evaluating pricing information in conjunction with services offered.

Stage 4: consists of evaluating an oral presentation of the proposal by short listed prospective auditors (if requested by Pride Toronto) and responding to questions by the evaluation team.

Stage 5: consists of verifying reference information for the selected auditor.

The points allocated to each stage of the evaluation process are as follows:

Stage	Evaluation Process	Percentage
1	Mandatory Requirements (section 5.1)	Pass / Fail
2	Service Requirements (section 6.2.1) a) Compliance with stated qualification criteria.	5
	b) Audit experience of the firm and references	5
	c) Experience and qualification of personnel assigned to the project	10
	d) Description of audit approach	15
	e) Statement of understanding of the overall scope of the work	10
	f) Commitment to meeting all reporting deadlines	5
	g) Substantial resources and support services available.	5
	h) Description of your firm's quality assurance program	5
3	Pricing Information	30
4	Interview	10
5	Reference Verification	Pass / Fail

Each stage is evaluated separately and in sequential order. Eligible prospective auditors must achieve a score higher than the minimum score (see further details in this section) in each stage to participate in the next stage. A maximum of three (3) eligible prospective auditors with the highest point scores in Stage 2 and 3 Service Requirements may be invited to participate in Stage 4 – Interview process.

**6.2 Selection of Auditor**

Service Requirement Evaluation Criteria:

Pride Toronto will make the award to the successful auditor. Final selection of an auditor may be based on, but not be limited to, a number of criteria. More points will be given to proposals that demonstrate the knowledge, experience and outcomes listed below:

1. auditors must have professional certification and/ or registrations and related experience and qualifications;
2. relevant experience of the firm related to non-profit. At least one example must be provided;
3. identification of personnel assigned to audit and related experience and qualifications;
4. description of the audit approach showing well developed professional auditing techniques and sound system of control and review of audit work performed;
5. statement of understanding of overall scope of the work;
6. demonstrate a commitment to meeting all reporting deadlines;
7. have substantial resources and support services available to address the scope of audit services required and sufficient resources to provide related consulting services if and when required;
8. description of firm’s quality assurance program.

**Pricing information.**

Please provide a firm quotation for the fees to be charged for each audit year for a period of 3 years from (fiscal 2021/22) onwards. A sample template is provided below. The fee quotation shall include: the estimate of hours for the audit as well as an indication as to how fees for special audit work (if any) is calculated. The proposed pricing schedule of the successful respondent will be entered into the Services Agreement found in Schedule C.

Year-End	Staff Hours	Annual Audit Price including disbursements	Hourly rates for special projects outside the scope of services
2021-22			
2022-23			
2023-24			
<b>Total Proposed fee for the entire contract</b>		<b>\$</b>	<b>\$</b>

The **lowest** proposed contract audit price will receive a maximum of 25 points and the **lowest** proposed hourly rate for special projects will receive a maximum of 5 points.

**Part 1: Calculation of Annual Audit Price Score**

The **lowest** proposed fee for the entire contract will receive a maximum score of 25 points. The other proposed fee for the entire contract will receive a score that is proportional to the extent by which they exceed the lowest proposed audit price.



The formula to be utilized to determine the score for this section is as follows: (**Lowest** proposed audit price divided by auditor's submitted proposed audit price) X 25 points

### **Part 2: Calculation of Hourly Rate for Special Projects Score**

The **lowest** proposed hourly rate will receive a maximum score of 5 points. The other proposed rates will receive a score that is proportional to the extent by which they exceed the lowest proposed hourly rate. Please note: if more than one hourly rate is stated, an average of the rates will be used.

The formula to be utilized to determine the score for this section is as follows: (**Lowest** proposed hourly rate divided by auditor's submitted proposed hourly rate) X 5 points

**Total:** The total score in this section consists of the audit price score and hourly rate score (Part 1 + Part 2).

### **6.3 Contract Award**

Pride Toronto will make the award to the prospective auditor who can provide the most appropriate proposal for Pride Toronto. The selected auditor's entire proposal will be evaluated and selected on the basis of the responses to all information requested in this RFP. The successful auditor will be invited to enter into a Services Agreement with Pride Toronto. Notice of selection to the successful auditor will be in writing.

### **6.4 Failure to Enter into Agreement**

If the selected auditor fails to execute the Services Agreement within thirty (30) days of notice of selection, Pride Toronto may, in its sole and absolute discretion and without incurring any liability, rescind the selection of that auditor. Following which, Pride Toronto reserves the right to negotiate directly with the audit firm with the next highest scoring proposal, and without re-issuing the RFP.

### **6.5 Notification to Other Auditors**

Once an Agreement is executed by the successful auditor and Pride Toronto, the other prospective auditors will be notified by Pride Toronto in writing of the award of the contract to the successful auditor.

## Schedule A – Pride Toronto’s Mission Statement

**Our Vision:** No matter who you love or how you identify, you will be safe, valued, equal, and proud.

**Our Mission:** Pride Toronto supports our communities in the pursuit of our unequivocal rights to be known, be heard, be understood, be accepted, be respected, and to celebrate the beauty of who we are.

### **Our Values:**

**Freedom** - Our community has the right to be free from fear, free from oppression, and free to discover and love as our true selves. We work to honour and advance the freedom of everyone in our community.

**Love** - Over 35 years ago, our community was founded on the fundamental truth that love prevails and we are all deserving of it. We commit to love as the method and the goal in every interaction.

**Expression** - The voices and stories of our community are as diverse as they are beautiful. We work to make sure that each of us can be heard and that we listen to each other.

**Understanding** - Our community is made up of many identities- many of those in evolution. Understanding is how we will come to know and care for each other. We will help to foster understanding within our community and beyond.

## Schedule B - Conflict of Interest Form

The Bidder must complete **either Part 1 or Part 2**, by marking the box in the appropriate section.

### Part 1:

The Bidder declares that:

- (1) there was no Conflict of Interest in preparing its submission; and
- (2) there is no foreseeable Conflict of Interest in performing the contractual obligations contemplated in the Request for Proposal.

### or Part 2:

The Bidder declares that:

there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Vendor foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the Request for Services.

If the Bidder declares an actual or potential Conflict of Interest by marking the box in **Part 2** above, the Bidder must provide details below, of the actual or potential Conflict of Interest:

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**Signature:** \_\_\_\_\_

Officer(s) of the Audit Firm Date

(I/We have authority to bind the organization)

## Schedule C - Services Agreement (Sample Only)

This Agreement is made as of the \_\_\_\_\_.

Between **Pride Toronto,**

**a non-profit corporation registered  
under the laws of the Province of Ontario  
(hereinafter “Pride Toronto”)**

And

\_\_\_\_\_  
(hereinafter the “Auditor”)

Pride Toronto Has agreed to retain the Auditor to complete the work outlined below. Pride Toronto and the Auditor agree to the following:

1. The term of this Agreement shall commence on \_\_\_\_\_ and shall continue for a period of five (3) years (the “Term”) on condition that, according to Pride Toronto’s by-law section 12, “The Members of the corporation shall at each annual general meeting appoint an auditor who shall not be a Director or an officer or employee of the corporation or a partner or employee of any such person, and who is duly licensed under the Public Accounting Act, to hold office until the next annual meeting. The remuneration of the auditor shall be fixed by the Board”. In the event that the appointment of the Auditor is not approved in any given year during the Term, this Agreement shall be terminated without any cost or penalty to Pride Toronto.
2. The work and deliverables to be performed by the Auditor included in the RFP section 2 and the response to the RFP will become the work to be performed (the “Work” and “Deliverables”).
3. Any additions to the Work or Deliverables must be agreed upon by both Pride Toronto and the Auditor.
4. Pride Toronto agrees to pay the Auditor annual fees as per the pricing schedule found in 6.3 of the RFP for the Work. For additional projects outside of the description of services, the Auditor will bill on an hourly basis as per the price quoted in the response to the RFP.
5. Except as may be otherwise agreed by the parties, the Auditor shall submit two invoices, after completion of the interim and the final audits for work performed in the fiscal year. Where applicable, the Auditor shall submit separate invoices upon completion of special projects within the fiscal year. Invoices shall include number of hours and details of work performed for that period. Pride Toronto shall pay such invoices: (a) upon acceptance by Pride Toronto, acting reasonably, of the Work and/or Deliverables performed or delivered during the applicable calendar month, or (b) within 30 days following receipt of Auditor’s correct and properly issued invoice, whichever is later.
6. Except as otherwise agreed to by the parties, the Auditor will be responsible for providing all necessary equipment to perform the Work, at no additional cost to the Pride Toronto. The Auditor shall be responsible for all costs and expenses incident to the performance of the

Work. Incidental costs to be paid by the Auditor include but are not limited to, all costs of equipment provided by the Auditor, all fees, fines, licenses, bonds or taxes required of or imposed against the Auditor and all other of the Auditor's costs of doing business.

7. Upon Pride Toronto's request, the Auditor shall promptly replace any individual engaged by the Auditor to perform work under this Agreement whom Pride Toronto deems unsatisfactory, in its sole reasonable discretion, with another individual of suitable ability and qualifications acceptable to Pride Toronto.
8. The Auditor hereby warrants that: (a) the Auditor will be the sole provider of the Work; (b) the Work and the Deliverables shall be performed in a good and workmanlike manner, and shall be of reasonable accuracy and quality suitable for its intended purpose.
9. Each party represents and warrants that it has good and sufficient power, authority and right to enter into and deliver this Agreement.
10. The Auditor agrees that all Deliverables, reports, information, and other materials generated during the course of completing the Work and the Deliverables are the property of the and cannot be used for any other purpose without the express written consent of Pride Toronto. The Auditor acknowledges and agrees to be bound by the terms and conditions set forth in Appendix B attached hereto with respect to confidentiality and ownership of intellectual property.
11. The Auditor shall indemnify, defend, and save harmless Pride Toronto, its directors, officers, employees, agents, nominees, members, licensees and customers (the "Indemnified Parties") from and against any claims, demands, actions, causes of action, suits, proceedings, fines damages, settlements, costs, liabilities and expenses, including reasonable legal fees (collectively, "Claims"): (a) alleging that the Work or Deliverables, or any part thereof, constitutes an infringement of any trade mark, logo, copyright, patent, or other intellectual property right or similar right of any third party; or (2) arising from any negligent or wilful act or omission of the Auditor in the course of performance of the Work.
12. Notwithstanding any other provisions contained herein, this Agreement may be terminated as per section Pride Toronto by-laws: 12.2 where the membership has the authority to appoint auditors on a yearly basis. The Auditors may not be successful in gaining appointment.

"The Members may, by resolution passed by at least two-thirds of the votes cast at a general meeting of which notice of intention to pass the resolution has been given, remove any auditor before the expiration of the auditor's term of office and shall by a majority of the votes cast at that meeting appoint another auditor in such auditors' stead for the remainder of the term."

13. Any notice, demand or other communication required or permitted to be given to any party to this Agreement shall be in writing and shall be either:

- personally delivered to such party, or
- sent by registered mail, postage prepaid; or
- sent by fax, tele-copier or similar method of communication, charges prepaid. · Any

notice given pursuant to subparagraphs (ii) and (iii) above shall be sent to the intended recipient at its address as follows:

Auditor: \_\_\_\_\_

\_\_\_\_\_

Fax: \_\_\_\_\_

Pride Toronto  
702-158 Sterling Road  
Toronto, Ontario, M4P 2H4

Any party may from time to time change its address by written notice to the other party given in accordance with the provisions of this Section.

All such notices shall be deemed to have been received when delivered or transmitted, or, if mailed, three (3) business days following the date of mailing. If any notice is mailed and if regular mail service is interrupted by strikes or other irregularities, such notice shall be deemed to have been received three (3) business days following the resumption of normal mail service, provided that during the period that regular mail service shall be interrupted all notices shall be given by personal delivery or by facsimile transmission.

14. This Agreement constitutes the entire agreement between the parties pertaining to its subject matter, and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties with the exception of any previously executed confidentiality agreements between the parties, which shall remain in effect in accordance with the terms of such agreements, and there are no warranties, representations or other agreements between the parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. No supplement, modification, amendment or waiver of this Agreement shall be binding unless executed in writing by each of the parties.

15. This Agreement is made in and shall be interpreted in accordance with the laws in force in the Province of Ontario. The parties submit to the jurisdiction of the Courts of Ontario with respect to any dispute, claim or other matter, whether arising out of or by virtue of this Agreement or otherwise.

**Agreed and Accepted** as of the date first set out above.

**Pride Toronto**

Signature:

Name:

Title:

**Auditor**

Signature:

Name:

Title:

**Appendix A - Contractor Agreement as to Confidentiality and IPR Ownership**



Whereas the performance of contract work by me for Pride Toronto will provide me with access to confidential and proprietary information and materials of Pride Toronto, its customers, suppliers, and others, and Pride Toronto intends to grant me access to such information and materials;

Now Therefore, in consideration of: (1) Pride Toronto granting me access to such information; (2) my engagement to perform contract work and the fees payable to me in connection with such contract work; and (3) other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, I agree as follows:

1. Every Development (as defined below) is the exclusive property of Pride Toronto. I agree to hold all Developments for the benefit of Pride Toronto and hereby assign, and agree to assign, all of my right, title and interest in and to such Developments to Pride Toronto and its nominees, and to promptly disclose in writing to my supervisor, or to any person specifically designated by Pride Toronto from time to time, complete information concerning all Developments. I hereby unconditionally and irrevocably waive in favour of Pride Toronto, its successors, assigns, and licensees, any and all moral rights that I may have in connection with any Developments, which rights include the right to be or not be associated with a work and the right to the integrity of a work.
2. "Developments" means all discoveries, inventions, designs, works of authorship, improvements and ideas (whether or not patentable or copyrightable) and all intellectual property or proprietary rights therein, including, but not limited to, patents, copyrights, trademarks, topographies, know-how and trade secrets (collectively, "IPRs") and all records and copies of records relating to the foregoing, that:
  - (i) have resulted derived, or arisen, or will result derive, or arise from or in the course of the performance of the work performed by me under contract work with Pride Toronto ("my Work") or from my knowledge or use of Confidential Information (as defined below);
  - (ii) have been or will be conceived or made by me (individually or in collaboration with others) during the course of my Work; or
  - (iii) resulted or derived from, or will result or derive from my use or application of resources of Pride Toronto.
3. I acknowledge that I am being permitted by Pride Toronto to use its premises, facilities, equipment and tools, supplies and other resources to do my work, which may involve making or creating Developments, and that I am receiving Pride Toronto assistance in performing my work. I agree that I may perform my work at home or at other than Pride Toronto locations, during as well as outside regular business hours. I agree that the work so performed will be considered part of and within the scope of my work for Pride Toronto.
4. I shall, during and after the period of my work with Pride Toronto, without charge to Pride Toronto but at its request and expense, assist Pride Toronto in every reasonable way to obtain and vest in it title to all IPRs arising with respect to Developments, in all countries, by executing all necessary or desirable documents, including applications for IPRs and assignments thereof. I will also co-operate with Pride Toronto in the prosecution or defence of any claims, lawsuits or other proceedings arising in connection with any such Developments or IPRs, without charge to Pride Toronto but at its expense and request.

5. I shall keep and maintain current and adequate records of all Developments conceived or created by me, and agree that these records shall be and remain the property of, and available to, Pride Toronto at all times. I agree that on completion or termination of my work for Pride Toronto, or at any time upon request, I will promptly deliver to Pride Toronto all such records, in a tangible form such as notes, sketches, drawings, photographs, tables, lists, correspondence, computer diskettes, engineering books, and other tangible material in my possession, power or control, and will not retain any such materials.
6. I recognize that during the period of my work with Pride Toronto, I may receive, develop or otherwise acquire information that: (i) is a trade secret of Pride Toronto; (ii) is proprietary or confidential to Pride Toronto, its suppliers, customers, or others, including without limitation Developments, products, software, specifications, processes, procedures, machinery, apparatus, business affairs, future plans, marketing plans, technical data, or customer lists (whether or not developed or acquired by me); (iii) relates to the business, affairs or prospects of Pride Toronto or any of its suppliers, customers, or others; or (iv) is information for which Pride Toronto owes an obligation of confidence (collectively, "Confidential Information"). Confidential Information does not include: (i) information publicly known without breach of this Agreement or similar agreements by myself; or (ii) information required to be disclosed by me by any law, regulation, governmental authority or court, only to the extent of such requirement, and provided that before disclosure is made, notice of the requirement is provided to Pride Toronto, and to the extent possible in the circumstances, Pride Toronto is afforded an opportunity to dispute the requirement for disclosure.
7. I agree not to use any of the Confidential Information, in whole or in part, for any purpose other than for the benefit of Pride Toronto and I will not, directly or indirectly, publish or disclose to any third party at any time during or after the period of my work any of the Confidential Information, in whole or in part, without first obtaining the prior written authorization of Pride Toronto for such use, publication or disclosure. I will also take all reasonable precautions to prevent inadvertent disclosure, use, copying, transfer, or destruction of any of the Confidential Information. I will not make any unauthorized use of any Confidential Information of a third party during the performance of my work.
8. Upon the expiration or termination of my work with Pride Toronto, or upon request, I will promptly deliver to Pride Toronto all property of or belonging to or administered by Pride Toronto, or any of its suppliers, customers, or others, including all Confidential Information, regardless of the media upon which it is stored, that is within my possession or control.
9. I agree to adhere to all Pride Toronto's policies and guidelines regarding the use of Pride Toronto's computers, networks, communications systems (voice, data, video), databases, or files, and I agree not to make any unauthorized use of such computers, networks, communications systems, databases, or files.
10. I acknowledge and agree that a breach of any of the foregoing provisions will give rise to irreparable harm and injury non-compensable in damages. Accordingly, Pride Toronto or such other party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing provisions, in addition to any other legal remedies which may be available. I acknowledge and agree that the enforcement of a remedy hereunder by way of injunction will not prevent me from earning a reasonable livelihood.

- 11. My work with Pride Toronto is and will continue to be subject to the terms and conditions of this Agreement. The rights and obligations of the parties arising under this Agreement with respect to Developments, IPRs and Confidential Information will survive the expiry or termination of my work for Pride Toronto and shall remain enforceable.
  
- 12. This Agreement will insure to the benefit of the successors and assigns of Pride Toronto and be binding upon my heirs, executors and administrators. This Agreement will be governed by and construed in accordance with the laws in force in the Province of Ontario. If any provision of this Agreement, or any part thereof, shall be held by a court of competent jurisdiction to be invalid or unenforceable, such provision or part thereof shall be severable and of no force and effect, and shall not invalidate the remaining provisions hereof, and this Agreement shall continue in full force and effect as if such provision had not been a part hereof.

**I have carefully read and considered the provisions of this agreement and, having done so, agree that the restrictions set forth herein are fair and reasonable and are reasonably required for the protection of the interests of Pride Toronto.**

Witness Signature  
Witness Name  
Date

Auditor Signature  
Auditor Name  
Date

