



1st Call for Innovations

Guide for Applicants

Funded by the Strategic Innovation Fund – Stream 5, Innovation, Science and Economic Development Canada (ISED), Government of Canada - October 2023

Canada



Disclaimer: This document provides information about the fit and eligibility of proposed projects that will be considered for envisAGE co-investment as collaborative projects supported by the Strategic Innovation Fund (SIF) – Stream 5. This guidance does not bind us or Innovation, Science and Economic Development Canada (ISED) and is subject to change at any time based on guidance from ISED or envisAGE Governance.

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01

Introduction

envisAGE is a pan-Canadian initiative whose mission is to catalyze Canada's AgeTech ecosystem by supporting innovators to grow and scale their enterprises, and deliver technology solutions that help older Canadians maintain a better quality of life longer.

envisAGE is co-led by MEDTEQ+ and AGE-WELL, and supported by the Government of Canada through Stream 5 of the Strategic Innovation Fund (SIF), Innovation, Science and Economic Development Canada (ISED).

All envisAGE *collaborative projects*¹ will centre around the integration of a technology offered by an incorporated Canadian *small and medium-sized enterprise (SME)*. The technology will be implemented in partnership with a *Community Lab*, and this technology integration in a real-world setting will be evaluated and measured by an *envisAGE Beachhead*[™]. These projects also may involve support from *Innovation Hubs*. envisAGE funds projects, implemented over 12-18 months (up to 24 months in exceptional cases), aimed at accelerating the commercialization of *AgeTech* in support of quality aging.

¹ All accentuated words (in blue italics) will be defined in the Glossary in Appendix 1, p. 17.

02

Call for Innovations Objective

This first call aims to support the integration of innovative solutions in the living environments and care settings of older adults and caregivers, while facilitating opportunities for SMEs to grow and scale their products and services across Canada.

03

Themes

envisAGE will provide financial support to selected Applicants proposing innovative solutions to meet the needs expressed by Community Labs aligned to five thematic areas² :



Autonomy and Independence

Equipping older adult with tools and technologies to maintain their autonomy and independence, even in the face of impairment, disability or illness.



Cognitive Health and Dementia

Proactive tech-enabled tools and strategies to manage cognitive challenges by promoting early detection and intervention.



Healthy Lifestyles and Wellness

A healthy lifestyle is not just about making conscious choices about nutrition, exercise and self-management of mental and physical health. It is also about the social, economic and contextual factors relevant for everyday life.



Staying Connected

Staying connected is about strengthening the social and care networks of older adults and caregivers.



Supportive Homes and Communities

Older adults will age in a variety of settings and communities that can all benefit from improvements in terms of how age friendly they are, what service models are built around them and what technologies are integrated within them.

² <https://agewell-nce.ca/challenge-areas>

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Eligibility Criteria

These guidelines set out the rules for the submission and selection of a collaborative project financed under this call.

Lead Applicant and Collaborator eligibility:

- 1 The identification of a *Lead Applicant* is required to submit a collaborative project application for funding.
- 2 The Lead Applicant is either an SME or a Community Lab.
- 3 The Lead Applicant is responsible for the presentation of the collaborative project's application for funding.
- 4 The Lead Applicant is encouraged to have a *Collaborator* or Collaborators, whether it is a Community Lab or an SME, when submitting a *Letter of Intent* for this *Call for Innovations*.
- 5 The establishment of the partnership must be elaborated in the collaborative project application, including the contribution of the Lead Applicant and the Collaborator(s) in the design of the project.
- 6 If awarded envisAGE funding, the project Collaborators will become *Ultimate Recipients* in the collaborative project (together with the Lead Applicant).
- 7 If awarded envisAGE funding, the Lead Applicant and the Collaborator(s) must sign an *Ultimate Recipient Agreement*.

All of the following eligibility requirements must be met by the Applicant(s):

- 1 Be legally incorporated within a Canadian jurisdiction (federal or provincial). For Quebec-based businesses, be legally constituted under the laws of the Quebec government and registered with the Registraire des entreprises du Québec. Same may apply to other provinces.
- 2 Have its head office, as well as the majority of jobs and activities located in or carried out in Canada.
- 3 Demonstrate that its financial capacity, management, professional and technical staff, and the organization of its production and marketing would enable it to meet all obligations for a collaborative project.
- 4 Have the financial capacity to participate in a reimbursement-based collaborative project within the predefined cost-sharing ratio (refer to Funding Terms, p. 9).

SME Lead Applicant - proof of eligibility

- 1 Which complies with the Government of Canada SME definition with operational activities in Canadian regions/ territories (<https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2020>).
- 2 Certifies that it has 499 or fewer full-time equivalent (FTE) employees.
- 3 Certifies that it has Research and Development (R&D) activities taking place in Canada.
- 4 Has a technology at a Technology Readiness Level (TRL) of at least 7.
- 5 Has developed and owns, in whole or in part, the intellectual property forming the basis of the technology proposed for this call and meeting the needs expressed in the call.
- 6 Has achieved the regulatory and compliance considerations corresponding to the technology (e.g. certifications, approvals, or permits ensuring compliance with relevant standards and regulations).

Supporting documentation may be required in the application process as proof of eligibility.



Community Lab as Lead Applicant

- 1 A legal entity/organization enabling or providing services, supports, care and/or housing to older adults or caregivers with core values that include supporting healthy, dignified and socially connected aging across living environments, and a commitment to innovation.
- 2 Community Labs are willing and able to partner with Canadian SMEs to integrate an innovative technology into their settings or services to meet organizational needs or the needs of the people they serve.
 - e.g. public or private seniors' residences and long-term care homes, a community or non-profit organization serving or providing care to older adults and/or caregivers, home care organizations, community-based organizations, social innovation groups, foundations dedicated to the needs of older adults, etc.
 - Other type of organizations can be considered eligible, provided they respect the specified Community Lab definition and selection criteria (refer to Community Lab criteria in Appendix 4, p. 23).
- 3 Be open to adopt and acquire innovative technologies that answer expressed needs at the end of the collaborative project.
- 4 Willingness to support moving forward with fully integrating the technology in the collaborative project setting when reaching agreed success criteria.

Beachhead™ as Collaborator

- 1 A Beachhead (BH) is a research centre which may be located within an academic institution, or positioned as a research institute, a university or as a centre outside the academic community (health care centre). Each Beachhead site brings together experts/researchers dedicated to aging, and/or clinicians motivated to collaborate with SMEs and communities to transform care and services for older adults.
- 2 Beachheads are responsible for performing measurements, confirming real-world impact, and providing a reliable account of technology integration and deployment in real-world environments. A Beachhead identifies experts who are academics, researchers or subject-matter professionals/clinicians possessing the knowledge, skills and expertise to contribute to collaborative projects.
- 3 A Beachhead can be introduced and invited to engage with an SME and Community Lab team that has a defined project or submitted a Letter of Intent during a Call for Innovations process. The Beachhead will assess fit for engagement, seek projects that align with its expertise and communicate its willingness to integrate the *collaborative project team*.
- 4 A Beachhead will integrate the collaborative project team (SME + Community Lab) and support the writing of a complete collaborative project proposal.
- 5 A Beachhead can already be in a collaborative relationship with an SME or a Community Lab or both. The SME or the Community Lab is the Lead Applicant.

Innovation Hub as Collaborator

- 1 An Innovation Hub (IH) is a centre of excellence with a specific area of expertise that will enable the dissemination and expansion of AgeTech in Canada. An Innovation Hub brings together experts who will contribute to addressing complex technology challenges common to the AgeTech industry as a whole and older adults in general.
- 2 Innovation Hubs will have an opportunity to take part in selected collaborative projects on an annual basis, as well as initiating their own activities that involve SMEs and support the *envisAGE ecosystem*. Project collaborators could reach out to a specific Innovation Hub and inform of needs and willingness to collaborate.

Ineligible Applicant(s) or Collaborator(s)

- 1 Individuals;
- 2 Agencies, boards or commissions of the federal or provincial governments;
- 3 Non-legal entities;
- 4 Organizations whose purpose is related to political activity (lobbying), as defined by the Canada Revenue Agency;
- 5 Organizations or enterprises that are currently in default of any other federal or provincial government grant;
- 6 Companies that are bankrupt or having their affairs administered by the courts, have entered into an arrangement with creditors, or have suspended business activities.



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Eligible Technologies

Eligible technologies include **innovations** in AgeTech, technology designed to enhance the lives of older adults and/or their caregivers, that include but are not limited to the following: assistive devices, smart home solutions, sensors, medical technology, digital health applications, home monitoring systems, Internet of Things (IoT) devices, telehealth solutions, robotics, integrated environments, wearables, artificial intelligence (AI)-supported assessments, and tech-enabled systems that facilitate service or care coordination. The technology stage must be at least Technology Readiness Level 7 (refer to Technology Readiness Level in Appendix 2, p. 20).

Example of outcomes that are intended to be illustrative but not comprehensive is provided below:



Positive effects on health status through remote well-being monitoring and monitoring tools



Greater participation in community activities



Contribute to physical and mental well-being



Enhanced safety of residents and caregivers



Physical and/or cognitive stimulation through therapeutic games



Improved workforce efficiency



Promote self-reliance and self-determination



Better communication between residents, clinicians, therapists, caregivers, family and friends



Improved ability to perform activities of daily living (such as travel, hygiene care, nutrition, etc.)

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Funding Terms

Funding

envisAGE will not fund the full cost of any collaborative project. envisAGE support will take the form of partial reimbursement of incurred eligible expenses according to a contribution ratio indicated for each category of Ultimate Recipients in their Ultimate Recipient Agreement (URA).

Funding requirements

A Lead Applicant and project Collaborators may receive funding from more than one funding source or program, outside of SIF – Stream 5 support, to accomplish the collaborative project. The maximum level—or stacking limit—of total government assistance (federal, provincial, territorial and municipal assistance for the same eligible expenditures) will not exceed 75 per cent (75%) of the total eligible expenditures incurred for the duration of the project.

Sources of funding considered as government assistance include direct and indirect assistance received from federal, provincial, territorial or municipal sources in the form of contributions such as:

- Non-repayable grants
- Repayable contributions (loans, convertible debentures, royalty-repayable contributions)
- Loan guarantees
- Equity investments.

The aggregated ratio of SIF – Stream 5 funding for the entire project should be equal or below 25 per cent (25%), with ratios of each project Collaborator detailed as follows:

SME

15% to 25%

Community Lab

20% to 30%

Beachhead

up to 50%

envisAGE claim submission process and reimbursement schedule

Claim submission process

Each Ultimate Recipient will have to submit its own reimbursement claim, using the Claim Reimbursement Template (Excel sheet) that will be provided once the collaborative project is approved. Only approved expenses according to the budget may be claimed.

Guidance will be provided regarding eligible and ineligible expenditures. Instructions on how to complete the required documentation to claim expenditures according to the following defined claim schedule will also be communicated in due time.

envisAGE project – claim schedule

Quarter	Claim Period	To submit to envisAGE	To submit to ISED
1	Jan 1 - March 31	April 15	May 15 - June 2
2	April 1 - June 30	July 15	Aug 14 - Sept 12
3	July 1 - Sept 30	Oct 16	Nov 14 - Dec 4
4	Oct 1 - Dec 31	Jan 15	Feb 14 - Mar 5

Comments:

- Ultimate Recipients must submit their claims to envisAGE within 15 calendar days after the end of each claim period.
- envisAGE must forward all claims to ISED within 45 days of the end of each claim period.
- Note that some batches may be sent earlier depending on the volume of claims received. This timing could impact the processing and payment of claims.
- SIF will process the claim and disburse claim payment within 45 business days.
- This does not include the time put on hold awaiting answers to ISED's questions.
- When all questions are cleared, ISED will wire the money to MEDTEQ+ within reasonable time.
- MEDTEQ+ will then wire to each UR their specific reimbursement within five days.

Eligible expenses

General conditions for eligibility of costs

All costs must follow the principles of sound financial management and must be free from partiality and conflict of interest: a conflict of interest (COI) can arise when a decision is compromised for reasons involving family, emotional life, political or national affinity, or where any economic interest or any other interest is shared with another person.

All costs must meet the following criteria:

- Be incurred, entered into the project accounts and paid during the project period.
- Be included in the budget (indicated in the estimated budget).
- Be identifiable, verifiable and recorded in the Ultimate Recipient accounts in accordance with the applicable accounting standards and usual cost accounting practices.
- Comply with the applicable federal, provincial, territorial or municipal tax laws and regulations; be reasonable and justified and must comply with the principle of sound financial management.
- All eligible or non-eligible expenses are detailed in Appendix 5 – Eligible and Ineligible Costs, p. 26.

Budget modification during the project

It is important to maintain an up-to-date financial structure of available and approved funds and expenditures. Modifications to your budget are permissible within budgetary categories, provided the difference is no more than 10 per cent (10%) of the initial approved budget. Modifications over 10 per cent of the approved budget, or modifications across budgetary categories, require a request to modify to ensure that an Ultimate Recipient does not exceed the overall approved contribution amount.

Conflict of interest

Conflicts of interest should be declared by Applicants before submitting a Letter of Intent or a full collaborative project proposal.

All Applicants and Collaborators are obligated to follow the **confidentiality and conflict of interest rules of envisAGE**.

Interests declared will be scrutinized by non-conflicted envisAGE staff and drawn to the attention of members of the **Project Selection Committee** (such members themselves should also not be subject to a conflict). envisAGE Terms and Conditions include a requirement for organizations to have effective processes in place to manage conflicts of interest. If new conflicts arise once approval has been made, these should be declared and managed using the organization's and envisAGE's established processes.

Management fees

Each project will have a **management fee of five per cent (5%) of the project cost** to be paid to envisAGE. The fees are to be used to directly support activities of the envisAGE team in administering the program and facilitating the work of Ultimate Recipients in the network.

The SME will be responsible for paying the management fees of the project in up to three payments over the duration of the project.

Simple agreement for future equity (SAFE)

After approval of the project statement and upon review by internal committees, promising SMEs may be offered an opportunity to become a prime partner of envisAGE through a proposition of a simple agreement for future equity (SAFE) arrangement. A SAFE will give an SME the opportunity to create a shared commitment to success with the envisAGE network and to develop a collaboration that will go far beyond the scope of a project. A key benefit is having access to MEDTEQ+ and AGE-WELL's networks of experts for specific consulting needs. An SME that is offered a SAFE will see a reduction in the management fees for the given project.

Further discussions will be held with the selected SMEs.



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Application and Submission Processes and Terms

Process

Following each submission, an electronic acknowledgment of receipt will be sent by MEDTEQ+ within two working days. Project proposals submitted will be considered ineligible and therefore rejected if one or more sections of the form is not completed or is incomplete, if the filing deadlines are not respected, or if one of the collaborative project's eligibility criteria is not met.

The overall process to apply for funding will occur in three (3) stages.

Stage 1: Letter of Intent (LOI)

LOI submission

- A** Letter of Intent applications must be submitted using the template accessible via this link: <https://www.envis-age.ca/en/programs-funding-services-to-help/>
- B** The LOI form will be emailed to projet@envis-age.ca with the subject heading: "envisAGE / Intent Form Submission — Name of Your Company or Organization."
- C** Letter of Intent form must be completed in English or French and signed by the authorized representative of the SME or the Community Lab in PDF and digital format (signature pages can be scanned).
- D** An internal assessment will take place based on submitted Letters of Intent, to determine which Applicants are admissible to proceed to the next stage of the application process. The quality of the LOI submission is assessed based on the following general criteria. Please refer to more detailed criteria for Stage 1 and 2 processes (LOI and project proposal submission) in Appendix 4, p. 23.
 - Significance – Addresses an important problem directly related to quality aging.
 - Thematic priorities – Identification of the challenges and market need for AgeTech relevant innovation according to envisAGE priority themes.

- Technology and innovation – Assessment of the LOI's innovative nature and innovative technology implementation.
- Impact – Likelihood of sustained and meaningful influence on the aging population.
- E** Successful Applicants from the LOI stage will then be invited to the project proposal submission stage which will require a complete written *joint project proposal*.
- F** Incomplete or illegible LOI submissions will not be reviewed. The Lead Applicant will be notified.

Mitacs collaboration

There is an opportunity for interested Applicants to benefit from the Mitacs Accelerate internship program providing interns with the opportunity to transfer their skills from theory to real-world application. Projects will be asked to indicate their interest in additional Mitacs funding on the application form.

Stage 1 duration: four (4) weeks
(from 10-24-2023 to 11-21-2023)

Deadline: The Lead Applicant must submit the LOI by email before the deadline: November 21, 2023 at 5:00 p.m. Eastern Time.

Invitation to submit complete project proposal application: December 5, 2023

Stage 2: Collaborators matchmaking and project proposal submission

During this stage, envisAGE will collaborate with a Lead Applicant to:

- A** Assess project feasibility.
- B** Help seek optimal Collaborators (i.e. Community Lab or SME and a Beachhead) for the collaborative project if they did not identify Collaborators in the LOI submission stage. envisAGE can act as an intermediary trust builder and facilitator to ensure discussions and negotiations for finding suitable Collaborators.
- C** Conduct technology demonstration sessions and small-scale requests for proposals (RFPs) as required to ensure proper matching and success in the collaborative project (between an SME and a Community Lab). envisAGE can assign resources and support to facilitate the vendor/technology selection process when applicable for a Community Lab, who is the Lead Applicant and requested this assistance.
- D** envisAGE Beachhead™ centres will be invited to express their interest in being engaged with potential collaborative projects. Beachheads are introduced and matched with collaborative pairs of SMEs and Community Labs. Information on the Beachheads' interests and expertise will also be made available to the envisAGE ecosystem and Lead Applicants.

During this stage, SMEs, Community Labs and Beachheads agreeing to collaborate on a project or presenting themselves as existing partners, jointly work to accomplish this step.

- E** envisAGE will provide the templates and submission instructions for the full collaborative project proposal to the Lead Applicant who successfully passed the LOI submission stage.
- F** The Collaborators are expected to jointly write and submit their project proposal with the Lead Applicant for consideration. Proposals are co-developed and include a project description, development plan, budget including implementation and evaluation milestones.
- G** Project proposals that cannot be submitted on time for the complete project submission date or are missing significant key elements, will not be accepted and will be invited to apply to a subsequent Call for Innovations.

When submitted, the complete collaborative project proposal must include:

- 1** Complete collaborative project proposal must be submitted using the template that will be provided to Applicants who have been invited to proceed.
- 2** The complete collaborative project proposal will be emailed to projet@envis-age.ca with the subject heading: "envisAGE Collaborative Projects – Own title, if applicable – Name of enterprise (SME) or organization" as Lead Applicant.
- 3** The project proposal completed in French or English and signed by the authorized representative of the enterprise or organization, in PDF and digital format (signature pages can be scanned).
- 4** Lead Applicant and Collaborators' profiles (SME, Community Lab, Beachhead).
- 5** Pivotal information related to the technology (e.g. clinical trials, proof of concept, pilot projects and benefits-costs studies) and information provided for registration purposes.
- 6** The SME's financial statements for the last two years, financial forecasts and cash flows.
- 7** The proposed collaborative project description, including objectives, deliverables, anticipated deadlines, team composition, roles and responsibilities.
- 8** A description on how the Lead Applicants and Collaborators are creating a diverse, equitable and inclusive project or how the technology addresses equitable access for diverse groups.
- 9** A detailed budget outlining all anticipated project costs, indicating all sources of co-funding and a breakdown of expenses by subproject and type of expenditure.
- 10** A Gantt chart showing all components of the project including timelines, milestones and the collaborators who will carry out the various activities of the project, if applicable. Please allow for enough project planning and development time when determining your project start date.
- 11** Letters from funding partners, including government partners, confirming their contribution to the project, if applicable.
- 12** Letters of support from strategic stakeholders, opinion leaders and potential business leaders. These letters are optional but will be considered when assessing the suitability of the technology and its overall value.

Please ensure that you have reviewed this guide and have provided the required supporting information as applicable.

Stage 2 duration: six to eight (6-8) weeks
(from 12-05-2023 to 02-06-2024)

Deadline: The Lead Applicant must submit a fully completed project proposal by email before the deadline: February 06, 2024 at 5:00 p.m., Eastern Time.

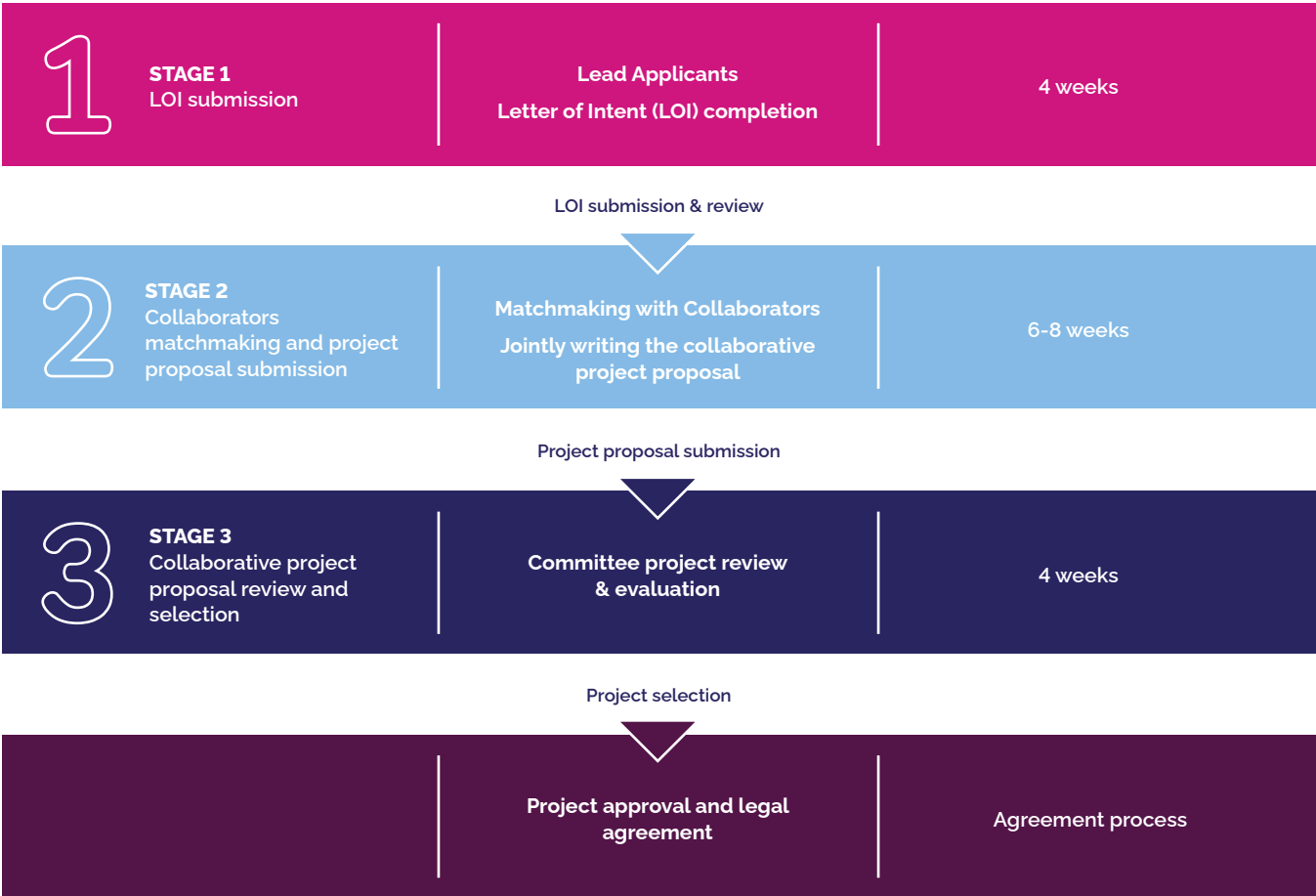
Stage 3: Collaborative project proposal review and selection

Complete and eligible collaborative project proposal submissions will be provided to a Project Selection Committee and evaluated against predefined evaluation criteria. The proposals are reviewed for determining innovation and integration capacity merit, potential for commercialization, as well as programmatic review that will lead to recommendations for funding. The review process is designed to be sensitive to different needs and cultures of the AgeTech sector and communities. It reflects the need to support different types of technologies, ensuring a diverse portfolio of sectors where technology can be integrated and acquired.

Lead Applicants and Collaborators should note that the project description and subsequent sections should allow experts to evaluate the relevance of the project proposal to the call objectives, its excellence, impact, as well as the quality and efficiency of implementation. Project proposals submitted will be reviewed for completeness, eligibility, and relevance to the envisAGE initiative objectives. An overview of the collaborative project eligibility and selection criteria can be found in Appendix 4, p. 23).

Stage duration summary diagram

Yearly calls / 4-month process



Project proposal review and selection

Project Selection Committee

- A** A panel of evaluators, selected based on their specific expertise, diversity, and regional representation, will assess submitted collaborative project proposals and recommend projects for funding.
- B** The Project Selection Committee process will be established to ensure a fair, transparent and rigorous selection of projects following the Call for Innovations.
- C** All Project Selection Committee members are obligated to follow the [confidentiality and conflict of interest rules of envisAGE](#). The evaluating person is encouraged to disqualify themselves if they are in any other situation that casts doubt on their ability to evaluate the application impartially, or which, in the eyes of an external third party, reasonably gives this impression. Conflicts of interest will be managed before proposals are assigned for evaluation.
- D** The committee will evaluate submitted collaborative project proposals based on their likelihood to bring about positive change for older adults, caregivers and organizations offering programs and services directly to older Canadians and caregivers.
- E** Where greater capacity is required, the Project Selection Committee will have the opportunity to solicit subject matter specialists who can be consulted as needed.
- F** envisAGE bases funding decisions on the recommendations of the Project Selection Committee and on the funds available.
- G** Funding decisions may be one of three options – the Lead Applicants and Collaborators are free to accept or decline the funding offer, when approved:
 - Approved as submitted
 - Approved with conditions
 - Rejected.
- H** All Applicants will receive notification of the decisions concerning the outcome of their funding request.
- I** The Call for Innovations cycle ends when the final funding announcement is released by envisAGE.

Stage 3 duration: four (4) weeks
(from 02-06-2024 to 03-06-2024)

Expected notification of decisions: March 19 2024

Payment terms and reporting

At the end of the evaluation, Ultimate Recipients delivering selected projects will enter into a funding agreement with MEDTEQ+. Subject to the fulfilment of the Ultimate Recipient obligations in connection with the selected project, the reimbursement of submitted eligible expenses will be provided through MEDTEQ+ in accordance with the signed Ultimate Recipient Agreement (URA).

In addition to reporting during the project (outlined in URA), annual post-project monitoring reports including benefits are required to be submitted annually for five years after the completion of the project.

The last 10 per cent (10%) of reimbursement will be released when all Ultimate Recipients have completed their last report, as stated in the Ultimate Recipient Agreement.

Once an Ultimate Recipient Agreement is signed, the Ultimate Recipients become members of envisAGE for the duration of their project. This enables them to benefit from all advantages of the network. Information about the membership package will be provided.



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Confidentiality, Security and Data Protection

- envisAGE will treat information provided by Applicants, information on collaborative project proposals, and related information, data and documents received with utmost confidentiality.
- The Project Selection Committee and any other evaluation/recommendation experts are also bound by an obligation of confidentiality.
- Please do not attempt to discuss your proposal with anyone you believe may act as an expert evaluator for envisAGE.
- Your proposal is archived under secure conditions. After evaluation, the proposal is not kept any longer than five years

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Submission Guidelines and Process: Important Dates

November 21, 2023 at 5:00 p.m. Eastern Time
Deadline for submitting the Letters of Intent

December 5, 2023
Lead Applicants will be notified if they have been invited to the project proposal submission stage.

February 6, 2024 at 5:00 p.m. Eastern Time
Deadline for submitting complete collaborative project proposals.

March 19, 2024
Lead Applicants will be notified of the funding decision.

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About envisAGE



envisAGE partners MEDTEQ+, a leader in accelerating innovation and entrepreneurship in the Canadian MedTech industry, with AGE-WELL, Canada's leader in AgeTech research and technology-based solutions. envisAGE is a large-scale pan-Canadian initiative that brings stakeholders together to provide resources and support to startups and small and medium-sized enterprises (SMEs) to validate and demonstrate technologies that address the challenges of aging and build Canadian leadership in the AgeTech market. envisAGE is funded through the Government of Canada's Strategic Innovation Fund, with additional contributions from industry, non-profits, and other partners. www.envis-age.ca

About MEDTEQ+

MEDTEQ+, a pan-Canadian consortium for industrial research and innovation in healthcare technologies, aims to accelerate the development of innovative technological solutions to improve people's health and quality of life. MEDTEQ+ supports the validation of these technologies, their integration into the healthcare network, their commercialization, as well as their local and international outreach, by bringing together the complementary skills of industrial and institutional partners and healthcare providers. MEDTEQ+ offers support, subsidies, and investment services to innovative companies. Since December 2022, MEDTEQ+ has also been the lead partner in the envisAGE initiative, which aims to catalyze the AgeTech ecosystem and help companies grow and scale in the AgeTech market. MEDTEQ+ relies, among other things, on financial support from the Government of Quebec, the Government of Canada, the private sector, and complementary partners to foster research-industry relationships. www.medteq.ca/en/



About AGE-WELL

AGE-WELL is Canada's Technology and Aging Network. The pan-Canadian network brings together researchers, older adults, caregivers, partner organizations, and future leaders to accelerate the delivery of technology-based solutions that make a meaningful difference in the lives of Canadians. AGE-WELL researchers are producing technologies, services, policies, and practices that improve the quality of life for older adults and caregivers and generate social and economic benefits for Canada. AGE-WELL is funded through the federal Networks of Centres of Excellence program. Since December 2022, AGE-WELL has been a co-lead in the envisAGE initiative, which aims to catalyze Canada's AgeTech ecosystem by helping companies deliver technology solutions that will change the lives of Canadians. envisAGE is funded through the Government of Canada's Strategic Innovation Fund. www.agewell-nce.ca



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Appendix

APPENDIX 1 – Glossary

Terms	Definitions
AgeTech	AgeTech is any technology-based solution that is built around the needs and wants of older adults and/or their caregivers. In the broadest sense, AgeTech could be any type of technology that improves the lives of older adults and their caregivers.
envisAGE Beachhead™	An academic or health establishment which can be located within a university institution, which can be positioned as a research institute at the intersection of a university organization and a public body or even as a centre outside the academic environment. The Beachhead is an institution capable of supporting collaborative projects between SMEs and service organizations (Community Labs) thanks to a capacity for validation of technological integration, impact measurement and evaluation of innovation.
Call for Innovations	When an envisAGE funding opportunity is available, its lead MEDTEQ+ and co-lead AGE-WELL invite applications for funding within certain parameters.
Collaborator	A Collaborator is one of the leading entities in an envisAGE collaborative project. A Collaborator can be an enterprise (SME), an organization (Community Lab) or an establishment (Beachhead) forming the group of people/organizations that come together in a single collaborative project. Everyone in the collaborative group is included in the decision-making process and has access to all information.
Collaborative project	An SME, a Community Lab and a Beachhead partner on a project that enables innovators to implement their technology in a real-world environment while creating opportunities for the SME to align its technology offerings with the needs of users (older adults, caregivers, communities).
Collaborative project partners	Community Labs and an SME will partner to integrate an innovative technological solution into the Community Lab setting or service to meet the Community Lab's needs as an organization or the needs of the people it serves. Community Labs and an SME will also partner with a Beachhead to support measurement, evaluation and impact of the innovative solution. A Community Lab, SME and Beachhead can also partner with other types of organizations to achieve outcomes (i.e. Innovation Hub, organizations with other specific expertise).
Community Lab (CL)	A Community Lab is a public or private organization with a senior or caregiver client base that benefits from its services and programs. It can be a group of public or private seniors' residences, a long-term care operator, a home-care organization, or a community-based organization, etc.
Community Lab (CL) Lead Applicant	A Community Lab as Lead Applicant demonstrates the organization's openness to innovation and eagerness to launch projects to evaluate, integrate and acquire technologies and innovative solutions. The Community Lab expresses a clear need that can be answered or supported by a technological solution. The Community Lab and envisAGE team will ensure that needs are communicated and shared within the ecosystem.

Terms	Definitions
Collective dwelling	A collective dwelling refers to a dwelling of a commercial, institutional or communal nature in which a person or group of people resides or could reside. It must provide care or services or have certain common facilities, such as a kitchen or bathroom, which are shared by the occupants. Examples include lodging or rooming houses, hotels, motels, tourist establishments, nursing care facilities, seniors' residences, hospitals, staff residences, military bases, work camps, correctional facilities and group homes.
envisAGE co-leads	MEDTEQ+ and AGE-WELL. As the primary recipient of the funds, MEDTEQ+ joins forces with AGE-WELL on this initiative, bringing together an ecosystem of innovators, researchers, aging communities, health organizations and investors to collaborate and ensure that the solutions meet the needs of the aging market.
envisAGE ecosystem ("the ecosystem")	The aging ecosystem is comprised of multiple actors committed to making older adults a priority. Includes organizations working to support healthy aging span sectors such as health care, insurance, community-based services, public and private services, government, living labs, incubators and accelerators, research and academic sciences, industrial groups, regulatory bodies, etc. envisAGE will mobilize those key players to ensure alignment and to leverage existing knowledge and expertise to enhance value creation in the AgeTech sector.
envisAGE pillars	SMEs, Community Labs, Beachheads, Innovation Hubs
Innovation	envisAGE considers the 'Innovation' domain as being part of a continuum, described as the spectrum from incremental to truly transformative innovations. Innovation involves collaborative innovation, requiring the involvement of multiple actors, aimed at changing the way we strategize and organize to create novel solutions to complex challenges, carrying out "new combinations of digital, human and physical components to produce novel products" through a dynamic, interrelated ecosystem.
Innovation Hub	An Innovation Hub is a centre of expertise in a key area that will enable the dissemination and expansion of AgeTech in Canada. Five envisAGE Innovation Hubs have been pre-selected for their specialized expertise that will support the goals of envisAGE. An Innovation Hub brings together researchers and innovators to nurture ideas into industry-changing products and services. It can be the focal point of a city, or a centre of activity within an innovation district or a consortium of key actors looking to lead innovations that encourage collaboration and innovative solutions.
Joint project proposal	A joint project proposal is a Letter of Intent (LOI) submitted by an SME and a Community Lab.
Lead Applicant	The entity submitting the Letter of Intent and the project proposal application form.
Letter of Intent (LOI)	The Letter of Intent is the first step in the Call for Innovations. It is submitted by the Lead Applicant
Project partnership	A project partnership consists of the Lead Applicant and a minimum of two project Collaborators (an SME or a Community Lab, and a Beachhead).
Project Selection Committee	The Project Selection Committee's key objective is to manage the project selection process, evaluate and review the project proposals that are submitted during a Call for Innovations and make informed decisions on project selection. The Committee will then share its project selection recommendations to the envisAGE Steering Committee. Its goal is to ensure a fair, transparent, and rigorous project selection process.

Terms	Definitions
Small and medium-sized enterprises (SMEs)	SME stands for small and medium-sized enterprises, which are defined by how many paid employees they have. More specifically: - A small business has 1 to 99 paid employees. - A medium-sized business has 100 to 499 paid employees.
SME Lead Applicant	An SME as a Lead Applicant has developed a solution designed to improve the quality of life of older adults (AgeTech), directly or indirectly. In addition to older adults, the solution can target caregivers, care staff or any other person or organization related to the aging sector. The technological solution must meet a need and ideally it has been co-developed with end-users. The solution has reached a Technology Readiness Level (TRL) 7 to 9, which makes its integration and acquisition possible by target organizations and customers.
Ultimate Recipients	This refers to an organization or company that has received envisAGE funding supported by the Strategic Innovation Fund – Stream 5.
Ultimate Recipient Agreement	This is one or more contracts signed with the SME, the Community Lab and the Beachhead.

APPENDIX 2 – Technology Readiness Level (TRL)

The Technology Readiness Level is a scale or rating used to assess the level of maturity of an innovation. The definition of the TRLs provides the conditions to be met at each level, enabling accurate TRL assessment.

For each technological component (TC) answer the following questions:	Technology Readiness Level (TRL) of the technological component
Does the fundamental research exist? YES	1 Base principles observed and reported
Are the concept or the applications formulated? YES	2 Technology concept and/or application formulated
Do analytical studies support the proof-of-concept of your technology? YES	3 Analytical and experimental critical function and/or characteristic proof-of-concept
Did you test on a small scale, in lab environment, the expected performance of the integration of the TC in the general operating context? YES	4 Component and/or breadboard functional verification in laboratory environment
Did you validate in a relevant environment the expected functional performance of the integration of the TC in the general operating context? YES	5 Component and/or breadboard critical function verification in a relevant environment
Did you test the expected functions of the TC in a relevant environment simulating the operating environment? YES	6 Model demonstrating the critical functions of the element in a relevant environment
Did you demonstrated the prototype in an operational environment? YES	7 Model demonstrating the element performance for the operational environment
Did you prove that the technology works in its final form and in the environment intended? YES	8 Actual system completed and accepted <i>for the application</i>
	9 Actual system <i>in action</i> through successful mission operations

Sources:

- Ministry of Economy, Science and Innovation (MESI)
- Ministry of Innovation, Science and Economic Development Canada (ISED)
- ISO 16290-2013

APPENDIX 3 – Example of a Financial Package

Project cost for a project of total value of \$1.2 million

Each collaborator details their expected budget for the project.

	SME	Community Lab	Beachhead	Total (\$)
Project spendings	\$600,000	\$400,000	\$200,000	\$1,200,000
Management fees (5%)	\$60,000	-	-	-
TOTAL	\$660,000	\$400,000	\$200,000	\$1,260,000

Project funding per collaborator (with maximum public funding of 75 per cent (75%))

Each collaborator receives a percentage of their spendings in reimbursement and will have to find other sources of funding.

SME (technology owner)			
Financing sources		Contribution (\$)	Percentage (%)
SME own funding		\$150,000	25%
envisAGE funding		\$120,000	20%
Contribution from other sources (public or private)	Public sources	\$330,000	55%
Total admissible		\$600,000	100%
Management fees		\$60,000	
Total		\$660,000	

Community Lab			
Financing sources		Contribution (\$)	Percentage (%)
Community Lab own funding		\$98,525	25%
envisAGE funding		\$97,475	24%
Contribution from other sources (public or private)	Public sources	\$204,000	51%
Total		\$400,000	100%

Beachhead

Financing sources		Contribution (\$)	Percentage (%)
Beachhead envisAGE own funding		\$50,000	25%
envisAGE funding		\$100,000	50%
Contribution from other sources (public or private)	Public sources	\$50,000	25%
Total		\$200,000	100%

envisAGE cumulative contribution

An account manager will help you get the most of the envisAGE funding to reach the maximum of 25.2 per cent (25.2%) global reimbursement.

	envisAGE contribution	Global (%)
SME	\$120,000	9.5%
CL	\$97,475	7.7%
BH	\$100,000	7.9%
TOTAL	\$317,475	25.2%



APPENDIX 4 – Letter of Intent and Collaborative Project Selection Criteria

Stages 1 and 2: Letter of Intent (LOI) and Project proposal submission stage

SME criteria

- 1 Technology maturity:** TRL 7-9
- 2 Technology/product potential:** How innovative is the technology; potential to improve how we support older adults and/or caregivers and/or organizations; technology transformation capacity and path to real-world demonstration and integration.
- 3 Likelihood of adoption:** Ideation and design done with older adults or care partners or can easily be adapted for this user base; level of understanding of potential client and end-users; openness to diversity and inclusion; co-design approach and effective engagement with end-users/older adults (past, present and future).
- 4 Business potential:** The company's ability to scale beyond project (e.g. position for rapid growth and/or investment); what is the size of the market; competitive advantage over other solutions; business model and path to revenue generation.
- 5 Fit with envisAGE:** Likelihood to succeed within envisAGE framework (e.g. has large enough and right team to work with Beachhead™ evaluation process; has resources for Community Lab communication and support, etc.); founder experience and coachability.
- 6 Innovation:** Demonstrates that the solution is innovative, revolutionary and/or a significant leap forward compared to available solutions in the market, and that there is a fit with expressed needs.
- 7 Fit with sector and potential Community Labs (CLs):** Solution integrates/aligns well with the current practices of target sector; depth of knowledge of sector, procurement and potential clients (e.g. Community Labs); system-wide need for solution (versus need by one organization); likelihood of technology being adopted based on customer needs.
- 8 Equity diversity and inclusion (EDI):** Technology-enabled project implementation that address EDI challenges beyond those related to gender.
- 9 Implementation:** Perceived ease of implementation of technology in a Community Lab—technology can make an impact quickly within the project; company human resource (HR) capacity for project management and communication/customer support; safety protocols and risk assessments/analyses completed, if applicable.
- 10 Technical feasibility:** Integration and interoperability well thought out; compliance with data security and privacy considerations; safety protocols and technological risks management procedures.
- 11 Technology solution:** Technology maturity, technology relevance, technology market, technology risks; end-users' skills and qualification (e.g. accessibility and appeal), end-users' equipment; end-users' adoption strategy and alignment with their capacities; technology cost, technology timing technology performance and reliability.
- 12 Viability:** Evidence of runway for duration of project and/or prior to first claim; SME team and HR plan is set up to deliver on project proposal; risk mitigation strategy; cash flow projections. Company's ability to scale beyond project; business model and company's ability to generate revenue.
- 13 Other criteria** considered during a business due diligence will be taken into account to ensure the robustness and capabilities of the SME such as business plan, organizational structure; results of other implementations or pilots in real-world environments; workflow associated with the technology; data quality, associated costs, understanding of procurement processes or challenges; revenue projection, certification and licensing requirements, if applicable; openness to diversity and inclusion.

Community Lab criteria

- 1 Activities in aging sector:** The Community Lab offers services or care in the aging sector or programs that are accessible in the community for older adults and caregivers.
- 2 Path to scale:** The Community Lab has capacity to demonstrate the use of technology; can assign a designated internal champion for the project; mobilizes internal resources to support project development from initiation to completion; has the ability to demonstrate capacity and a path to continued adoption and use of the innovation beyond a funded project; is engaged to acquire the technology if the project achieves expected goals and criteria for success agreed upon by the collaborators.
- 3 Fit with envisAGE:** The Community Lab's needs align with the current thematic areas for envisAGE; is in a position to invest in matching eligible expenses; agrees to participate in Annual Forum and Community Lab Club to share best practices and updates at least two times a year.

- 4 **Innovation track record and capacity:** The Community Lab has a demonstrated track record of working with SMEs as well as sufficient resourcing to engage and regularly communicate with the SME partnering in proposed project.
- 5 **Equity diversity and inclusion:** The organization addresses systemic barriers that limit the full participation of older adults and widen reach to other segments of society impacted by the project.
- 6 **Plan for scale up:** Clarity and viability of initial plan for adoption/scale-up post-project; rationale for key performance indicators (KPIs), outcomes and requirements assigned to a partnering or selected SME; demonstrate capacity and a path to continued adoption and use of the innovation beyond a funded project.
- 7 **Internal support for project:** Level of engagement and investment in project; plan in place for necessary personnel (e.g. internal champion, project manager, staff as required based on project).
- 8 **Ability to demonstrate technology:** Ability to mobilize the right stakeholders in the community, region or sector to ensure that technologies can be implemented with impacts evaluated through access to a comprehensive cohort of older adults or caregivers.

Beachhead™ criteria

- 1 **Expertise:** Has expertise relevant to the project (e.g. to validate and/or evaluate).
- 2 **Capacity:** Internal resources can ensure the validation and evaluation of the project and contribute their expertise to the project during the development phase and throughout its implementation.
- 3 **Collaboration:** Has internal resources in place to regularly communicate with envisAGE, SME and Community Lab.
- 4 **Evaluation and impact measurement:** Plan for validating technology integration in a project and/or evaluating impact; includes clear and focused evaluation and impact objectives, with a feasible framework for the project timeframe.

Innovation Hub criteria – if participating in completing the project proposal

The evaluation criteria for an Innovation Hub are only relevant where an LOI indicated a need for an Innovation Hub, which led to the inclusion of an Innovation Hub in the full application.

- 1 **Expertise:** Has expertise relevant to the project based on the needs indicated by the SME, Community Lab or envisAGE.
- 2 **Capacity:** Has demonstrable internal resource capacity to deliver on requested expertise; has internal resources in place to regularly communicate with envisAGE, SME and Community Lab; has access to at least matching funds.
- 3 **Alignment with Innovation Hub mandate:** Has a plan in place to disseminate project learnings to the envisAGE ecosystem, or to make outcomes relevant to future envisAGE projects.

Stage 3: Collaborative project review and selection criteria

- 1 **Themes:** The collaborative project proposal falls under one of the call themes.
- 2 **Location:** The collaborative project takes place in Canada.
- 3 **SME:** There is a minimum of one SME in the proposal, and this SME shall present only one project for the present call³.
- 4 **envisAGE alignment:** Contributes to the goals of envisAGE, and potential for commercialization in Canada.
- 5 **Social impact** and relevance to older adults as well as the likelihood of adoption by older adults and/or caregivers and/or organizations will be evaluated through a relevancy review overseen by the Older Adult and Caregiver Advisory Committee.
- 6 **Economic impact:** For example, new Canadian IP, jobs created, regional economic benefits and investment.
- 7 **Environmental benefits:** Examples: larger adoption and use of technological solutions for better environment and livable communities for older adults; environmental impact of various living environments aimed at encouraging environmentally-friendly living situations with innovative solutions.
- 8 **Technological advancement** and benefits to the health sectors across Canada.
- 9 **Equity diversity and inclusion:** The collaborative project proposal shows the measures taken to integrate sex, gender and diversity considerations into the project team composition and into the implementation design and processes.

3 - The Lead Applicant may not be awarded more than one grant under this Call for Innovations, as a Lead Applicant.
 - The Lead Applicant may be a Collaborator in another project application under this call.
 - A Collaborator may collaborate in more than one application under this Call for Innovations.

Note: If the Lead Applicant applies with two or more project applications, envisAGE reserves the right to select only the best scored project proposal from the evaluation and selection phase.

- 10 Knowledge exchange:** Clear plan for knowledge exchange and communication with the network.
- 11 Project rationale and feasibility:** SME, Community Lab, Beachhead are involved in the creation of a project proposal outlining process, objectives, budget and resources needed for its completion—describing how it will be implemented and integrated in the environment in which the technology is set to be deployed. The Ultimate Recipients, partnering in a collaborative project will be able to begin the adoption and integration of a technology within an acceptable time period from the project start date (i.e within three months of project approval by envisAGE); Beachhead™ will have a plan for rapid validation (including application for research ethics board (REB) approval, if applicable); SME's plan for achieving TRL 9. Proposal indicates a clear plan to evaluate product-market fit and has a risk mitigation strategy (e.g. staffing issues, technical issues).
- 12 Budget rationale and financial viability:**
- a.** Comprehensive financial plan and budget for the project (i.e., cash flow, anticipated expenses, financial sources, integration of partnerships); project cost sharing ratio is captured in budget (e.g., partner contributions versus envisAGE contributions); eligibility of expenses listed.
 - b.** Project Collaborators have cash flow capacity to support a claim-based subsidy (quarterly claims take up to 45 working days to be reimbursed).
 - c.** The expected project scope is at least \$500,000 and up to \$2 million for a period of 18 months (combined spending of the three Collaborators and Innovation Hub, if applicable). If you think your project would have a great impact on our communities but is below this range, please contact us.
- 13 Project duration:** envisAGE funds projects, implemented over 12-18 months (up to 24 months in exceptional cases).
- 14 Ecosystem benefits:** Ability to address sector, technology, thematic or geographic gaps in current cohort or based on historically funded projects. Potential for application in sectors other than aging-related medical technology, when applicable.
- 15** Potential for improving the **representation by underrepresented and equity-seeking groups** in the aging-related medical technology sector.
- 16 Timeline:** Successful applicants will have up to 18-24 months from the date of formal announcement of funding approval to complete the project. Extensions may be considered and granted under exceptional circumstances.
- 17 Partnership:** There is evidence of the Collaborators' capacity to deliver the project in the required timeframes.
- 18 Regulation:** All necessary regulatory approvals must be obtained prior to the start of the project.

APPENDIX 5 – Eligible and Ineligible Costs

Eligible costs

For Ultimate Recipients, eligible costs will generally include expenditures related to the following activities:

- Industrial research, including activities related to the discovery of new knowledge that aims to support the development of new technology-driven products, processes or services at early-stage Technology Readiness Levels.
- Large-scale technology demonstration, including the advancement and development of new technologies into product-specific applications at mid- to late-stage TRL.

More specifically:

- 1 Direct labour:** Meaning the portion of gross wages or salaries for personnel working directly on the project, which is identified and measured consistently by the Ultimate Recipient(s)' cost accounting system.
- 2 Subcontractors and consultants:** Meaning the costs of subcontracts or consultants incurred and paid for any work essential to the success of the collaborative project and activities. The costs for work or services performed by an external third party must be accounted at fair market value and must be reasonable and in line with industry norms and practices. The Ultimate Recipient(s) cannot be a recipient and a subcontractor in the same network or on the same eligible project.

The indirect cost (overhead) rate calculation for the Ultimate Recipient(s) does not apply to bona fide subcontractors and consultants.

- 3 Direct material:** Meaning the cost of materials which are incurred and paid, and can be specifically identified and measured as having been processed, manufactured and used in the performance of the collaborative project. This is measured consistently by the Ultimate Recipient(s)' cost accounting system.
 - Direct materials include, but are not limited to, items such as circuit boards, cables and metals, essentially any raw material that is used up by completing the collaborative project. The use of existing equipment is considered an in-kind cost and is therefore not reimbursable. Only direct costs incurred in operating the equipment may be eligible for reimbursement.
 - Materials purchased solely for the activities of the collaborative project shall be at the net laid down cost to the Ultimate Recipient(s), net of any sales taxes and after any discounts offered by the suppliers.
 - Materials issued from the Ultimate Recipient(s)' general stocks shall be measured in accordance with the material pricing method consistently used by the Ultimate Recipient(s).
- 4 Equipment:** Meaning the capital cost of equipment, which is incurred and paid, can be specifically identified as having been purchased for the collaborative project, and measured consistently by the Ultimate Recipients' costing system. Equipment costs include, but are not limited to, the purchase of equipment necessary for the collaborative project activities, costs to alter or modernize the equipment, costs to get the equipment into working order and shipping costs.

If a recipient:

- has built the equipment themselves, the costs would be allocated to the appropriate cost categories (direct material, direct labour, etc.);
 - has equipment built by a third party, the costs would be allocated to the equipment category if readily identifiable; otherwise the equipment could be reported in subcontractors category;
 - outright purchases a piece of equipment, the costs would be allocated to the equipment category.
- 5 Other direct costs:** Meaning those eligible direct costs, not falling within the categories of direct cost mentioned above, but which are incurred and paid, and can be specifically identified and measured as having been incurred and paid by the Ultimate Recipient(s) for the activities of the collaborative project, and which are so identified and measured consistently by the Ultimate Recipient(s)' costing system.
 - 6 Travel and outreach costs:** Meaning those eligible direct costs incurred and paid by the recipient that are directly related to the collaborative project. Travel expenses shall be appropriate, economical, reasonable and available to most of the employees of the Ultimate Recipient and their subcontractors.
 - Travel costs can be claimed, to the maximum allowance, as per the conditions in the National Joint Council Travel Directive or Treasury Board of Canada policies (<https://www.njc-cnm.gc.ca/s3/en>).
 - A copy of the Ultimate Recipient's travel policy may be required for review by the SIF program during the claim process.

Ineligible costs

Ineligible costs incurred and paid by the Ultimate Recipient(s) are not eligible for SIF contribution, regardless of whether they are reasonably and properly incurred and paid in the carrying out of the collaborative project activities.

Ineligible costs include:

- 1** Any form of interest paid or payable on invested capital, bonds, debentures, bank or other loans together with related bond discounts and finance charges; the interest portion of the lease cost that is attributable to cost of borrowing regardless of types of lease.
- 2** Legal, accounting and consulting fees in connection with financial reorganization (including the set-up of new not-for-profit organizations), security issues, capital stock issues, obtaining of licenses, establishment and management of agreements and prosecution of claims. Such legal costs associated with developing the agreement template and in connection with obtaining patents or other statutory protection for collaborative project intellectual property are considered eligible.
- 3** Losses on investments, bad debts and expenses for the collection charges.
- 4** Losses on other projects or contracts.
- 5** Federal and provincial income taxes, goods and services taxes, value-added taxes, excess profit taxes or surtaxes and/or special expenses in connection with those taxes. Exception: duty taxes paid for importing are eligible costs.
- 6** Provisions for contingencies.
- 7** Premiums for life insurance on the lives of officers and/or directors where proceeds accrue to the recipient.
- 8** Amortization of unrealized appreciation of assets.
- 9** Depreciation of assets paid for by the Minister.
- 10** Fines and penalties.
- 11** Expenses and depreciation of excess facilities.
- 12** Unreasonable compensation for officers and employees.
- 13** Product development or improvement expenses not associated with the work being performed under the collaborative project.
- 14** Advertising, except reasonable advertising of an industrial or institutional character placed in trade, technical or professional journals for the dissemination of information for the industry or institution.
- 15** Entertainment expenses (including, but not limited to, alcohol, non-travel expenses).
- 16** Donations.
- 17** Dues and other memberships other than regular trade and professional associations
- 18** Extraordinary or abnormal fees for professional advice in regard to technical, administrative or accounting matters, unless approval from the Minister is obtained.
- 19** Selling and marketing expenses associated with the products or services or both being developed under the agreement.
- 20** In-kind costs.
- 21** Recruiting fees, unless approval from the Minister is obtained.



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