



Australian Government

Department of the Prime Minister and Cabinet

PROJECT SCHEDULE –
GENERAL GRANTS
JOBS LAND AND ECONOMY PROGRAMME

Executed by

the Commonwealth of Australia as represented by the Department of the Prime Minister and Cabinet (ABN 18 108 001 191)

AND

Indigenous Business Australia (ABN 25 192 932 833)

Grant System Agreement number (System ID)	
Project Schedule reference number (System ID)	
Provider reference number (System ID)	

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Senate F&PA Committee

Tabled Document

Inquiry: *Supplementary Estimates 2017-18*

Date / Time *27/10/17*

Witness Name *Mr. Sujiv Viswanathan*

Organisation: *Indigenous Business Australia*

How this Project Schedule works

The Commonwealth has agreed to execute this Project Schedule, under which the Commonwealth will provide the Grant/s for the purpose of delivering one or more Project/s.

Once this Project Schedule has been executed, a separate contract is formed. That contract is called a **Project Agreement**.

The terms and conditions of this Project Agreement are as set out in:

- a) this Project Schedule;
- b) the Head Agreement; and
- c) any attachments to, or documents incorporated by reference into, either of those documents.

This Project Schedule contains terms and conditions that relate specifically to the Projects and Grants listed in this document. The document comprises:

- Part 1 – a summary of the Projects and Grants in this Project Schedule;
- Part 2 – terms and conditions applying to all Projects and Grants in this Project Schedule; and
- Part 3 – specific terms and conditions for particular Projects and Grants in this Project Schedule.

The Head Agreement contains general terms and conditions that apply to all Projects and Grants.

(See also clauses 1 to 10 of the Head Agreement).

PART 1: PROJECT AND GRANT SUMMARY

1. List of Projects

	Project name
Project	Provision of business support services to Indigenous entrepreneurs

2. List of Grants

	Amount (excl GST)	GST	Total (incl GST)
Capital Component	\$20,400,000	Not applicable	\$20,400,000
Business Support Component	\$34,600,000 (as adjusted in accordance with Items 7.4(b) and 7.4(c) of Part 3A)	Not applicable	\$34,600,000 (as adjusted in accordance with Item 7.4(b) and 7.4(c) of Part 3A)
TOTAL	\$55,000,000 (as adjusted in accordance with Item 7.4(b) and 7.4(c) of Part 3A)	Not applicable	\$55,000,000 (as adjusted in accordance with Item 7.4(b) and 7.4(c) of Part 3A)

PART 2: GENERAL INFORMATION, TERMS AND CONDITIONS FOR ALL PROJECTS IN THIS PROJECT SCHEDULE

1. Interpretation

- 1.1 Unless the contrary intention appears, words used in this Project Schedule have the same meaning as in the Head Agreement.
- 1.2 Information, terms and conditions in Part 2 of this Project Schedule apply to the Projects under this Project Agreement, unless the contrary intention appears in Part 3.

2. Programme

- 2.1 The Grant is provided under the Jobs Land and Economy Programme.

3. Programme outcomes

- 3.1 For each Project, the Provider must contribute to or achieve the following programme outcomes to the extent they are not inconsistent with the Project:

Programme outcomes

- Adults into work
- Foster viable Indigenous businesses
- Generate economic and social benefits for Indigenous people from land and sea use and native title rights, particularly in remote areas

- 3.2 The Provider agrees to deliver each Project under this Project Agreement so as not to conflict with or adversely impact upon the school attendance of children in the location/s at which the Project is being delivered.

4. Overview

- 4.1 The Provider is:

Provider	
Full legal name	Indigenous Business Australia
ABN, ICN, ACN or other identifier	ABN 25 192 932 833

- 4.2 This Project Agreement commences on the Project Agreement Start Date and ends on the Project Agreement End Date:

Project Agreement Start Date	1 July 2017
Project Agreement End Date	30 June 2019 or earlier termination date

5. Strengthening Organisational Governance - one-off payment

Not used.

6. Tax and invoices

(Clauses 16 to 19 of the Head Agreement)

- 6.1 The Parties have entered into this Project Agreement on the understanding that they are both 'government related entities' as defined in the GST Law, and either:
- (a) the payment of the Grant:
 - (i) is covered by an appropriation under an Australian law or the COAG National Health Reform Agreement; and
 - (ii) is calculated on the basis that the sum of the Grant and anything else that the Provider receives from another entity in connection with, or in response to, or for the inducement of that supply under this Project Agreement, or a related supply does not exceed the Provider's anticipated or actual costs of making those supplies; or
 - (b) the payment of the Grant is a kind of payment specified in regulations made for the purposes of sections 9-17 of the GST Law.
- 6.2 The Parties rely on sections 9-17 of the GST Law for no GST being imposed in connection with a supply made under this Project Agreement.

7. Reporting

(Clauses 52 to 58 of the Head Agreement)

- 7.1 The Provider must provide to the Commonwealth the following reports for each Project in accordance with the timeframes set out in Part 3 of this Project Schedule:

Report	Details
Quarterly Performance Updates	<p>At the end of each quarter the Provider will circulate, in writing, a report that details the progress and performance of the Project during the reporting period including against the outcomes, objectives and performance targets set out in this Project Schedule. Specifically the report must include:</p> <ul style="list-style-type: none">a) tracking against KPIs (including the percentage of Early Stage Customers and Pre Bank Customers supported in the relevant period);b) details regarding the use of the Capital Component;c) Year to Date (YTD) tracking of committed and actual expenditure; andd) List of sub-contractors. <p>If there are significant issues affecting the progress of the Project, the relevant quarterly report must specify the actions being taken to address the issues.</p>
Final Performance report	<p>The following information must be provided:</p> <ul style="list-style-type: none">a) a statement of compliance with the Project Agreement and details of any areas of non-compliance;

Report	Details
	<p>b) information about the progress of the Project, including against the outcomes, objectives and performance targets for the Project;</p> <p>c) information about how the Provider managed risk to give the Project the best chance of achieving the outcomes, objectives and performance targets for the Project;</p> <p>d) a statement about the extent to which the Project achieved results which are consistent with and promoted the Commonwealth's priorities (including any priorities specified in relevant guidelines); and</p> <p>e) any other information considered relevant by the Provider or required in the Project Schedule.</p>
<p>Expenditure report</p>	<p>The following information must be provided:</p> <p>a) a detailed statement of income and expenditure relating to the Grant;</p> <p>b) a definitive statement about whether the financial accounts are true and fair, and a statement of the balance of the bank account referred to in clause 13 of the Head Agreement and whether there are any unexpended Grant funds; and</p> <p>c) a statement confirming whether the Grant was expended for the Project and in accordance with the Project Agreement.</p> <p>The report is to be certified by the Provider's finance manager (or equivalent).</p>

PART 3: SPECIFIC INFORMATION, TERMS AND CONDITIONS FOR PARTICULAR PROJECTS IN THIS PROJECT SCHEDULE

1. Interpretation

- 1.1 Each of the Projects specified in this Project Schedule has its own sub-part under this Part 3, which sets out specific information, terms and conditions applying for that particular Project. To the extent of any inconsistency between Part 2 and Part 3 of this Project Schedule, Part 3 will take priority in relation to the relevant Project.

3A: PROJECT A – PROVISION OF BUSINESS SUPPORT SERVICES TO INDIGENOUS ENTREPRENEURS

1. Project description

1.1 The Provider must deliver the following Project:

Project description

Project purpose and overview

The purpose of the Project is to fund the Provider to provide Indigenous business support and capability development services to Indigenous businesses and entrepreneurs with a focus on Early Stage Customers and Pre-Bank Customers over FY2017-19. The Project will ensure continuation of the Business Development and Assistance Programme (BDAP), including:

- Supporting Indigenous entrepreneurs and organisations to identify business opportunities.
- Providing capacity building support to the Provider's loan and non-loan Customers at all stages of the business journey (from idea/potential, preparation, start-up through to stabilisation, growth, maturity and exit).
- Providing loan initiation and ongoing management activities (including start-ups and supporting business growth).

Business Support

As part of this Project, the Provider will continue to deliver existing and new BDAP products to Indigenous businesses to enable them to benefit from the Commonwealth's Indigenous Procurement Policy.

The Project will aim to increase the focus of BDAP on Early Stage Customers and Pre-Bank Customers and improve responsiveness to Customers. The Project will also provide targeted support services for Indigenous women. Indigenous businesses engaged in infrastructure and other major projects will also be eligible for support.

Customer definition and eligibility

For the purposes of this Project Agreement, **Customers** are defined as below:

1. Entities that:
 - a. Have 50% or greater Indigenous ownership;
 - b. Not-for-profit organisations with 50% or greater Indigenous ownership or membership, or meet the Provider's definition of Indigenous business, or which have been established for the primary purpose of furthering the economic, social or cultural development of Aboriginal persons and/or Torres Strait Islanders (provided that they carry on business);
 - c. Aboriginal Corporations; and
 - d. Prescribed Bodies Corporate (PBCs) or their related entities.
2. Individuals who:
 - a. are of Aboriginal or Torres Strait Islander descent, or both;
 - b. identify as an Aboriginal person or Torres Strait Islander, or both, and
 - c. are recognised as such by his or her community. Where the relevant individual signs statutory declaration to confirm they are of Aboriginal or Torres Strait Islander descent.

Project description

A Customer may also be an entity or individual that may not strictly fall within the definition above, but the provision of finance or support to it (or them) are consistent with the Provider's statutory purposes.

For the purposes of this Project Agreement, entities and individuals do not need to be in receipt of (or be an applicant for) a business loan from the Provider to be considered a Customer.

For the purposes of this Project Schedule:

Early Stage Customers are Customers whose business has been operating for less than 24 months and includes Customers who have not yet started their business.

Pre Bank Customers are Customers that have a viable business idea but who the Provider does not reasonably consider could access the business support and the quantum of capital needed through a commercial bank on terms that are viable for that business.

Eligibility

The Provider will deliver the support services and provide finance to Customers that meet IBA's eligibility criteria.

IBA must only provide capital to a Customer from the Capital Component where:

- The Customer has a commercially viable business or business idea;
- The Provider has assessed that the Customer is capable of executing the business or idea;
- The Customer is not an undischarged bankrupt, has not been convicted of a serious criminal offence within the last five years or is not operating an unlawful business; and
- The Customer otherwise meets IBA's eligibility criteria.

Services and Activities

To help Customers establish, grow and improve businesses, social enterprises, franchises and joint ventures, the Provider will deliver the following suite of business development and assistance activities to support Customers at all stages of business development. The Provider may deliver these services directly, in partnerships or via contract with other Indigenous or non-Indigenous business support providers (including government agencies).

Building commercial capability and developing Indigenous entrepreneurs

- Deliver workshops to eligible Customers. These workshops will build key commercial skills for eligible Customers in all market segments entering business and/or looking to undertake commercial investments and may be supplemented by online learning tools.
 - These workshops may be standardised or tailored to specific industry, business stage or individual needs.
- Where appropriate, provide Customer assessment and referral to relevant external business assistance services and build partnerships with other providers, as collaboration is expected. This may include services offered by external consultants, state governments, commercial banks and philanthropic organisations. The referral service includes follow-up with the referred party to ensure needs are met.
- Offer business support services, in accordance with the Provider's standard practice and procedures.

Project description

- Undertake proactive relationship management, including by assessing and linking Customers to growth opportunities, such as government and corporate procurement.

Developing business ideas

- Work with Customers to develop and design their business idea. This may include business design sessions with in-house experts and the use of external experts as appropriate. These services will be delivered in a way that ensures that Customers are full participants in their business planning.
- Support Customers (as necessary) to access external expertise needed to develop a business ideas, test the market or identify suitable business partners.

Assisting Customers with existing enterprises in distress to return to profitability or exit

- Provide adequate and appropriate assistance to Customers to seek advice on options to return to profitability, trade out or exit a business as needed. To avoid any doubt, the Provider will not be under any obligation to lend to Customers that are in financial distress.

Supporting implementation of government and corporate procurement opportunities and assisting Indigenous businesses to enter supply chains

- Assist Customers to access business opportunities created by government and corporate Indigenous procurement policies by providing Customers with guidance on accessing procurement opportunities and their Supply Nation profile.

Development of products, including industry-specific products.

- Develop and deliver industry-specific capital products and support services which create and/or contribute to Indigenous economic development outcomes.
- Design and develop a product, in collaboration with relevant partner organisations and Customers, intended to increase proportion of Aboriginal and Torres Strait Islander women accessing IBA business support and finance.

Initiating and Managing Capital Products

- This Grant includes support for capital. The Provider will:
 - Assess proposals for capital support, and (where appropriate and required) work with Customers to refine proposals. This includes due diligence and risk assessments;
 - Make loan commitments including loan contract negotiations and documentation; and
 - Manage loan repayments and arrears.

Capital Component

The Provider may use the Capital Component in the Provider's discretion to provide capital to eligible Customers including by way of:

- Loans;
- Concessional loans;
- split loans;
- grants.

Project description

Note: The provision of capital will be considered on a case-by-case basis. The decision to provide a Customer monies (and any variations to any arrangement) will be at the Provider's sole discretion, and will be subject to its policies and procedures (as amended from time to time). Enforcement actions and recovery of monies will be at the Provider's sole discretion and will be subject to its policies and procedures. Repayments made by Customers of any principal amount and any interest earned on any loans or other capital products issued from the Capital Component in accordance with this Project Agreement will only be used by the Provider for the purpose of the BDAP and must not, at any time within a period of four (4) years from the Project Start Date, be used to fund operating costs for the BDAP or any other part of IBA's operations.

Approach to delivering the Services and Activities

The Provider will maintain a customer-focused approach at all stages of the business journey.

The Provider will contribute to Commonwealth Government Indigenous business policy. There is an expectation that the Government and the Provider will work collaboratively and cooperatively.

The Provider will provide business and economic products and services based on prioritising the demand for these amongst Indigenous communities and individuals across Australia, and the capacity of recipients to benefit from receiving these services.

In determining priorities given demand for its products and services, the Provider will have regard to the viability of the Customer's business idea based on its established risk parameters and mitigation approach. This, however, will not preclude the Provider from providing assistance to Customers with relatively high risk profiles. It is intended that Customers with varying business readiness, capability and needs will be assisted and that there will be a strong focus on Early Stage Customers and Pre-Bank Customers.

The nature and extent of business and economic support services offered to eligible Customers will be in proportion to the allocated resourcing and the Grant provided under this Project Agreement.

The Provider will use reasonable endeavours to ensure that its operational footprint, resourcing and staff profile meets demand, both in terms of location and business support needs. This includes modelling customer demand and exploring options to better align staff and service delivery footprint and office locations to local customer requirements..

Other activities/purposes for this Grant

Corporate overheads: The Provider will put in place the necessary corporate arrangements and supports to ensure efficient and effective delivery of the Services and Activities, including to support reporting on the delivery of the Project.

Provisioning for loan losses: The Provider will retain \$1.022 million of the Capital Component of Grant per annum for provisioning, meaning that \$9.198 million of the Capital Component of the Grant per annum can be used to provide finance products.

Budget and Expenditure

The total value of the Grant provided under this Project Schedule is \$55M (subject to adjustment in accordance with Items 7.4(b) and 7.4(c) of Part 3A). It is proposed that this annual payment be split into two payment streams:

- o Capital Component - \$10.2M per annum

Project description	
o	<p>Business Support Component - \$34.6M payable over the two year period(subject to adjustment in accordance with Items 7.4(b) and 7.4(c) of Part 3A).</p> <p>If, at the end of 30 June each year, the Grant has not been fully committed, any remaining funds must be returned to the Commonwealth, or used or spent as otherwise directed by the Commonwealth.</p> <p><i>Note: In relation to the capital component, any amounts which have been retained by the Provider for provisioning will be included for the purposes of calculating amounts that have been committed.</i></p> <p>Customer Satisfaction</p> <p>The Provider must monitor Customer satisfaction through surveys conducted by the Provider (and agreed by the Commonwealth with such agreement not to be unreasonably withheld), and include outcomes in its performance reports. Customers receiving all types of assistance should be surveyed. Surveys will be designed in a way that minimises bias and delivered in way that collects a representative sample of capability, service, geography and industry sector. Survey results should be anonymised and stored in a way that preserves the confidentiality of the respondent.</p>

2. Key performance indicators

- 2.1 The Provider must meet the performance targets for the following key performance indicators within the timelines shown in the table below. The table outlines the expected achievement against Key Performance Indicators (KPIs) related to the services described above as well as broader objectives of this Project Agreement.

Number	Key Performance Indicator	Target	Data Source / Description Timeline / Frequency
M1 (not linked to payment)	<p>Number and proportion of Indigenous people employed in delivery of the Project.</p> <p>Please note – this KPI is mandatory under the IAS.</p>	<p>The number of Indigenous people employed in the delivery of this Project should reflect the overall proportion of Indigenous staff employed by the Provider.</p>	<p>Provider census taken one month after Project Start Date and then half yearly.</p>
M2 (not linked to payment)	<p>Extent of compliance with Project Agreement terms and conditions</p> <p>Please note – this KPI is mandatory under the IAS.</p>	<p>Provider complies to the Commonwealth's satisfaction (acting reasonably)</p>	<p>Records and material relating to Project Agreement; other information reasonably requested by the Commonwealth; feedback from other relevant persons or organisations.</p>

Number	Key Performance Indicator	Target	Data Source / Description Timeline / Frequency
A1 (Linked to business support payment)	Number of Customers who receive IBA capability development or other support (internal)	<ul style="list-style-type: none"> Number of customers provided with non-tailored business support – 600 annually (250 in the first six month period and 350 in the second six month period each year); Number of customers provided with tailored support – 300 annually (100 in the first six month period and 200 in the second six month period each year) Percentage of customers in regional or remote Australia supported in Year 1 - at least 30 per cent Percentage of customers in regional or remote Australia supported in Year 2 - at least 30 per cent. 	<p>Number of Customers provided with support and nature of service.</p> <p>Reporting will cover the number of Customers in each of the stages (idea/potential, preparation, start-up)¹.</p> <p>Reporting will also include numbers of male and female customers, and customers by geographic remoteness.</p>
A2 (Linked to business support payment)	Number of Customers who receive IBA capability development or other support (external)	<ul style="list-style-type: none"> Number of customers provided with external business support – 150 annually (70 in the first six month period and 80 in the second six month period each year) Percentage of customers in regional or remote Australia supported in Year 1 - at least 30 per cent Percentage of customers in regional or remote Australia supported in Year 2 - at least 30 per cent. 	<p>Number of Customers provided with support and nature of service.</p> <p>Reporting will cover the number of Customers in each of the stages (idea/potential, preparation, start-up)².</p> <p>Reporting will also include numbers of male and female customers, and customers by geographic remoteness.</p>
A3 (Linked to business support payment)	Number of Indigenous businesses and customers financed ³	<ul style="list-style-type: none"> Customers who receive finance and capital support products – 80 annually (35 in the first six month period and 45 in the second six month period each year) 	<p>Numbers of clients receiving loans and profile of recipient (including risk rating). Reporting will also include average loan size, numbers of male and female customers, and customers by geographic remoteness.</p>

¹ Definition of business stages: idea (Minimal research, little overall experience, idea needs development); potential (Clear vision and concept; have done some research; minimal business experience); preparation (Well-developed proposal; have realistic expectations on challenges of business.); start-up (Business has started trading; monitoring forecasts and cash flow.

² Definition of business stages: idea (Minimal research, little overall experience, idea needs development); potential (Clear vision and concept; have done some research; minimal business experience); preparation (Well-developed proposal; have realistic expectations on challenges of business.); start-up (Business has started trading; monitoring forecasts and cash flow.

³ Number of loans, leases, guarantees and other finance products (including grants associated with loans) to business customers which are approved (i.e. have an approval date) during the financial year by IBA.

Number	Key Performance Indicator	Target	Data Source / Description Timeline / Frequency
A4 (Linked to capital payment)	Value of BDAP finance to customers ⁴	<ul style="list-style-type: none"> Total value of finance provided to Customers in Year 1 - \$9.198 million. Total value of finance provided to Customers in Year 2 - \$9.198 million. 	Value of loan received and by client type and profile (including risk rating). Reporting will also include, average value of support provided, numbers of male and female customers, and customers by geographic remoteness.
A5 (Linked to business support payment)	Engagement and cooperation with relevant networks, services and business ecosystem partners	<p>Year 1: Enter into and maintain at least 6 collaborative partnerships with third parties (including Customers, Indigenous and non-Indigenous organisations and/or businesses, relevant networks, services and business ecosystem partners), including in regional and remote Australia (3 in each six month period).</p> <p>Year 2: Maintain a minimum of 6 collaborative partnerships with third parties throughout the first and second six month periods (including Customers, Indigenous and non-Indigenous organisations and/or businesses, relevant networks, services and business ecosystem partners), including in regional and remote Australia</p> <p><i>Note: For the avoidance of doubt, in Year 2 IBA may maintain a minimum of 6 collaborative partnerships in Year 2 by way of the continuation of existing partnerships entered into in Year 1 or by entering into new partnerships in Year 2.</i></p>	Nature, value and outcomes achieved from collaborative partnership. Nature of the collaborative partnership should complement the work of IBA in supporting business development and incubation outcomes. Partnerships could also provide wrap-around services to customers that fall within the remit of IBA and bolster the service offer where IBA does not have the internal capability, as well as provide links into the communities where services are needed.
A6 (not linked to payment)	Business survival rates of IBA loan recipients	Meets or exceeds the Australian survival rates for businesses of a comparable size (1-4 employees, 5-19 employees, 20-199 employees, or 200+ employees), as measured by ABS. ⁵	Survivability of businesses as per size of business, benchmarked to ABS data. Note that use of ABS data also allows additional forms of benchmarking (by industry and region).

⁴ Value of loans, leases, guarantees and other finance products (including grants associated with loans) to business customers which are approved (i.e. have an approval date) during the financial year, excluding finance products delivered under another funding agreement with the Commonwealth.

⁵ The trading status of business finance customers is measured at the end of each financial year. Results are compared with data showing "survival rate by employment size range" as published by the Australian Bureau of Statistics in the most recent available version of: Cat. no. 81650.0 Counts of Australian Businesses, including entry and exits.

Number	Key Performance Indicator	Target	Data Source / Description Timeline / Frequency
A7 (Linked to business support payment)	Increase participation of Aboriginal and Torres Strait Islander women in business.	<p>Year 1: Design and develop a product, in collaboration with relevant partner organisations and other ecosystem participant(s), intended to increase proportion of Aboriginal and Torres Strait Islander women accessing IBA business support and finance.</p> <p>By the end of the first six month period IBA is to establish that it has commenced the design and development of the product.</p> <p>By the end of the second six month period the product is required to be operational.</p> <p>Year 2 target to be agreed between the parties by 31 March 2018.</p>	Reporting will include progress on the development of the product, stakeholder engagement, implementation planning for March 2018, and data to help inform the development of the KPI.
A8 (not linked to payment)	Outcomes of Customer satisfaction surveys	At least 80 per cent of customers satisfied.	<p>Customer satisfaction survey</p> <p>The survey is to cover a representative sample of all business services and business types.</p>
A9 (Linked to business support payment)	Percentage of Early Stage Customers and Pre-Bank Customers who receive IBA capability development or other support (internal and external)	<p>In the period from 1 April 2019 to 30 June 2019 at least 80 per cent of Customers who received business support and/or capital from the capital Component utilising the Grant are Early Stage or Pre-Bank Customers.</p> <p>For the avoidance of doubt, Customers of IBA who were existing Customers as at 30 June 2017 will not be included in this calculation.</p>	Reporting of tracking against this KPI will be quarterly, but delivery of this KPI will only be measured on the data from the 1 April 2019 to 30 June 2019 data.

3. Duration of Project

3.1 The Project must be delivered from the Project Start Date until the Project End Date:

Project dates	
Project Start Date	1 July 2017
Project End Date	30 June 2019 or earlier termination date

3.2 The Commonwealth and Provider agree to an annual review of the Project at each 12-month anniversary of the Project Agreement start date. This review will be conducted in good faith by both parties and will consider:

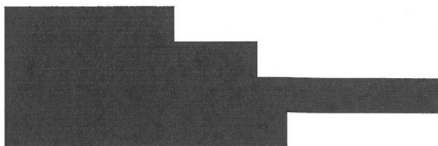


- a) The Provider's performance under the Project Agreement including against KPIs and
- b) The Provider's capacity to deliver the Project.





3.3 Any variations to the Project Agreement will be in accordance with clause 139 of the Head Agreement.

4. Party representatives for notices

(Clauses 134 – 135 of the Head Agreement)

4.1 The parties' representatives are responsible for liaison and day-to-day Project management, as well as issuing and accepting any written notices relating to the Project:

Commonwealth	Details
Contact position for Project	 Department of the Prime Minister and Cabinet
Physical / postal address(es) for notices	PO Box 6500 CANBERRA ACT 2600
Telephone	
E-mail	

Provider	Details
Contact officer / position for Project	
Physical / postal address(es) for notices	PO Box 650, Fyshwick ACT 2609
Telephone	
Fax	
E-mail	

5. Location

5.1 The Project is to be delivered at the following locations unless otherwise notified by the Provider to the Commonwealth due to change of office location or office closure or establishment of a new office:

Name of building / location	Address
ACT	Level 2, 15 Lancaster Place , Majura Park ACT 2609
NSW	Level 9, 300 Elizabeth Street, Surry Hills NSW 2010
NSW	180 Peel Street, Tamworth NSW 2340
NT	Level 4, 39,85 Woods Street , Darwin NT 0800
QLD	Level 14, 300 Queen Street, Brisbane QLD 4000
QLD	59 Mcleod Street, Cairns QLD 4870
QLD	Level 4, 235 Stanley Street, Townsville QLD 4810
VIC	Level 7, 121 King William Street, Adelaide SA 5000
VIC	Level 10, 460 Bourke Street, Melbourne VIC 3000
WA	Level 12, 207 Murray Street, Perth WA 6000
WA	1 Short Street, Broome WA 6725

5.2 The Provider warrants that it has the right to access and use all premises required for the purposes of delivering the Project.

6. Reporting

(Clauses 52 - 58 of the Head Agreement and Part 2 item 8 of this Project Schedule)

6.1 The Provider must submit the following reports to the Commonwealth by the following due dates:

Report	Due date
Monthly Financial Statements, including YTD expenditure breakdowns	Within 2 business days of presentations to the Provider's board
1 st Quarter performance report (first year)	25 October 2017
2 nd Quarter performance report (first year)	25 January 2018
3 rd Quarter performance report (first year)	25 April 2018

Report	Due date
4 th Quarter performance report (first year)	25 July 2018
1 st Quarter performance report (second year)	25 October 2018
2 nd Quarter performance report (second year)	25 January 2019
3 rd Quarter performance report (second year)	25 April 2019
Final Report	25 July 2019

- 6.2 If the Commonwealth requests a revised report, in accordance with Clause 54 of the Head Agreement, the Commonwealth will provide, in writing, reasons why it reasonably believes the report is unsatisfactory including suggested changes to the form or content necessary to satisfy the Commonwealth. This information will be provided to the Provider within 10 business days of the Commonwealth receiving the report.

7. Grant payments

(Clauses 11 and 12 of the Head Agreement)

- 7.1 The Provider must use the Grant only for the purpose of this Project.
- 7.2 Grant payments will be made on the occurrence of the following events and subject to the terms and conditions of this Project Agreement.

7.3 Capital Component

Payment Date	Description	Amount (incl GST)
1 July 2017	Capital Stream	\$10,200,000
1 July 2018	Capital Stream	\$10,200,000

If, at the end of 30 June each year, the Capital Component of the Grant has not been fully committed, any remaining funds must be returned to the Commonwealth, or used or spent as otherwise directed by the Commonwealth, noting that any amounts which have been retained by the Provider for provisioning will be included for the purposes of calculating amounts that have been committed.

7.4 Business Support Services

(a) Fixed Payment component for Business Support Services

Payment Date	Description	Amount (incl GST)
1 July 2017	Fixed Business Support Payment – Year 1	\$10,500,000
1 July 2018	Fixed Business Support Payment – Year 2	\$10,500,000

(b) **Variable Payment Component for Business Support Services**

Payment Date	Performance Payment (linked to the achievement of KPIs A1, A2, A3, A5, A7 and A9).	Total
Relating to Year One Performance		
1 July 2017	\$3.4 million	\$3.4 million
31 January 2018	\$3.4 million	\$3.4 million
Relating to Year Two Performance		
31 July 2018	\$3.4 million	\$3.4 million
31 January 2019	\$3.4 million	\$3.4 million

(c) **Repayment by Provider**

In this clause:

Missed means failed to achieve the relevant KPI by more than 10% of the relevant KPI.

Exceeded means exceeded the relevant KPI by more than 10% of the relevant KPI.

At the end of the Term, the parties will, in respect of each KPI, determine whether each of KPIs A1, A2, A3, A5 and A7 were Missed or Exceeded in each of the following periods:

- (i) 1 July – 31 December 2017;
- (ii) 1 January 2018 – 30 June 2018;
- (iii) 1 July 2018 – 31 December 2018;
- (iv) 1 January 2019 – 30 June 2019 (each, a **Period**).

And will apply the following formula in respect of each of KPIs A1, A2, A3, A5 and A7:

[(Number of Periods in which KPI was Missed) – (number of Periods in which KPI was Exceeded)] x \$646,000

If, in respect of any KPI, the number obtained by applying the formula is positive, then the Provider agrees to pay that amount of money to the Commonwealth on 31 July 2019.

If, in respect of any KPI, the number obtained by applying the formula is zero, or negative, no payments are required to be made by either party.

If the Provider does not achieve a percentage of at least 72 per cent in respect of KPI A9 (recognising that the target for KPI A9 is 80 per cent), then the Provider must, on 31 July 2019, repay an amount of \$680,000 to the Commonwealth.

8. Bank account details

8.1 The Provider's bank account for the purpose of clause 13 of the Head Agreement for this Project is:

Bank / institution name	██████████
Branch	██████████

Bank / institution name	██████████
BSB number	██████████
Account number	██████████
Account name	██

Project A – Additional Conditions

The following additional conditions apply for this Project.

9. Restrictions on expenditure

- 9.1 In addition to clause 12 of the Head Agreement, the Provider must not use any part of the Grant for any of the following purposes, unless it obtains the Commonwealth's prior written approval to:
- a) pay commissions, success bonuses or similar benefits to staff, members or consultants that is beyond normal remuneration;
 - b) overseas travel; or
 - c) transfer money (including as a payment, reimbursement, gift or loan) to a parent or subsidiary company of the Provider.

10. Change proposals and delivering on Commonwealth priorities

(Clauses 24 to 28 of the Head Agreement)

- 10.1 Clause 25 is amended to insert a new subparagraph (c) as follows:
- (c) considers that, a key performance indicator set out in the Project Schedule is unlikely to be met – it may notify the Commonwealth and propose changes to the relevant key performance indicator.
- 10.2 Clause 28 of the Head Agreement does not apply to this Project.

11. Subcontracting and assignment

(Clauses 32 to 36 of the Head Agreement)

- 11.1 Clause 33 of the Head Agreement is amended as follows:
33. The Provider agrees not to assign its rights or obligations under the Head Agreement or a Project Agreement without the Commonwealth's prior written approval. The approval may be subject to conditions. The Provider will notify the Commonwealth of entering into any subcontracting arrangements in each quarterly report.

12. Assets

(Clauses 40 to 47 of the Head Agreement)

- 12.1 Clauses 40, 41, 45 and 46 of the Head Agreement do not apply to this Project Agreement.

13. Access to premises and records

(Clauses 59 to 63 of the Head Agreement)

- 13.1 Clause 59 of the Head Agreement is replaced with the following:
59. On reasonable prior written notice from the Commonwealth, the Provider will give the Commonwealth reasonable access to:
- (a) the Provider's premises where the services are being performed; and
 - (b) Material relating to the Head Agreement or a Project Agreement,
- to enable the Commonwealth to verify that the Provider is complying with its obligations under the Project Agreement.
- 13.2 Clauses 60 and 62 of the Head Agreement do not apply to this Project Agreement.

14. Removing Personnel

(Clause 69 of the Head Agreement)

14.1 Clause 69 of the Head Agreement does not apply to this Project Agreement.

15. Risk Management and performance [and Grant controller]

(Clause 70 to 77 of Head Agreement)

15.1 Clauses 71(c) and 73 to 77 of the Head Agreement do not apply to this Project Agreement.

16. Breach of the Project Agreement

(Clause 82 to 87 of Head Agreement)

16.1 Replace clause 82 of the Head Agreement with the following

82. If the Provider materially breaches a material term or condition of a Project Agreement, and the breach is capable of being remedied, the Commonwealth may give the Provider reasonable notice requiring it to remedy the material breach or to provide a remediation plan that is acceptable to the Commonwealth.

16.2 For the purpose of clause 82 of the Head Agreement, the Commonwealth must act reasonably when determining if a remediation plan is acceptable.

16.3 Clause 84 of the Head Agreement is amended, to insert 'materially' before each of the words 'comply' and 'breaches' where appearing, as follows:

84. If the Provider does not materially comply with clause 83, or materially breaches a material term or condition of a Project Agreement and the breach is incapable of being remedied, the Commonwealth may:

16.4 The remainder of the sub clauses (a) to (f) are unchanged.

17. Termination

(Clause 88 to 97 of Head Agreement)

17.1 Clauses 89(a) and (b) of the Head Agreement are deleted and replaced with the following:

- (a) materially breached a material term or condition of a Project Agreement and failed to remedy the breach in accordance with clauses 82 and 83;
- (b) materially breached a material term or condition of a Project Agreement and the breach is not capable of being remedied;

17.2 Insert a new clause 96(a) after clause 96 of the Head Agreement as follows:

96(a). Either party may terminate the Head Agreement or one or more Projects or Project Agreements by giving notice in writing to the other party if the appropriation providing the Grant funds under this Project Agreement is not passed by the Commonwealth Parliament.

18. Insurance and Indemnities

(Clauses 98 to 103 of the Head Agreement)

18.1 The Commonwealth agrees that the obligation under clause 98 of the Head Agreement is satisfied by the standard insurance policy issued to IBA by Comcover.

18.2 Clause 103 of the Head Agreement is amended as follows:

103. The Provider's obligation to indemnify the Commonwealth reduce proportionally to the extent that any act or omission involving fault on the part of the Commonwealth contributed to the

relevant cost, claim, liability, loss, damage or expense. In this clause, "fault" means any negligent or unlawful act or omission, breach or wilful misconduct.

19. Intellectual Property

(Clauses 104 to 108 of the Head Agreement)

19.1 Clause 105 of the Head Agreement is amended as follows:

105. The Provider gives the Commonwealth a non-exclusive, irrevocable, royalty-free licence to use, reproduce, publish, sublicense, adapt and exploit Agreement Material and any Existing Material for Commonwealth purposes.

20. Privacy and Secrecy

(Clause 111 of the Head Agreement)

20.1 Insert a new paragraph 111(a) after clause 111 of the Head Agreement as follows:

111(a). The parties acknowledge that they are each subject to certain legislative obligations and restrictions (including secrecy provisions under Commonwealth legislation) and that each party must conduct its activities under the Project Agreement in accordance with the legislative obligations and restrictions applying to it.

SIGNATURES

This Project Schedule, together with the Head Agreement and any attachments to, or documents incorporated by reference into, either of them, forms a Project Agreement.

Executed as an agreement:

Commonwealth

SIGNED for and on behalf of the Commonwealth of Australia as represented by the Department of the Prime Minister and Cabinet by:	
Name (print):
Position (print):
Signature and date:
Witness name (print):
Signature and date:

Provider

THE COMMON SEAL of)
INDIGENOUS BUSINESS)
AUSTRALIA is duly affixed in the)
presence of:)

)
.....)
Signature of authorised person)
.....)
Office held)
.....)
Name of authorised person (block)
letters))

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.....)
Signature of authorised person)
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Office held)
.....)
Name of authorised person (block)
letters))