



Tel: 613-237-9331
Fax: 613-237-9779
www.bdo.ca

BDO Canada LLP
180 Kent Street
Suite 1700
Ottawa, Ontario
K1P 0B6
Postal code

DRAFT

May 2, 2023

Canadian Association of Tour Operators
33 Kern Road
Toronto, Ontario
K1P 0B6

Attention: Jean Hébert

Dear Jean Hébert:

This Statement of Work ('SOW') is provided to the Canadian Association of Tour Operators ('You') for services.

You acknowledge that you previously executed a Master Services Agreement ('the MSA') dated April 14, 2021 (which included Standard Terms and Conditions). This SOW shall be governed by the MSA.

To the extent there is any conflict or inconsistency between the MSA and this SOW, the MSA shall prevail. Any term or condition incorporated into this SOW that is an addition to the Standard Terms and Conditions contained in the MSA applies only to the services (described below) provided under this SOW.

Description of Services

Canadian Association of Tour Operators (CATO) have contracted professional services of BDO to undertake an Economic Impact Assessment. The assessment will focus on providing CATO with a comprehensive understanding of economic impacts generated by members' economic activity. To do so, BDO will collect financial and operational information from CATO's members to determine their direct and indirect impacts on the Canadian economy. To undertake this work BDO will provide the following services:

- Consultations with CATO and the Steering Committee
- Weekly status updates provided to CATO
- Review and validation of survey provided by USTOA
- Distribution of survey to all participating CATO /ATOQ members
- Collection and validation of survey responses
- Input-output model to determine direct and indirect impacts on Canada's GDP, Economic Output, and Jobs
- Development of a final report describing approach taken and findings determined

Phase	Steps / Activities	Duration	Estimated Cost
Phase 1: Project Initiation	During this step, BDO will conduct a project initiation meeting with the Steering Committee. The purpose of the kick-off meeting is to formally identify key contacts, to ensure a common understanding of the project and the various team roles, as well as collect all outstanding documentation to be reviewed by the BDO Project Team. During this meeting the Steering Committee is expected to provide a list of contact information for all individuals who are expected to receive and respond to the survey. Deliverable: Updated work plan	Weeks 1 - 2	\$ 2,400.00
Phase 2: Review of Survey	The BDO Project Team will review the survey as provided by CATO. The review will focus on ensuring the responses will collect data essential to completing the Economic Impact Assessment. All suggestions made by the BDO Project Team will be discussed with the Steering Committee, upon which time the Project Authority will confirm which suggestions will be included in the survey. The BDO Project Team will then update the survey as required. Deliverable: Updated survey	Weeks 2 - 3	\$ 3,655.00

Phase 3: Survey Distribution	<p>The updated survey will be uploaded to Simple Survey, a customizable survey platform designed for data collection and analysis. Ahead of distributing surveys to members, BDO will draft a communication to provide instructions to access and respond to the survey. BDO will seek feedback from the Steering Committee and incorporate any required updates to the communication. Following, a unique link to the confidential survey will be distributed to all identified resources within the draft communication.</p> <p>Deliverable: Survey Communication, Delivered surveys</p>	Weeks 3 - 8	\$ 7,775.00
Phase 4: Review of Survey Responses	<p>The BDO Project Team will review all survey responses to determine completeness and statistical significance. To do so, BDO will follow up with any producers as necessary if additional information is required to increase the completeness of their responses. In addition, if the data is not found to be statistically significant (i.e. not enough responses are received, responses are incomplete, etc.) the BDO Project Team will work with the Steering Committee to determine whether the project will proceed. If the data is found to be statistically significant the project will proceed and the BDO Project Team will complete the remaining Steps as outlined below.</p> <p>Deliverable: Go / No Go decision</p>	Weeks 8 - 10	\$ 7,420.00
Phase 5: Economic Impact Assessment	<p>The BDO Project Team will use the data collected to complete the Economic Impact Assessment, determining the travel and tourism industry's contribution to the Canadian economy. The assessment will include an input-output model to determine direct and indirect impacts to Canada's GDP, Economic Output, and Jobs.</p> <p>Deliverable: Economic Impact Assessment</p>	Week 10 - 13	\$ 7,720.00
Phase 6: Report	<p>The BDO Project Team will develop a report providing insights to the findings of the Economic Impact Assessment. The report will not exceed four (4) pages. The first draft will be shared with the Steering Committee for comments and feedback. Any feedback</p>	Week 13 - 16	\$ 6,490.00

	provided by the Project Authority will be reviewed by the Project Team and incorporated in the report as necessary. A final report will be shared with the Project Authority in PDF format. Deliverable: Final report		
Total			\$ 35,460.00

Any service not specifically described in this SOW is outside the scope of this SOW.

Facts and Assumptions

The facts and working assumptions which we will consider in carrying out this engagement are as follows:

- Timelines and budgets assume timely information gathering, timely stakeholder engagement and availability of stakeholders in support of our activities, as well as timely feedback cycles with required contacts
- The milestones and timelines for this project are dependent on CATO being available for meetings and providing approvals within designated timelines as defined in the Work Plan
- The milestones and timelines for this project are dependent on CATO members providing necessary survey responses and being available to participate in the survey administration process within designated timelines as defined in the Work Plan
- Jean Hébert will act as Project Authority
- All final deliverables will be provided in English
- All work required to complete the above stated activities will be completed remotely
- All deliverables will be submitted electronically
- The survey platform Simple Survey will be used to administer the survey and collect all responses
- No travel is required to complete the above stated activities
- Unless there is prior written authorization by the Project Authority, no work shall be done in addition to or in replacement of the agreed work
- We will provide no opinion, attestation, or other form of assurance with respect to our Services or the information upon which our Services are based. Nothing contained in our work will constitute an audit or review of future oriented financial information, in accordance with the standards of the Chartered Professional Accountants of Canada. We will not audit, review, or otherwise verify the information provided to us in the context of this engagement

Management Responsibilities

The following is a list of requirements and management responsibilities necessary for the



Tel: 613-237-9331
Fax: 613-237-9779
www.bdo.ca

BDO Canada LLP
180 Kent Street
Suite 1700
Ottawa, Ontario
K1P 0B6
Postal code

DRAFT

successful completion of this engagement. We have used this information in establishing the schedule and estimate for the Services. In the event that an item identified below does not occur in the manner or period shown, such circumstance may constitute a change that will require an adjustment to the schedule and/or price.

- The Project Authority will make themselves available to participate in all activities requiring their input and review as described above
- The Project Authority will provide all contact information for survey recipients
- The Project Authority will be engaged for all major decision making

You are responsible for the accuracy and completeness of any of the facts, working assumptions or other information that you provide to us in the course of performing our work. We will not independently verify such things.

Project Start and Completion

Once the project start date has been established and agreed upon by both parties, any change to the start date may have an impact to both the project schedule and cost. If the project start date is delayed by you, we require notice of the delay 10 days in advance of the start date.

If 10 days' notice is not given, we will invoice you at our standard rates for each staff member allocated to the project. This cost is in addition to the below referenced fee estimation.

The project will be considered complete when any of the following conditions are met:

- all the service deliverables identified as in-scope within this SOW have been completed, delivered, and accepted or deemed accepted, including approved Change Request Forms;
- a signed Project Completion Form has been received from you; or
- the engagement is terminated pursuant to the provisions of this SOW.

Termination

You or we may terminate this SOW upon 10 days written notice of such termination to the other party. We will not be liable for any loss, cost or expense arising from the terminating our services. You agree to pay us for all Services performed up to the date of termination, including our work-in-progress and expenses.

Fees

Estimated effort:

	Estimated % On Project
Partner	5%
Manager	32%
Consultant	63%

Rates:

BDO Level	Rates
Partner	\$375/hour
Manager	\$240/hour
Consultant	\$160/hour

Variable Fees:

	Fees
Project Initiation	\$ 2,400.00
Review of Survey	\$ 3,655.00
Survey Distribution	\$ 7,775.00
Review of Survey Responses	\$ 7,420.00
Economic Impact Assessment	\$ 7,720.00
Report	\$ 6,490.00
Total	\$35,460.00



Tel: 613-237-9331
Fax: 613-237-9779
www.bdo.ca

BDO Canada LLP
180 Kent Street
Suite 1700
Ottawa, Ontario
K1P 0B6
Postal code

DRAFT

One Time Costs:

	Fees
Survey Subscription Cost	\$299.00

Based on the approach presented, we estimate our fees at \$35,460.00, plus a one-time cost to acquire a subscription to Simple Survey.

Our goal is to deliver value that exceeds expectations, and we always strive to achieve that goal. Should any work outside of the scope or hours above be mutually decided upon we commit to our discounted blended rate. We will communicate and agree on additional hours prior to incurring them.

Our professional fees will be based on our billing rates which depend on the means by which and by whom our Services are provided. Our billing rates may be subject to change from time to time at our discretion with or without notice to you.

We will also bill you for our out-of-pocket expenses, our administrative and technology charge, and applicable Goods and Services Sales Tax, Harmonized Sales Tax, Quebec Sales Tax and Provincial Sales Tax. Our administrative and technology charge is calculated as 7% of our professional fee and represents an allocation of estimated costs associated with our technology infrastructure and support staff time costs.

Interest will be charged on all overdue accounts at the rate of 1% per month (12% per annum). Any additional services will be agreed upon separately.

We will track variances of actual hours to budget and report any potential overruns on a timely basis and provide relevant explanations.

Our professional fees will be billed monthly, plus direct out-of-pocket expenses for travel expenses outside of Ottawa, Ontario, Canada and applicable taxes (HST, GST, QST) and are due when rendered. Accounts outstanding for more than 30 days will be considered overdue.

We reserve the right to suspend our Services if any of our invoices are outstanding for more than 30 days. Additional information relating to our fees is provided in the MSA.

Any timing or fee estimate we have provided for this engagement is premised on you providing the agreed-level of support and assistance. We shall not be responsible for any delay or other consequences resulting from your failure to perform any of your obligations under this Agreement. Your failure to satisfy your responsibilities under this Agreement may lead to an increase in our fees, depending on the extent to which we have to perform more services, assign additional resources to complete the Services or reschedule commitments to deliver the Services.



Tel: 613-237-9331
Fax: 613-237-9779
www.bdo.ca

BDO Canada LLP
180 Kent Street
Suite 1700
Ottawa, Ontario
K1P 0B6
Postal code

DRAFT

Acknowledgement and Agreement

Provided that this agreement is satisfactory to you, including the Master Service Agreement, please sign and return a copy to indicate your acceptance of it. By signing this agreement, you acknowledge that you have the legal authority to sign on behalf of this entity. If you have any questions concerning this agreement, please contact us before signing it.

We are proud to serve you and we appreciate your confidence in our work.

Signature Placeholder

Canadian Association of Tour Operators

By: Kelly Campbell, Partner

Name and Title:

Date:

Version: 20220202