

Section	Policy and Principles	Current Approval Date May 20, 2021
Subject	Partnership Policy	

## **PURPOSE**

This Policy will govern the pursuit of Partnerships in a fair, open, and transparent manner.

The purpose of this Policy is to establish consistent parameters and processes for all Partnerships which Metrolinx may enter into.

## **POLICY STATEMENT**

This Partnership Policy (the “Policy”) provides the criteria and process for Metrolinx to engage third parties in Partnerships and outlines the approvals required.

Metrolinx utilizes Partnerships to assist with the fulfillment of its corporate objectives to increase revenue, reduce operational costs, and enhance the customer experience.

## **SCOPE**

This Policy provides information and guidelines for the acquisition of Partnerships by Metrolinx.

This Policy is not applicable to gifts, donations, philanthropic contributions, grants, or donations.

This Policy replaces all previous policies and guidance in this area and applies to the process of acquiring new partnership across Metrolinx. Metrolinx will update this Policy as required. With respect to Partnerships, Metrolinx’s Procurement Policy does not apply.

## **GUIDING PRINCIPLES**

Metrolinx will consider the following principles when negotiating and evaluating Partnerships:

- Aligns to Metrolinx’s strategic objectives
- Increases revenue
- Meets the return on investment,
- Strengthens the reputation of Metrolinx or its sub-brands

## PROCESS

Unsolicited Proposals: Parties may submit an unsolicited proposal or request for a Partnership through the commercial opportunities email on the Metrolinx website:

Commercial.Opportunities@metrolinx.com. Metrolinx reserves the right to contact third parties, hold discussions and enter into agreements without publicly advertising a Partnership opportunity (subject to the below).

Fair, Open and Transparent: For all Partnerships that include a Threshold Right, Metrolinx will only enter into a Partnership where the opportunity for such Partnership and such Threshold Right has been offered in a Partnership solicitation document posted in a public forum and open generally for third parties to apply (such document, a “**Solicitation Document**”). The acquisition of such Partnerships shall be concluded in a fair, open, and transparent way.

Solicitation: Notwithstanding the absence of any Threshold Rights, Metrolinx reserves the right to offer a Partnership opportunity through a Solicitation Document if: (a) there are numerous potential Partners in the market; (b) the Partnership could take numerous forms; or (c) the Partnership would be considered a high profile category.

Refusing Partnerships: Metrolinx considers all Partnership proposals but has no obligation to accept any of them. Metrolinx reserves the right to refuse any proposal, including, but not limited to, those submitted by third parties whose activities are perceived to be incompatible with Metrolinx goals, values or existing policies or pose a reputational risk.

## APPROVALS

Partnerships are subject to the approval and execution authority limits set out in the Contract Approval Authorization and Document Execution Policy: Schedule A and B.

During the preliminary scoping phase, all Partnerships must be submitted for review by the Ministry of Transportation before Partnerships either enter public solicitation stage or extensive negotiation takes place.

Additionally,

- 1) All Partnerships must be approved by the CMO;
- 2) All Partnerships that have been secured through the solicitation process must be approved by the Senior Management Team;
- 3) All Partnerships that include a direct cash commitment from Metrolinx to the Partner must be approved by the Ministry of Transportation and the Metrolinx Board of Directors; and
- 4) All Partnerships with: (i) a term longer than four years; or (ii) Implementation Costs of \$50,000 or more; must be approved by the Ministry of Transportation.

For greater clarity, Metrolinx may support a Partnership through advertising or an activation program provided the marketing spend is within an approved divisional budget (provided that the spend may not be with the Partner or its affiliates without the approvals required above).

## GOVERNANCE

The Office of the Chief Marketing Officer (CMO) will be accountable for all matters relating to the Partnerships Policy. Marketing will act as the lead for Partnership acquisitions and must ensure compliance with this Policy, and will consider other policies (for example, privacy and procurement policies). Marketing will also ensure that new partnerships do not conflict with other existing contractual obligations. If the need arises, any escalation will be brought to the Office of the Chief Executive Officer (CEO).

Marketing will be responsible for the periodic reporting of all Partnerships to the Metrolinx Senior Management Team and the Ministry of Transportation as required and as agreed upon with the Ministry. .

Metrolinx's partnership activities under this policy are also required to adhere to the MTO/Metrolinx Communications Protocol.

## CONFLICT OF INTEREST

In considering any potential partnership opportunities, all Metrolinx employees are required to adhere to the Conflict of Interest Policy. Employees are required to report any real, potential or apparent Conflict of Interest to the Chief Executive Officer (CEO), as Ethics Executive.

Metrolinx staff is prohibited from receiving, directly or indirectly, any Personal Benefit as a result of any Partnership. If Metrolinx staff are working at an event, they will leave (or have their own purchased ticket) once they complete their work. Notwithstanding the previous sentences, if a Partnership has an offer for the public, Metrolinx employees may partake as members of the public.

## ADMINISTRATION

Identification Name	Partnership Policy
Approved By	Metrolinx Board
Owner	Director, Non-Fare Sales
Monitor	Manager, Service Accounts
Original Approval Date	September 9, 2016
Review Frequency	As necessary, no defined timelines
Supersedes	All previous Policies

## POLICY HISTORY

Please list out all revisions and reviews of this policy in reverse chronological order

Revision / Review Date	Author	Description
May 20, 2021	Non-fare Sales, Marketing	Review and update to the acquisition process of partners.
December 9, 2019	Marketing	Review and update policy and approvals
September 9, 2016	Business Development & Partnerships	Original Issue

## DEFINITIONS

**“Conflict of Interest”** has the meaning given to it in the Conflicts of Interest Policy.

**“Implementation Costs”** means the costs which Metrolinx incurs to implement a Partnership where it does not receive reimbursement from the Partner for such costs and includes, for example, location fees, media support and advertising outside of approved divisional budgets, brand ambassadors, and promotional tickets, but specifically excludes Labour and Opportunity Costs.

**“Labour Costs”** means the cost associated with Metrolinx employed staff (to the extent such staff are allocated to implement a Partnership) and includes staff wages and salaries.

**“Legal Partnership”** means a “partnership” as that term is used in the *Partnership Act*, R.S.O. 1990, Chapter P.5, and any successor legislation thereto.

**“Naming Rights”** is a financial transaction and form of advertising whereby a corporation or other entity purchases the right to name or associate its name with a facility, event or other asset, typically for a defined period of time.

**“Opportunity Costs”** means the loss of potential gain from the best alternative use of the Metrolinx assets dedicated to the Partnership.

**“Partnership”** means a relationship where a third party (the **“Partner”**) provides goods, services or financial contribution in return for access to commercial and/or marketing rights to a Metrolinx service, program, event, activity, property, or sub-component of a Metrolinx asset, including potentially the right to be denoted as a partner, or rights for the inclusion and public display of the partner’s name. References to “Partnership” or “Partner(s)” in this Policy refer to strategic business relationships between independent contractors and do not refer to Legal Partnerships.

**“Personal Benefit”** is any benefit offered to a Metrolinx employee that may give rise to a real or perceived Conflict of Interest. See section 3.04 of Metrolinx’s Conflict of Interest Policy for more details.

**“Threshold Right”** means each of the below:

- a) where Metrolinx grants exclusivity,
- b) high profile Naming Rights such as stations, corridors, and routes.