

TELECOMMUNICATIONS MUNICIPAL ACCESS AGREEMENT

This **MUNICIPAL ACCESS AGREEMENT** effective the 7th day of Sept, 2022 (the "Effective Date").

B E T W E E N:

MUNICIPALITY OF MIDDLESEX CENTRE

(hereafter the "**Municipality**")

OF THE FIRST PART

- and -

**NORTH FRONTENAC TELEPHONE
CORPORATION LIMITED**

(hereafter the "**Company**")

OF THE SECOND PART

WHEREAS:

- A. The Company is a "Canadian carrier" as defined in the *Telecommunications Act*, S.C. 1993, c.38 ("**Telecom Act**") or "distribution undertaking" as defined in the *Broadcasting Act*, S.C. 1991, c.11 (collectively, a "**Carrier**") and is subject to the jurisdiction of the Canadian Radio-television and Telecommunications Commission (the "**CRTC**");
- B. In order to operate as a Carrier, the Company requires to construct, maintain and operate its Equipment in, on, over, under, across or along ("**Within**") the highways, streets, road allowances, lanes, bridges or viaducts which are under the jurisdiction of the Municipality (collectively, the "**Rights-of-Way**" or "**ROWS**");
- C. Pursuant to section 43 of the *Telecom Act*, the Company requires the Municipality's consent to construct its Equipment Within the ROWs and the Municipality is willing to grant the Company a non-exclusive right to access and use the ROWs; provided that such use will not unduly interfere with municipal operations, equipment or installations and the public use and enjoyment of the ROWs, nor any rights or privileges previously conferred or conferred after the Effective Date by the Municipality on Third Parties to use or access the ROWs; and
- D. The Parties have agreed that it would be mutually beneficial to outline the terms and conditions pursuant under which the Municipality hereby provides its consent.

NOW THEREFORE in consideration of the mutual terms, conditions and covenants contained herein, the Parties agree and covenant with each other as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 **Definitions.** Where not defined elsewhere in this Agreement, the following words and phrases shall have the following meanings:

- (a) "**Affiliate**" means "affiliate" as defined in the *Canada Business Corporations Act*;
- (b) "**Annual CPI Adjustment**" means an annual adjustment to the amount of the payment compared to the previous year, in an amount equivalent to the increase, if any, to the rate of inflation as determined by the Consumer Price Index (normally released by Statistics Canada in January of each year) which shall occur annually through the duration of the Term.



- (c) **“Anti-Bribery Law”** means any anti-bribery law or international convention, as may apply now or in the future, including the Canadian Corruption of Foreign Public Officials Act, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and the OECD Convention on Combating Bribery of Foreign Public Officials;
- (d) **“CRTC”** means the Canadian Radio-television and Telecommunications Commission.
- (e) **“Emergency”** means an unforeseen situation where immediate action must be taken to preserve the environment, public health, safety or an essential service of either of the Parties;
- (f) **“Equipment”** means the transmission and distribution facilities owned by the Company and/or its Affiliates, comprising fibre optic, coaxial or other nature or form of cables, pipes, conduits, poles, ducts, manholes, handholds and ancillary structures and equipment located Within the ROWs;
- (g) **“Hazardous Substance”** means any harmful substance including, without limitation, electromagnetic or other radiation, contaminants, pollutants, dangerous substances, dangerous goods and toxic substances, as defined, judicially interpreted or identified in any applicable law (including the common law);
- (h) **“Individual Permit Security”** means any Individualized Permit Security identified in *Schedule “B” Fees, Permits and Security* required for an individualized Roads Permit, as set out in *Schedule “C” Permits Required and Schedule “B” Fees Permits and Security*, which may be paid from the Blanket LOC provided for in section 10.6 of this Agreement.
- (i) **“Loading Factor”** means a causal costs fee in an amount equivalent of twenty percent (20%) of the cost of each Roads Permit Fee which the Company shall pay to the Municipality for miscellaneous indirect and variable causal costs which will be incurred by the Municipality;
- (j) **“Municipal Consent”** or **“MC”** means the written consent of the Municipality, with or without conditions, to allow the Company to perform Work Within the ROWs that requires the excavation or breaking up of the ROWs;
- (k) **“Roads Permit or Permit”** means a permit that provides approval, including where required Municipal Consent, for the Work and may be: an Entrance Permit; Road Occupancy Permit; or a Moving Oversized Load Weight Vehicles on Municipal Roads;
- (l) **“Service Drop”** means a cable that, by its design, capacity and relationship to other fibre optic cables of the Company can be reasonably considered to be for the sole purpose of connecting backbone of the Equipment to not more than one individual customer or building point of presence;
- (m) **“Term”** means the Initial Term (January 12, 2022 – January 12, 2027) and renewal options described in subparagraph 9.1(a) (through January 12, 2042), subject to the termination provisions in subparagraphs 9.2, 9.3 and 9.4.
- (n) **“Third Party”** means any person that is not a party to this Agreement nor an Affiliate of either Party, and includes any person that attaches its facilities in, on or to the Equipment under an agreement with the Company;
- (o) **“Work”** means, but is not limited to, any adjustment, alteration, breaking up, construction, disturbance, excavation, installation, maintenance, removal, operation, relocation, repair, replacement, restoration on, under, over, or within any ROW, including any Equipment therein, and the use of any oversize/overweight vehicles in connection with the Work.

1.2 **Legislation.** All references to statutes in this Agreement shall include amendments thereto, regulations thereof, and successor legislation thereafter.

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- 1.3 **Recitals, Schedules and Incorporated Documents.** The beginning part of this Agreement entitled “Recitals”, *Schedule “A”* and “B”, and the By-laws and Municipal Policies referred to in this Agreement are hereby incorporated by reference into this Agreement and form part thereof:

Schedule “A” – Relocation Costs
Schedule “B” – Fees, Permits & Security
Schedule “C” – Permits Required

2. **USE OF ROWs**

- 2.1 **Consent to use ROWs.** The Municipality hereby consents to the Company’s use of the ROWs for the purpose of performing its Work, subject to the terms and conditions of this Agreement and in accordance with all applicable laws or other municipal by-laws, rules, policies, standards (including design standards and guidelines) (“**Municipal Standards**”) pertaining to the Equipment and the use of the ROWs.

- 2.2 **Proviso.** Notwithstanding section 2.1 and any other provisions of this Agreement, to the extent that any Municipal Standards are inconsistent with the terms of this Agreement or federal law, the Company shall not be required to comply with such Municipal Standards.

- 2.3 **Equipment acquired by the Company.** The Parties agree that, where the Company acquires, or has acquired, directly or indirectly, facilities from a Third Party that are located Within the ROWs (the “**New Equipment**”), then, effective the day of the acquisition of the New Equipment by the Company:

- (a) the New Equipment shall form part of the Equipment and shall be governed by the terms and conditions of this Agreement; and
- (b) where that Third Party is a Party to a valid and existing municipal access agreement with the Municipality (the “**Old MAA**”) and the Company, directly or indirectly, acquires the rights and obligations under the Old MAA, the Old MAA shall be terminated.

- 2.4 **No ownership rights.** The Parties acknowledge and agree that:

- (a) the use of the ROWs under this Agreement shall not create nor vest in the Company any ownership or property rights in the ROWs; and
- (b) the placement of the Equipment Within the ROWs shall not create or vest in the Municipality any ownership or property rights to the Equipment.

- 2.5 **Condition of ROWs.** The Municipality makes no representations or warranties as to the state of repair of the ROWs or the suitability or fitness of the ROWs for any business, activity or purpose whatsoever, and the Company hereby agrees to accept the ROWs on an “as is” basis.

3. **APPLICABLE PERMITS**

3.1 **Permits.**

- (a) Subject to Section 3.2, 3.4 and *Schedule “C” Permits Required*, which is attached hereto and forms a part of this Agreement, the Company shall not excavate, break up, disturb, or move oversized or overweight vehicles, or do any Work within any ROW without first obtaining the applicable Permits, being a Municipal Consent and/or Roads Permit(s), as the case may be.
- (b) For each Permit required above, the Company shall submit to the Municipality a completed application, in a form specified by the Municipality and including the

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Permit fees, deposits and security associated as set out in *Schedule "B" Fees, Permits and Security* to this Agreement under the heading of Permit Fees and Individual Permit Security. In the event there is a *bona fide* reason to adjust any fees in this *Schedule "B" Fees, Permits and Security* beyond any CPI index for the coming year in Ontario, as determined by Statistics Canada (which includes any municipal restructuring of the manner in which the Municipality generally administers causal costs, roads permits, individualized permit security and road degradation fees), the Municipality shall negotiate the additional increase with the Company, and amend this *Schedule "B" Fees, Permits and Security* accordingly.

- 3.2 **No Permits for routine Work.** Notwithstanding Section 3.1, the Company may conduct the activities identified in the "*Notification Only*" and "No Further Permit or Notification" Categories with only advance notice or notification as identified in *Schedule "C" Permits Required*, without first obtaining a Permit, provided that in no case shall the Company break up or otherwise disturb the hard surface of the ROW without the Municipality's prior written consent.
- 3.3 **Expiry of Permit.** In the event that the Company has not commenced construction of the approved Work associated with a particular Permit within one (1) year of the date of issuance of the Permit, and has not sought and received an extension to the Permit from the Municipality, which extension shall not be unreasonably withheld, the Permit shall be null and void. In such circumstances, any fees paid by the Company in respect of the expired Permit shall not be refunded and the Company must obtain a new Permit for the Work.
- 3.4 **Submission of plans.** Unless otherwise agreed to by the Municipality, the Company shall, prior to undertaking any Work that requires a Municipal Consent, submit the following to the Municipality:
- (a) construction plans of the proposed Work, showing the locations of the proposed and existing Equipment and other facilities, and specifying the boundaries of the area within the Municipality within which the Work is proposed to take place;
 - (b) Traffic control plans for the protection of the workers, public and traveling public including detours as required to minimize traffic disruption; and
 - (c) all other relevant plans, drawings and other information as may be normally required by the Public Works Department from time to time for the purposes of issuing Permits.
 - (d) in the event field changes are required from the construction drawings submitted, the Company shall consult with the Municipality prior to installation to ensure there is no impact to municipal operations or future plans, failure to consult may result in the equipment being relocated at the sole cost of the Company and at no cost to the Municipality.
- 3.5 **Refusal to issue Permits.** The Municipality may refuse to issue a Permit in accordance with Section 3.1 for any *bona fide* municipal purpose, including but not limited to reasons of public safety and health, conflicts with existing infrastructure, proposed road construction, or the proper functioning of public services, all as identified in writing by the Municipality. Without limiting the foregoing, the Municipality may refuse to issue a Permit where, in the opinion of the Director of Public Works and Engineering Department, there is insufficient space within a ROW to accommodate the proposed Equipment subject to existing infrastructure and the Capital Works Plan as defined in *Schedule "A" Relocation Costs*. In the event the Director of Public Works and Engineering Department refuses to issue a Permit for the reasons set out in this section 3.5, the Municipality shall make reasonable efforts to assist the Company in finding an alternate location for its Equipment.

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- 3.6 **Restoration of the Company's service during Emergencies.** Notwithstanding Section 3.1, in the event of an Emergency, the Company shall be permitted to perform such remedial Work as is reasonably necessary to restore its services without complying with Section 3.1; provided that such Work does not unduly disrupt any Municipal service or activity and provided that the Company does comply with Section 3.1 within five (5) business days of completing the Work.
- 3.7 **Temporary changes by Municipality.** Notwithstanding any other provision in this Agreement, the Municipality reserves the right to set, adjust or change the approved schedule of Work by the Company for the purpose of coordinating or managing any major events or activities, including the restriction of any Work during those restricted time periods; provided however, that any such adjustment or change shall be conducted so as minimize interruption to the Company's operations. The Municipality shall use its commercially reasonable efforts to provide to the Company forty-eight (48) hours advance written notice of any change to the approved schedule of Work, except that, in the case of any Emergency, the Municipality shall provide such advance notice as is reasonably possible in the circumstances.
4. **MANNER OF WORK**
- 4.1 **Compliance with Applicable Laws, etc.** All Work shall be conducted and completed to the satisfaction of the Municipality and in accordance with:
- (a) the applicable laws (and, in particular, all laws and codes relating to occupational health and safety);
 - (b) the Municipal Standards;
 - (c) this Agreement; and
 - (d) the applicable Permits issued under Section 3.1.
- 4.2 **Underground Equipment.** The Company shall place those portions of the Equipment that cross beneath streets or existing buried utilities in ducts, carrier pipes or encased in concrete, or as otherwise specified by the Municipality acting reasonably.
- 4.3 **Installation.** The Company where technically viable, shall utilize construction methods that minimize the impact on the ROWs, including but not limited to trenchless installation technology and single trench installation methods.
- 4.4 **Suspension of Work.** The Municipality may order the suspension of the Work for breach of permit conditions and any *bona fide* municipal purpose or cause relating to public health and safety, any special events, or any circumstances beyond its control. In such circumstances, the Municipality shall provide the Company with a verbal order and reasons to suspend the Work and the Company shall cease the Work immediately. Within two (2) business days of the verbal order, the Municipality shall provide the Company with a written Work suspension order with reasons. When the reasons for the Work suspension have been resolved, the Municipality shall advise the Company immediately that it can recommence the Work.
- 4.5 **Coordination of Work.** To minimize the necessity for road cuts, construction and the placement of new Equipment Within the ROW, the Company shall use reasonable efforts to coordinate its work with other existing and new occupants of the ROW and make commercially reasonable efforts to reach an agreements for the use of shared infrastructure, wherever possible.
- 4.6 **Identification of contractors.** The Company shall ensure that all of its contractors have proper identification visible on the Work site displaying the name of the person for which they work.

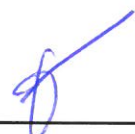
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- 4.7 **Emergency contact personnel.** The Company and the Municipality shall provide to each other a list of twenty-four (24) hour emergency contact personnel available at all times and shall ensure that the list is kept current.
- 4.8 **Emergency work by Municipality.** In the event of an Emergency, the Municipality shall as soon as reasonably practicable contact the Company and, as circumstances permit, allow the Company a reasonable opportunity to remove, relocate, protect or otherwise deal with the Equipment, having regard to nature of the Emergency. Notwithstanding the foregoing, the Municipality may take such measures it deems necessary to re-establish a safe environment, and the Company shall pay the Municipality's reasonable and verifiable costs that are directly attributable to the Work or the presence of the Equipment in the ROWs.
- 4.9 **"As-built" drawings.** The Company shall, no later than sixty (60) days after completion of any Work, provide each of the Public Works Department and Engineering Department with accurate "as-built" drawings, prepared in accordance with Municipal Standards to accurately establish the location of the Equipment installed within the ROWs. As-built drawings shall be provided in electronic format suitable to be incorporated into the Municipality's GIS mapping. "As-built" information is provided a reference only. The Municipality's shall direct all inquires regarding the location of the Equipment to the Company. Access to Company "as-built" records are for use by the Municipality only and shall not be distributed or disclosed to other parties without prior written consent of the Company. In the event the "as built" drawings are not provided within sixty (60) days after the completion of any Work, the Municipality shall provide the Company with a Dispute Notice and the Dispute shall be considered by the Parties to be beyond the operational level. The Parties shall proceed to resolve the 'delivery of drawings' Dispute between senior officers or CRTC mediation as described in section 15.2 of this Agreement.
- 4.10 **Agents and Sub-contractors.** Each Party agrees to work with the other Party directly to resolve any issues arising from any the acts, omissions or performance of its agents and sub-contractors.

5. REMEDIAL WORK

- 5.1 **General.** Following the completion of any Work, the Company shall leave the ROW in a neat, clean, and safe condition and free from nuisance, all to the satisfaction of the Municipality. Subject to Section 5.5, where the Company is required to break or disturb the surface of a ROW to perform its Work, it shall repair and restore the surface of the ROW to the same condition it was in before the Work was undertaken, all in accordance with the Municipal Standards and to the satisfaction of the Municipality. The Company shall not under any circumstances, place asphalt on soil or place sod on limestone screening. In the event the Company fails to restore a ROW as set out above, the Municipality may cause the ROW to be fully restored by drawing upon the Blanket LOC provided pursuant to section 10.6 of this Agreement.
- 5.2 **Permanent Road Restoration.** If the Company has excavated, broken up or otherwise disturbed the surface of a ROW, the requirements for the Company completing the road restoration work will vary depending on if and when pavement has been recently repaved or overlaid, as follows:
- (a) if pavement has been repaved or overlaid during the five (5) year period immediately prior to the date of issuance of the Permit, then the Municipality may require that the Company grind and overlay the full lane width of pavement in the ROW;
 - (b) if pavement has been repaved or overlaid during the two (2) year period immediately prior to the date of issuance, then the Municipality may require that the Company grind and overlay the full width of the pavement in the ROW;

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- (c) in either subsections (a) or (b) above, if Third Parties, including the Municipality as a provider of services to the public, has excavated, broken up or otherwise disturbed the pavement to be ground and overlaid, the costs of that grind and overlay will be apportioned between the Company and the Third Parties on the basis of the area of their respective cuts.
- (d) the Municipality will not require grind and overlay under subsections (a) or (b) above for road restoration work involving:
 - i) service connections to buildings where no other reasonable means of providing service exists and the Company has no requirement to provide service before the new pavement was placed;
 - ii) emergencies; and
 - iii) other situations deemed by the Municipal Engineer to be in the public interest; and
- (e) if the Municipality has required the Company to grind and overlay under either subsections (a) or (b) above, the Company will have no obligation to pay pavement degradation fees in relation to that pavement.

The Pavement Degradation Fees set out in *Schedule "B"* will be applied to any restoration work of pavement and will be noted in the Roads Permit. In the event the fees are unpaid, the Municipality shall draw upon the security as set out in section 10.6.

- 5.3 **Temporary repair.** Where weather limitations or other external conditions beyond the control of the Company do not permit it to complete a final repair to the ROW within the expected period of time, the Company may complete a temporary repair to the ROW; provided that, subject to Section 5.5, the Company replaces the temporary repair with a final repair within a reasonable period of time. All repairs to the ROW by the Company shall be performed in accordance with the Municipal Standards to the satisfaction of the Director of Public Works and Engineering Department.

If a temporary repair gives rise to an unsafe condition, then this shall be deemed to constitute an Emergency and the provisions of Section 4.9 shall apply.

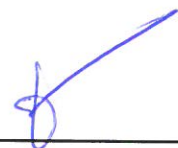
- 5.4 **Warranty of repairs.** The Company warrants its temporary repair, to the satisfaction of the Municipality until such time as the final repair is completed by the Company, or, where the Municipality is performing the final repair, for a period of one (1) years or until such time as the final repair is completed by the Municipality, whichever is earlier. The Company shall warrant its final repairs for a period of two (2) years from the date of their completion

- 5.5 **Repairs completed by Municipality.** Where:

- (a) the Company fails to complete a temporary repair to the satisfaction of the Municipality within seventy-two (72) hours of being notified in writing by the Municipality, or such other period as may be agreed to by the Parties; or
- (b) the Company and the Municipality agree that the Municipality should perform the repair,

then the Municipality may effect such work necessary to perform the repair and the Company shall pay the Municipality's reasonable and verifiable direct costs of performing the repair in accordance with the Fees & Charges By-law as amended or replaced.

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6. LOCATING FACILITIES IN ROWs

- 6.1. **Locates.** The Company agrees that, throughout the Term it shall, at its own cost, record and maintain adequate records of the locations of its Equipment. Each Party shall, at its own cost and at the request of the other Party (or its contractors or authorized agents), physically locate its respective facilities by marking the ROW using paint, staking or other suitable identification method (“**Locates**”), under the following circumstances:
- (a) in the event of an Emergency, within two hours of receiving the request or as soon as practicably possible, following which the requesting Party will ensure that it has a representative on site (or alternatively, provide a contact number for its representative) to ensure that the area for the Locates is properly identified; and
 - (b) in all other circumstances, within a time reasonably agreed upon by the Parties.
- 6.2. **Utility co-ordination committee.** The Company shall participate in a utility co-ordination committee established by the Municipality and contribute to its equitable share of the reasonable costs of the operation and administration of the committee as approved by such committee.
- 6.3. **Provision of Mark-ups.** The Parties agree to respond within fifteen (15) days to any request from the other Party for a mark-up of municipal infrastructure or Equipment design drawings showing the location of any portion of the municipal infrastructure or Equipment, as the case may be, located within the portion of the ROWs shown on the plans (the “**Mark-ups**”), and shall provide such accurate and detailed information as may be reasonably required by the requesting Party.
- 6.4. **Inaccurate Company Locates.** Where the Company’s Locates do not accurately correspond with the location of the Equipment and, as a result, the Municipality is unable to install its facilities within the municipal ROWs in the manner it expected based on the Locates provided by the Company (the “**Error**”), the Company shall pay the Municipality the direct costs stemming from the Error.
- 6.5. **Error Caused by Third Party.** An Inaccurate Locate resulting from Equipment relocated due to ground movement stemming from, among other things, weather conditions or work or activities carried out by a third party not retained by the Company or by the Municipality is not an Error. In the event of a disagreement as to the existence of an Error, the parties agree to work together to determine whether or not the Error stems from ground movement or work or activities carried out by third parties not retained by the Company or by the Municipality.

7. RELOCATION OF EQUIPMENT

- 7.1 **Municipality Request.** Where the Municipality requires and requests the Company to relocate its Equipment for a *bona fide* municipal purpose, the Municipality shall notify the Company in writing and, the Company shall complete the requested relocation within ninety (90) days thereafter or such other time as agreed to by the Parties where the cost of relocating Equipment at the request of the Municipality as set out in ***Schedule “A”***. In the event that the Company fails to relocate its equipment to the standard required by the Municipality, the Company and its representatives, successors and assigns hereby agrees to a Consent Judgement Order in the Ontario Superior Court of Justice requiring the Company to complete the relocation of its Equipment in accordance with ***Schedule “A”***.
- 7.2 **Upon Request of the Company.** In the event that the Company wishes to relocate Equipment which has been previously installed in accordance with this Agreement at one hundred percent (100%) its own expense, the Company shall notify the Municipality of such request, in writing, and such request will thereafter be considered and administered

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by the Municipality acting reasonably and with diligence giving due consideration to the scope of the works already undertaken by the Company Within the ROWs, provided that, in considering and administering such request the Municipality shall be entitled to take into consideration any specific municipal or engineering interests affected by such relocation including any additional facilities located Within the ROWs. Notwithstanding the foregoing, the Municipality shall not be permitted to unreasonably withhold, delay or condition its approval for such request.

- 7.3 **Request by Third Party.** Where relocation of Equipment is required due to the Municipality accommodating a third party (hereinafter "**Third Party Work**"), the required relocation or related installation work shall be conducted by the Company in accordance with the terms of this Agreement respecting installation, and the full cost of the amendment or Relocation shall be borne solely by the third party and paid in advance. The Municipality agrees to provide the Company with ninety (90) days' notice of the need for any such Third Party Work and to require that the relevant third party or parties bear the full cost of such Third Party Work and indemnify the Company against all claims and liabilities arising from the amendment or Relocation as a condition precedent to any such amendment or Relocation.
- 7.4 **Municipal efforts.** The Municipality will make reasonable efforts to avoid any unnecessary relocations. Where any relocation of Equipment occurs, the Municipality will make good faith efforts to provide alternative routes for the Equipment affected by the relocation to ensure uninterrupted service to the Company's customers. Once the Company has provided the Municipality with all information the Municipality requires to enable it to process a Permit application, the Municipality shall provide, on a timely basis, all Permits required to allow the Company to relocate the Equipment to meet the applicable deadlines.

8. PAYMENT OF FEES

- 8.1 **General.** The Company covenants and agrees to be responsible for the Roads Permit Fees, Loading Factor defined herein, and Pavement Degradation Fees set out in *Schedule "B" Fees, Permits and Security* and section 10.6 of this Agreement. The Payment of the above-noted fees are exempt from the invoice requirements of section 8.3. In the event there is a *bona fide* reason to adjust any fees in *Schedule "B"* attached to this Agreement beyond any CPI index for the coming year in Ontario, as determined by Statistics Canada (which includes any municipal restructuring of the manner in which the Municipality generally administers causal costs, roads permits, individualized permit security and road degradation fees), the Municipality shall negotiate the additional increase with the Company, and amend *Schedule "B" Fees, Permits and Security* accordingly.
- 8.2 **Appropriateness of Fees and Security.** The Company acknowledges that its payment of the Roads Permit Fees, Loading Factor for causal costs, Pavement Degradation Fees, and the application of Individualized Permit Security secured by the Blanket LOC set out in this Agreement are a reasonable condition for the federal requirement of consent to use ROWs. Further, the Company acknowledges that the Roads Permit Fees and Loading Factor are not an occupancy, rental, usage, or opportunity cost fee and constitutes a reasonable causal costs fee.
- 8.3 **Invoices.** Unless expressly provided elsewhere in this Agreement, where there are any payments to be made under this Agreement, the Party requesting payment shall first send a written invoice to the other Party, setting out in detail all amounts owing, including any applicable provincial and federal taxes and interest payable on prior overdue invoices, and the payment terms. The Parties agree that all payments shall be made in full by no later than forty-five (45) days after the date of the invoice was received.

9. TERM AND TERMINATION

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- 9.1 **Initial term and renewal.** Subject to the renewal options described in subparagraph 9.1(a) and termination described in subparagraphs 9.2, 9.3 and 9.4, the Term of this Agreement shall commence on September 7, 2022 and expire and terminate due to expiry on September 7, 2027 (the “**Initial Term**”).
- (a) The Company in its sole discretion may renew this Agreement with the Municipality for three (3) separate consecutive renewal terms of five (5) years each. To exercise the first option to renew, the Company must provide the Municipality written notice of such election to renew prior to the expiry of the Initial Term, failing which the Agreement will terminate due to expiry. To exercise the second option to renew, the Company must provide the Municipality written notice of such election to renew prior to the expiry of the first valid five-year extension, failing which the Agreement will terminate due to expiry. To exercise the third option to renew, the Company must provide the Municipality written notice of such election to renew prior to the expiry of the second valid five-year extension, failing which the Agreement will terminate due to expiry.
- (b) If a renewal is not exercised prior to the last day of the Initial Term or valid extension, this Agreement shall terminate immediately on the last day of the Term or valid extension, subject to paragraph 9.4 of this Agreement.
- 9.2 **Termination by either Party.** Either Party may terminate this Agreement without further obligation to the other Party, upon providing at least seven (7) days’ written notice in the event of a material breach of this Agreement by the other Party after notice thereof and failure of the other Party to remedy or cure the breach within thirty (30) days of receipt of the notice. If, however, in the view of the non-breaching Party, it is not possible to remedy or cure the breach within such thirty (30) day period, then the breaching Party shall commence to remedy or cure the breach within such thirty (30) day period and shall complete the remedy or cure within the time period stipulated in writing by the non-breaching Party.
- 9.3 **Termination by Municipality.** The Municipality may terminate this Agreement by providing the Company with at least seven (7) days written notice in the event that:
- (a) the Company becomes insolvent, makes an assignment for the benefit of its creditors, has a liquidator, receiver or trustee in bankruptcy appointed for it or becomes voluntarily subject as a debtor to the provisions of the *Companies’ Creditors Arrangement Act* or the *Bankruptcy and Insolvency Act*;
- (b) the Company assigns or transfers this Agreement or any part thereof other than in accordance with Section 18.2; or
- (c) the Company ceases to be eligible to operate as a Carrier.
- 9.4 **Obligations and rights upon termination or expiry of Agreement.** Notwithstanding any other provision of this Agreement, if this Agreement is terminated (other than in accordance with Section 9.3) or expires without renewal, then, subject to the Company’s rights to use the ROWs pursuant to the *Telecom Act* and, unless the Company advises the Municipality in writing that it no longer requires the use of the Equipment:
- (a) the terms and conditions of this Agreement shall remain in full force and effect until a new municipal access agreement (a “**New Agreement**”) is executed by the Parties; and
- (b) the Parties shall enter into meaningful and good faith negotiations to execute a New Agreement and, if, after six (6) months following the expiry of this Agreement, the Parties are unable to execute a New Agreement, then either Party may apply to the CRTC to establish the terms and conditions of the New Agreement.

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9.5 **Removing abandoned Equipment.** Where the Company advises the Municipality in writing that it no longer requires the use of any Equipment, the Company shall, at the Municipality's request and within ninety (90) days as agreed to by the Parties, act as follows at the Company's sole cost and expense:

- (a) Remove all above ground Equipment;
- (b) Remove all below ground Equipment including structures, vaults, manholes, etc. that are not occupied or used by a Third Party, (collectively "**Abandoned Underground Structures**").

Upon removal of abandoned Equipment, the Company shall repair any damage resulting from such removal. If the Company fails to remove Abandoned Equipment in a safe manner and restore the ROWs within the time specified above, and to the satisfaction of the Public Works Department and Engineering Department, the Municipality may complete said work and the Company shall pay the associated Municipality's Costs. In the event the fees are unpaid, the Municipality shall draw upon the security as set out in section 10.6

9.6 **Continuing obligations.** Notwithstanding the expiry or earlier termination of this Agreement, each Party shall continue to be liable to the other Party for all payments due and obligations incurred hereunder prior to the date of such expiry or termination.

10. **INSURANCE AND SECURITY**

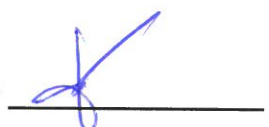
10.1 **General.** Throughout the term of this Agreement and any renewals or extension thereto, the Company shall maintain, at its sole expense, insurance (the "**Company Insurance**") in an amount and description as described below to protect the Company and the Municipality from claims for damages, bodily injury (including death) and property damage which may arise from the Company's operations under this Agreement, including the use or maintenance of the Equipment Within the ROWs or any act or omission of the Company and its employees, contractors and agents while engaged in the Work. The Company Insurance shall include all costs, charges and expenses reasonably incurred with any injury or damage.

10.2 **Commercial General Liability occurrence-based insurance & environmental insurance.** Without limiting the generality of the foregoing, the Company shall obtain and maintain commercial general liability occurrence-based insurance and environmental insurance coverage which:

- (a) covers claims and expenses for liability for personal injury, bodily injury and property damage in an amount not less than Five Million Dollars (\$5,000,000.00) per occurrence (exclusive of interest and costs);
- (b) covers environmental damages and losses arising from the Companies Equipment on, in or under the ROWs and the Companies operations;
- (c) extends to cover the contractual obligations of the Company as stated within this Agreement;
- (d) includes the Municipality as an additional insured; and
- (e) contains cross liability and severability of interest clauses.

10.3 **Insurance certificates.** As soon as possible after the execution of this Agreement, the Company shall provide on the Municipality's standard form, the Municipality with certificates of insurance in respect of the Company Insurance evidencing the cross liability and severability clauses and confirming the Municipality as an "additional insured". Thereafter, the Company shall provide the Municipality with evidence of all renewals of the Company Insurance in a form acceptable to the Municipality.

Initials: _____



10.4 General insurance conditions.

- (a) The Company Insurance shall not be construed to, and shall in no manner, limit or restrict the Company's liability or obligations under this Agreement.
- (b) The Municipality shall not be liable for any premiums relating to policies under the Company Insurance.
- (c) The policies under the Company Insurance shall provide:
 - (i) that they are primary insurance which will not call into contribution any other insurance available to the Municipality;
 - (ii) a waiver of subrogation clause in favour of the Municipality;
 - (iii) a cross liability and severability clause; and
 - (iv) that the Company Insurance shall not be cancelled, lapsed or materially changed to the detriment of the Municipality without at least thirty (30) business days' prior written notice to the Municipality.
- (d) The Company will immediately notify the Municipality of any changes to or cancellation of the Company Insurance if they will directly affect or reduce the coverage made available to the Municipality.

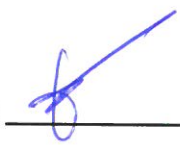
10.5 Workplace Safety and Insurance Board. The Company shall provide Workplace Safety and Insurance Board ("WSIB") clearance certificate that confirms the Company is in good standing with the WSIB. The Company shall ensure the WSIB clearance remains in effect when the Company's personnel are working within the ROWs.

10.6 Blanket letter of Credit. The Company shall, within thirty (30) days of endorsement of this Agreement, post an irrevocable blanket letter of credit, or other form of security satisfactory to the Municipality's Treasurer, for the minimum amount of ten thousand dollars (\$10,000.00) (the "**Blanket LOC**"). The Blanket LOC is for general security purposes, secures Individualized Permit Security, and provides administrative efficiency/reduction of cost of processing Individual Permit Security. Once posted by the Company, the Municipality shall deem portions of the Blanket LOC to be applicable to securing Individualized Permit Securit(ies) required. The Municipality may draw upon the Blanket LOC against any of the Company's outstanding or non-complaint obligations under this Agreement. The Company shall 'top-up' the Blanket LOC to ten thousand dollars (\$10,000.00) in the event the Blanket LOC needs to be drawn upon by the Municipality. In the event that it is reasonably determined by the Municipality that additional securities for active Work projects is required in excess of ten thousand (\$10,000.00), the Municipality shall negotiate an increase in the amount of the Blanket LOC with the Company. The Municipality agrees to release any additional project specific security once the Company has fulfilled the conditions of the applicable Permit relating to the restoration to the satisfaction of the Municipality. The Municipality shall return the Blanket LOC upon the termination of this Agreement.

11. RESPONSIBILITY AND INDEMNIFICATION

11.1 No liability to Municipality. The Company hereby acknowledges that the placement, installation, construction, reconstruction, inspection, maintenance, operation, alteration, enlarging, repair, replacement, relocation and/or removal of the Equipment by the Company is performed entirely at the risk of the Company and that the Municipality shall in no way or under any circumstances be responsible or liable to the Company, its contractors, agents, or customers for any damage or losses in consequence thereof, unless due to the negligence of the Municipality or those for whom at law it is responsible.

11.2 Company Indemnity. Subject to subsection 11.5, the Company hereby releases, indemnifies, completely holds harmless, and agrees to defend the Municipality, its

Initials: 

Councillors, officers, employees, legal counsel, agents and contractors, from and against any and all suits, judgments, claims, demands, expenses, actions, causes of action, duties, assessments, fees, penalties, liabilities, losses and costs which the Municipality and its successors and assigns may at any time or times hereafter bear, sustain, or suffer, as a result of the Equipment, including without limitation, its placement, installation, construction, reconstruction, inspection, maintenance, use, operation, alteration, enlarging, repair, replacement, relocation and/or removal of the Equipment or use of the Municipality's road allowance.

- 11.3 **Municipal Acknowledgement.** The Municipality hereby acknowledges that it is responsible for its negligence and the negligence of those for whom it is responsible for at law.
- 11.4 **Municipal Indemnity.** The Municipality hereby releases, indemnifies, completely holds harmless, and agrees to defend the Company, its officers, employees, legal counsel, agents and contractors, from and against any and all suits, judgments, claims, demands, expenses, actions, causes of action, duties, assessments, fees, penalties, liabilities, losses and costs which the Company and its successors and assigns may at any time or times hereafter bear, sustain, suffer, be put to or incur by reason of its negligence and the negligence of those for whom it is responsible at law.
- 11.5 **No liability, both Parties.** Notwithstanding any other provision in this Agreement, neither Party shall be liable to any person in any way for special, incidental, indirect, consequential, exemplary, or punitive damages, including damages for pure economic loss or failure to realize expected profits, howsoever caused, or contributed to, in connection with this Agreement and the performance or non-performance of its obligations hereunder.
- 11.6 **Survival.** The obligation of a Party to indemnify, defend and save harmless the other Party shall survive the termination or expiry of this Agreement.

12. ENVIRONMENTAL LIABILITY

- 12.1. **Municipality not responsible.** The Municipality is not responsible, either directly or indirectly, for any damage to the natural environment or property, including any nuisance, trespass, negligence, or injury to any person, howsoever caused, arising from the presence, deposit, escape, discharge, leak, spill or release of any Hazardous Substance in connection with the Company's occupation or use of the ROWs, unless such damage was caused directly or indirectly by the negligence or wilful misconduct of the Municipality or those for which it is responsible in law.
- 12.2. **Company to assume environmental liabilities.** The Company agrees to assume all environmental liabilities, claims, fines, penalties, obligations, costs or expenses whatsoever relating to its use of the ROWs, including, without limitation, any liability for the clean-up, removal or remediation of any Hazardous Substance on or under the ROWs that result from:
- (a) the occupation, operations or activities of the Company, its contractors, agents or employees or by any person with the express or implied consent of the Company Within the ROWs; or
 - (b) any Equipment brought or placed Within the ROWs by the Company, its contractors, agents or employees or by any person with the express or implied consent of the Company;

unless such damage was caused directly or indirectly in whole or in part by the negligence or wilful misconduct on the part of the Municipality or those for which it is responsible in law.

Initials: _____



13. NO JOINT VENTURE, PARTNERSHIP OR CO-OWNERSHIP

- 13.1 **No Joint Venture.** The Parties hereby acknowledge and agree that this Agreement is solely an access agreement and that no relationship is formed between the Parties in the nature of a joint venture, partnership co-ownership arrangement or other similar relationship.

14. FORCE MAJEURE

- 14.1 **Force Majeure.** Except for the Parties' obligations to make payments to each other under this Agreement, neither Party shall be liable for a delay in its performance or its failure to perform hereunder due to causes beyond its reasonable control, including, but not limited to, acts of God, fire, flood, or other catastrophes; government, legal or statutory restrictions on forms of commercial activity; or order of any civil or military authority; national emergencies, insurrections, riots or wars or strikes, lock-outs or work stoppages ("**Force Majeure**"). In the event of any one or more of the foregoing occurrences, notice shall be given by the Party unable to perform to the other Party and the Party unable to perform shall be permitted to delay its performance for so long as the occurrence continues. Should the suspension of obligations due to Force Majeure exceed six (6) months, either Party may terminate this Agreement without liability upon delivery of notice to the other Party.

15. DISPUTE RESOLUTION

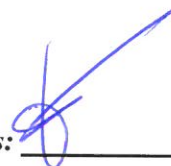
- 15.1 **General.** The Parties hereby acknowledge and agree that:

- (a) this Agreement has been entered into voluntarily by the Parties with the intention that it shall be final and binding on the Parties until it is terminated or expires in accordance with its terms;
- (b) it is the intention of the Parties that all Disputes (as defined in subsection 15.2) be resolved in a fair, efficient, and timely manner without incurring undue expense and, wherever possible, without the intervention of the CRTC; and
- (c) the CRTC shall be requested by the Parties to consider and provide a decision only with respect to those matters which form the basis of the original Dispute as set out in the Dispute Notice issued under this Section 15.2.

- 15.2 **Resolution of Disputes.** The Parties will attempt to resolve any dispute, controversy, claim or alleged breach arising out of or in connection with this Agreement ("**Dispute**") promptly through discussions at the operational level. In the event a resolution is not achieved, the disputing Party shall provide the other Party with written notice of the Dispute and the Parties shall attempt to resolve such Dispute between senior officers who have the authority to settle the Dispute. All negotiations conducted by such officers shall be confidential and shall be treated as compromise and settlement negotiations. If the Parties fail to resolve the Dispute within thirty (30) days of the non-disputing Party's receipt of written notice, the Parties agree to utilize the informal mediation services of the CRTC in an attempt to resolve the Dispute. Should the Dispute fail to resolve using the CRTC's informal mediation process, either Party may submit the Dispute to the CRTC for resolution.

16. NOTICE

Initials: _____



16.1 **Method of Notice.** Any notice or any other communication required or permitted to be given under this Agreement shall be in writing. E-mail correspondence shall be considered to be 'in writing' and shall be deemed effective if and at the time delivery is confirmed to the e-mail addresses of the representative officer of a party listed below or to such other e-mail address as provided by a party in writing during the course of this Agreement to serve as an e-mail address to which notice may be provided. Notice may also be effected if delivered by registered mail or personal delivery and/or by courier with receipt verified by signature, to the officer position noted below for a party or to such other address as may be provided by a party in writing during the course of this Agreement to serve as an address and officer to which notice may be provided. Notice shall be deemed effective at the time of delivery.

16.2 Any notice in writing may be delivered to each of the parties by delivering to the acting officers and addresses set out below:

To the Municipality:

Attn: Director of Public Works & Engineering

Municipality of Middlesex Centre

10227 Ilderton Road

Ilderton, Ontario N0M 2A0

Current Email: cascaden@middlesexcentre.on.ca or to such other email address provided by the Municipality.

To the Company:

Attn: Grant Roughley, Vice President

Address: 5405 Eglinton Ave. W. Suite 214

Toronto, ON M9C 5K6

Tel. no. 519-505-4347

Fax no. 416-595-1044

Email: groughley@nftctelecom.com

16.3 **Delivery of Notice.** Any notice given pursuant to Section 16.1-2 above shall be deemed to have been received on the date on which it can be confirmed to have been delivered, if such delivery occurred during business hours. If the notice was delivered outside of regular business hours of the Party receiving the notice, the notice will be deemed to be delivered on the next regular business day of the Party receiving the notice. Either Party may change its address and/or e-mail address for purposes of receipt of any such communication by giving ten (10) days' prior written notice of such change to the other Party in the manner described above.

17. FOREIGN CORRUPT PRACTICES ACT AND ANTI-BRIBERY INDEMNITY

17.1 Notwithstanding anything to the contrary herein, the Municipality, in its administration of this Agreement, shall refrain from offering, giving or promising, directly or indirectly, money or anything of value to a Canadian or foreign governmental official to influence the official in his or her official capacity, induce the official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person. For the

Initials:  _____

purposes of this Section, "**anything of value**" includes, but is not limited to, cash or a cash equivalent, discounts, gifts, use of materials, facilities or equipment, entertainment, drinks, meals, transportation, lodging, insurance benefits, or promise of future employment. "Governmental official" shall mean any person holding any level of legislative, administrative, or judicial office of the Canadian or a foreign government or any of its departments or agencies or divisions; any person acting on behalf of the Canadian or a foreign government, including a local or provincial agency, enterprise, or organization; any official or agent of a Canadian or a foreign public administration or publicly funded organization; any official of a Canadian or a foreign political party; any officer or agent of a public international organization (e.g., World Bank, International Monetary Fund, World Health Organization, United Nations, World Trade Organization); or any relatives or close family/household members of any of those listed above. The Municipality shall indemnify and hold harmless the Company from all claims brought against the Company as a result of the Municipality or its representatives' failure to comply with Anti-Bribery Law. The Municipality shall immediately report any breach of Anti-Bribery Law by the Municipality or its representatives. The Municipality shall immediately report any breach of Anti-Bribery Law by the Municipality or its representatives'. The Company shall have the right to audit the Municipality books and records with respect to payments made on behalf of the Company in the event that the Company believes that the Municipality has violated this Section 17. The Company shall have the right to immediately terminate all payments to the Municipality under this Agreement if the Municipality fails to comply with this Section 17.

18. GENERAL

- 18.1 **Entire Agreement.** This Agreement, together with the Schedules attached hereto, constitute the complete and exclusive statement of the understandings between the Parties with respect to the rights and obligations hereunder and supersedes all proposals and prior agreements, oral or written, between the Parties.
- 18.2 **Assignment.** This Agreement may not be assigned or transferred, in whole or in part, without the prior written consent of the other Party. Notwithstanding the foregoing, the Company shall, provided that it is not in material breach of this Agreement, have the right to assign this Agreement to an Affiliate without the consent of the Municipality, provided that the Company has given notice to the Municipality.
- 18.3 **Gender and number.** In this Agreement, words importing the singular include the plural and vice versa, words importing gender, include all genders.
- 18.4 **Currency.** Unless otherwise indicated, references in this Agreement to money amounts are to the lawful currency of Canada.
- 18.5 **Parties to act reasonably.** Each Party shall at all times act reasonably in the performance of its obligations and the exercise of its rights and discretion under this Agreement.
- 18.6 **Amendments.** Except as expressly provided in this Agreement, no modification of or amendment to this Agreement shall be effective unless agreed to in writing by the Municipality and the Company.
- 18.7 **Survival.** The terms and conditions contained in this Agreement that by their sense and context are intended to survive the performance thereof by the Parties hereto shall so survive the completion of performance, the expiration and termination of this Agreement, including, without limitation, provisions with respect to indemnification and the making of any and all payments due hereunder.
- 18.8 **Waiver.** Failure by either Party to exercise any of its rights, powers or remedies hereunder or its delay to do so shall not constitute a waiver of those rights, powers or remedies. The

Initials: _____



single or partial exercise of a right, power or remedy shall not prevent its subsequent exercise or the exercise of any other right, power or remedy.

- 18.9 **Severability.** If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision and everything else in this Agreement shall continue in full force and effect.
- 18.10 **Enurement.** This Agreement is and shall be binding upon and inure to the benefit of the Parties hereto and their respective legal representatives, successors, and permitted assigns, and may not be changed or modified except in writing, duly signed by the Parties hereto.
- 18.11 **Counterparts:** This Agreement may be executed by the Parties and delivered by facsimile or PDF transmission and in one or more counterparts which when held together shall be considered one and the same Agreement.
- 18.12 **Equitable Relief.** Either Party may, in addition to any other remedies it may have at law or equity, seek equitable relief, including without limitation, injunctive relief, and specific performance to enforce its rights or the other party's obligations under this Agreement.
- 18.13 **Governing law.** This Agreement shall be governed by the laws of the Province of Ontario and all federal laws of Canada applicable therein.

[ONE (1) ENDORSEMENT PAGE FOLLOWS]

Initials: 

IN WITNESS WHEREOF this Agreement has been executed by the Parties hereto on the date(s) set out below and the Parties agree that this Agreement shall be effective on the date as set out at the top of page one (1) of this Agreement.

SIGNED, SEALED AND DELIVERED
in the presence of:

**MUNICIPALITY OF MIDDLESEX
CENTRE**

Date: September 7, 2022

Per: James Hutson
Title: Clerk

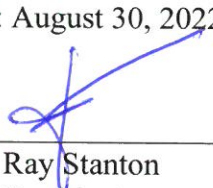
Per: Aina DeViet
Title: Mayor

We have the authority to bind the Corporation

SIGNED, SEALED AND DELIVERED
in the presence of:

**NORTH FRONTENAC COMMUNICATIONS
INC.**

Date: August 30, 2022



Per: Ray Stanton
Title: President

Date: _____

August 30/2022

I/We have the authority to bind the Corporation

Initials: _____



SCHEDULE "A"

RELOCATION COSTS

1. **Reimbursement by Municipality for the Company's Relocation Costs.** The Municipality shall reimburse the Company for all or part of its reasonable and verifiable costs of completing any relocation requested by the Municipality (the "**Relocation Costs**") based upon the following principles, methodologies and procedures:

- (a) For Equipment that is not located within 1 metre measured horizontally from the location approved by the Municipal Consent or "standard location", as the case may be, there shall be no cost to the Municipality to relocate the Equipment.
- (b) For Equipment for which a Permit was issued the Municipality shall pay the percentages of the Company's Relocation Costs ("in kind" or "like-for-like" Equipment) set out in the following table:

Year(s) After Installation of Plant	Percentage of Relocation Costs Paid by the Municipality
1	100%
2	100%
3	100%
4	90%
5	80%
6	70%
7	65%
8	60%
9	55%
10	45%
11	40%
12	35%
13	30%
14	20%
15	10%
16	5%
17 onwards	0%

Notwithstanding the chart above, in the event that a requirement to relocate the Company's Equipment is initiated by the Municipality, the ~~portion of~~ costs of the Municipality initiated relocation which are a direct result of work undertaken by or on behalf of the Municipality for beautification, aesthetics, and similar purposes (including without limitation, depreciation, betterment and salvage costs) will be entirely borne by the Municipality.

- (c) Within thirty (30) days of receiving the request from the Municipality to relocate the Equipment, the Company shall provide the Municipality with a written estimate of the Relocation Costs for such relocation, including an estimate of the Municipality's reimbursement under the subsection (b).
- (d) Within ninety (90) days of completing the relocation, the Company may provide the Municipality with a written invoice for the actual Relocation Costs in a format that clearly identifies the Municipality's reimbursement under subsection (b) and delineates materials, labour, and any other project costs.

Initials: 

2. **Equipment affected by the Municipality's Capital Works Plan.** Prior to the issuance of a Permit, the Municipality will advise the Company in writing whether the Company's proposed location for new Equipment will be affected by the Municipality's five-year (5 year) capital works plan (the "**Capital Works Plan**"). If the Municipality advises that the new Equipment will be so affected and the Company, despite being advised of such, requests the Municipality to issue the Permit, then the Municipality may issue a conditional Permit stating that, if the Municipality requires, pursuant to any project identified in the Capital Works Plan as of the date of approval, the Company to relocate the Equipment within five-year (5 years) of the date of the Permit, the Company will be required to relocate the Equipment at its own cost, notwithstanding Section 1 above.
3. **Municipality not responsible for Third Party Relocation Costs.** Unless otherwise agreed to between the Municipality and the Third Party, in no event shall the Municipality be responsible under this Agreement for:
 - (a) the costs of the Company to relocate Equipment at the request of a Third Party; or
 - (b) the costs of relocating the facilities of a Third Party installed on or in the Equipment; or
 - (c) the costs of the Company to relocate Equipment where the Company is a Third Party to the owner of the Equipment.
4. **Emergency temporary relocation.** In cases of an Emergency that requires the Company to temporarily relocate the Equipment, the Parties shall work co-operatively and expeditiously to complete the relocation as soon as practicably possible; provided, however, that the Municipality may, with at least twenty-four (24) prior notice to the Company, take any measures it deems necessary for reasons of public health and safety.
5. **Relocation performed by Municipality.** If the Company fails to complete the relocation in accordance with Section 7.1 of this Agreement, the Municipality may, at its option, complete such relocation and the Company shall pay the Municipality's reasonable and verifiable costs of the relocation.
6. **Discontinuance of ROW.** Where the Municipality authorises the legal closing of a ROW under its jurisdiction as a public highway either by Court Order or By-law, the Municipality shall only be responsible for registering an easement in favour of the Company for Equipment already installed and shall not be responsible for the Company's future use.

Initials:  _____

SCHEDULE "B"

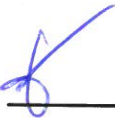
FEES, PERMITS AND SECURITY

**All references to legislation, by-laws and fees in this Schedule shall be interpreted as references to those by-laws and fees as they may be amended, superseded or replaced from time to time.*

<u>Permit Fees, Loading Factor, and Individualized Permit Security</u>		
<u>Standards Reference</u>	<u>Permit Required with Appropriate Application</u>	<u>Cost of Roads Permit and Loading Factor</u>
This <i>Schedule "B"</i>, the definitions of "Roads Permit" and "Work" herein, subject to the provisions of <i>Schedule "C"</i>; Municipal Standards as defined herein, including design standards, cross-section and guidelines; The equivalent weight specifications set out in the <i>Highway Traffic Act</i>, R.S.O. 1990, Chapter 198, used in application to Municipal roads	Approval is required by obtaining a Roads Permit from the Municipality, as defined herein, authorizing Work in, on, over, or below Municipal RUAs. The Municipality has three types of Roads Permits which provide for all approvals of Work: an Entrance Permit, a Road Occupancy Permit, and a Moving Oversize Load/Weight Vehicles on Municipal Roads Permit. All construction in RUAs must adhere to the cross-section approved by the Municipality's Public Works Department & Engineering Department. Moving Oversize Load/Weight Vehicles on Municipal Roads requires a Moving Oversize Load/Weight Vehicles on	Entrance Permit: \$300.00 subject to any CPI index for the coming year in Ontario, as determined by Statistics Canada + a fee in the amount of the Loading Factor, as defined herein, + individualized Entrance Security at the discretion of the Public Works & Engineering Department of the Municipality which is secured by the Blanket LOC. Road Occupancy Permit: \$150.00 subject to any CPI index for the coming year in Ontario, as determined by Statistics Canada + a fee in the amount of the Loading Factor, as defined herein, + individualized Road Occupancy Security at the discretion of the Public Works & Engineering Department of the Municipality which is secured by the Blanket LOC. Moving Oversize Load/Weight Vehicles on Municipal Roads Permit: \$150.00 subject to CPI increases determined applicable in Ontario by Statistics Canada + a fee in the amount of the Loading Factor, as defined herein + individualized Road Occupancy Security at the discretion of the Public Works & Engineering Department of the Municipality which is secured by the Blanket LOC.

Initials: _____

	Municipal Roads Permit (via application with utility company and emergency services sign-offs) where the dimensions or weight of the vehicle and/or load exceeds the same limits set out in the <i>Highway Traffic Act</i> for Provincial roads.	
Pavement Degradation Fees		
<u>Standards Reference</u>	<u>Fee Amount</u>	
This <i>Schedule "B"</i> and section 5.2 of this Agreement.	\$14.00/square metre to \$35.00/square metre based on the pavement condition index contained in the Municipality's road needs study, subject to any CPI index for the coming year in Ontario, as determined by Statistics Canada	
Fee Amendments		
In the event there is a <i>bona fide</i> reason to adjust any fees in this <i>Schedule "B" Fees, Permits and Security</i> beyond any CPI index for the coming year in Ontario, as determined by Statistics Canada (which includes any municipal restructuring of the manner in which the Municipality generally administers causal costs, roads permits, individualized permit security and road degradation fees), the Municipality shall negotiate the additional increase with the Company, and amend this <i>Schedule "B" Fees, Permits and Security</i> accordingly.		

Initials: 

SCHEDULE "C"

PERMITS REQUIRED

WORK ACTIVITY	i.e. Roads Permit	Notification Only	No Further Permit or Notification
Any installation of Equipment that requires excavation in the ROW, including: – the installation of buried Equipment crossing a road; – the installation of new Above-ground Equipment; – the relocation of buried Equipment or Above-ground Equipment; – the replacement of existing Above-ground Equipment with equipment that is significantly larger; and – the installation of buried Service Drops that cross a road or a break a hard surface of the ROW.	X		
The installation of aerial Equipment (excluding aerial Service Drops)	X		
Any work that requires traffic control or blocks any portion of the travelled portion of a highway including sidewalks, pathways, and bike lanes	X		
Tree trimming on ROWs	X		
The replacement of existing Above-ground Equipment with nominal disturbance and without adding more Equipment or significantly increasing its size (pole replacements excluded)		X	
The installation and repair of buried Service Drops that do not cross a road or break the hard surface of a ROW (excavation excluded)		X	
Utilizing existing ducts or similar structures of the Equipment or pulling cable through existing underground duct (excavation or removal of material excluded)		X	
The installation of or repair to aerial Service Drops			X
The maintenance, testing and repair of Equipment where there is no physical disturbance or changes to the ROW (excavation or removal of material excluded)			X
Any other Work activity agreed to by the Municipality			X

Note: Depending on the scope of the Work a Roads Permit may be: i) an Entrance permit; ii) a Road Occupancy Permit; or iii) Moving Oversized Load/Weight Vehicles on Municipal Roads Permit.

Initials: 