

APPENDIX B

**MODEL AGREEMENT FOR
LICENSED OCCUPANCY OF POWER UTILITY DISTRIBUTION POLES**

THIS AGREEMENT FOR LICENSED OCCUPANCY OF POWER UTILITY DISTRIBUTION POLES
made in duplicate this _____ the day of _____, 2004 but effective as of the 1st day of January, 1997.

BETWEEN:

LOCAL DISTRIBUTION COMPANY

a corporation incorporated pursuant to the laws of the
Province of Ontario (the "Company")

OF THE FIRST PART,

-AND-

a corporation incorporated pursuant to the laws of the * of *
(the "Licensee")

OF THE SECOND PART.

WHEREAS the Licensee wishes to place, affix or attach or continue to place affix or attach, as the case may be, Attachments (defined below) to poles owned by the Company and the Company has agreed to grant such license to the Licensee for said purpose and upon the terms and conditions as herein contained in this License;

WHEREAS the parties acknowledge that this License shall be of mutual advantage and shall provide an environment that maximizes the efficiencies and effectiveness of Joint Use (defined below) to better serve the parties' respective customers;

WHEREAS the parties agree to deal with each other with due consideration for the safety of their respective employees, agents, servants and contractors and the preservation of each other's property and assets and the interests of their respective customers;

WHEREAS the parties shall encourage open and effective communication between all Joint Use Pole (defined below) users regarding joint planning for the use of such Joint Use Poles; and

WHEREAS both parties acknowledge and agree that while the environment in which they work and provide service has both mechanical and construction safety issues, electrical safety shall be of paramount importance in the joint planning, design, placement, maintenance and removal of Attachments on or along the Joint Use Poles; and

WHEREAS the parties acknowledge and agree that multiple occupancy of Joint Use Poles should satisfy economical, environmental and aesthetic benefits and should be effected in such a manner as to maximize the efficiencies and effectiveness of Joint Use and better serve each party's customers.

NOW THEREFORE in consideration of the mutual Licenses and the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the parties hereto agree as follows:

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1.0 DEFINITIONS:

As used in this License, unless the subject-matter or context is inconsistent, the following terms shall have the following meanings:

"Application" means the form attached hereto as Schedule "B", the format of which may be revised from time to time by the Company in consultation with the Licensee, to be completed and submitted to the Company by the Licensee when the Licensee wishes to place its attachments on the Joint Use Poles in accordance with the terms and conditions of this License.

"Attachment(s)" means any material, apparatus, equipment or facility owned, in full or in part or operated by the Licensee, including but not limited to strand/messengers (regardless of the number of cables lashed to an individual strand) cables and drop wires, suspended drive hooks, guy wires, splice terminals/boxes, laterals and associated equipment for the purpose of providing Telecommunications Services and to be attached to, either by being carried on or supported by the Joint Use Pole(s), including, but without limiting the generality of the foregoing:

- Licensee owned cable not directly attached to the Joint Use Pole but overlashed to a cable or messenger of a third party;
- Service Drops affixed directly to Joint Use Pole(s);
- Service Drops attached directly to a Joint Use Pole or attached In-Span off the Joint Use Pole to a strand or messenger supported by Joint Use Pole(s); and
- Service Drops owned by the Licensee that emanate from a telecommunication cable of the Licensee and attaching to a Joint Use Pole, shall be included within the scope of this definition.

"Emergency" means a situation in which there is a risk of bodily injury or death or an imminent or existing interruption of power or service to customers.

"Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgement in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in North America.

"Hazardous Condition" means a structural/mechanical or electrical hazard that has the potential to cause harm or injury to persons or property which requires specific work conditions until the hazard is removed.

"In-Span" means a position between the Joint Use Pole(s).

"Joint Use" means the use of a Joint Use Pole to support attachments of any person who has a Joint Use of Pole agreement with the Company. Such agreement shall contain the same terms used in this License.

"Joint Use Pole(s)" means a pole(s) owned or operated by the Company which supports Attachments, attachments and other equipment and facilities of the Company and/or third parties.

"License" means this agreement and includes Schedules "A" and "B" attached hereto, which are to be read with and form part of this License.

"Limits of Approach" means the distance that must be maintained between personnel and/or equipment and exposed live electrical apparatus in order to work safely as provided in the *Occupational Health and Safety Act*, R.S.O. 1990 c. 0.1, as amended and/or Part II of the *Canada Labour Code*, R.S.C. 1985, c.L.2, as amended, and all applicable regulations thereto.

"Line clearing" means the provision of adequate neutral clearance from tree interference for all attachments carried on, to, or supported by Joint Use Poles, and includes underbrushing, tree removal, cabling or guying of trees, pruning or trimming, treatment of cuts, application of herbicidal sprays and disposal of debris.

"Make-ready Work" means that work which is necessary and required solely for the purpose of directly accommodating the Attachment(s) to a Joint Use Pole and includes, but is not limited to, initial line clearing any changes or additions to or Rearrangement of the applicable Joint Use Pole or the Company's attachments resulting from such Attachment. Without restricting the generality of the foregoing, Make-ready Work does not include the replacement of defective poles, or previously scheduled betterment programs initiated by the Company.

"Permit" means the approved Application evidenced by the signature of the Company's [Manager or Director] who is duly authorized by the Company to approve such Applications in accordance with the terms and conditions of this License.

"Pole Rental COLI Components" means the following components of the Pole Rental Rate: maintenance component, loss of productivity component and administration costs.

"Pole Rental Rate" means the annual fee payable by the Licensee to the Company pursuant to the terms of this License.

"Rearrange" or "Rearrangement" means the removal of attachments or Attachments from one position on a Joint Use Pole and placing the same attachment or Attachments and such incidental material as may be required in another position on the same Joint Use Pole.

"Service Drop(s)" means telecommunication facilities that are self-supporting and are used to supply Telecommunication Services to one or more customers of the Licensee.

"Standards" means the Canadian Standard Association Standard C22.3 No. 1-M87 "Overhead Lines" or the Company' Distribution Standards where such Distribution Standards are more stringent, as either may be amended or updated from time to time hereafter upon notification by the Company to the Licensee.

"Telecommunication Services" is as defined in the *Telecommunications Act* (federal).

"Transfer" means the removal and/or relocation of attachments or Attachments from one Joint Use Pole and placing the same attachments or Attachments and such incidental materials as may be required on another Joint Use Pole.

2.0 TERM:

2.1 Subject to Section 17.0 herein, the term of this License shall be for the period commencing on January 1, 1997 and ending December 31, 2007 (the "Initial Term") and shall thereafter be automatically renewed for successive periods of one (1) calendar year each upon the same terms and conditions contained herein (the Initial Term and renewal periods are collectively referred to as the "Term"); provided that, either party may terminate this License at any time after the expiry of the Initial Term by providing at least six (6) calendar months prior written notice of termination to the other party, which notice may be given prior to the expiry of the Initial Term or the current one (1) year renewal period.

2.2 This License shall have force and effect as of January 1, 1997 and thenceforth any prior agreements made between the parties providing for Joint Use of Joint Use Poles shall be void and of no effect. Notwithstanding the foregoing, any Permits presently in force and which authorize Joint Use shall be deemed to be Permits under the terms and conditions of this License.

3.0 EXISTING ATTACHMENTS

3.1 Both parties agree that Attachments placed by the Licensee in conformance with the Standards shall be considered to remain in conformance with the Standards in the event that the Standards are revised, updated or amended after the Attachment is completed, except when the Standards are revised, updated or amended to address a Hazardous Condition.

4.0 APPLICATION FOR JOINT USE AND GRANT OF LICENSE:

4.1 The Company hereby grants to the Licensee, the right to place Attachments on the Joint Use Pole(s) in the locations specified to the Company on the Permit or Permits for the Term of this License

4.2 In the event the Company determines that a Joint Use Pole the Licensee makes Application for Attachment requires Make-Ready Work the Company shall forward to the Licensee the details of such Make-Ready Work along with a firm cost estimate of the charges. The firm cost estimate shall remain valid for a period of ninety (90) calendar days. If the Licensee authorizes the Company to proceed with the Make-Ready Work, the Licensee shall pay the Company the firm estimate of the costs for the Make-ready Work performed by the Company by no later than thirty (30) calendar days of the date of the Licensee's receipt of the invoice rendered by the Company therefor. Where the Company's actual costs exceed the firm estimate, the Licensee shall pay such actual costs to a maximum of the firm estimate plus ten percent (10%).

4.3 Whenever the Licensee desires to modify, Rearrange, Transfer, add to or remove Attachments (with the exception of Service Drop(s) and strand-mounted or cable-mounted equipment), the parties shall proceed in accordance with the terms and conditions as set out in this License.

5.0 INSTALLATION, MAINTENANCE AND OPERATION OF JOINT USE POLES:

5.1 In the event that the Company determines that there is an incidental Hazardous Condition, which includes, but is not limited to, deteriorated or defective Company attachments and/or Joint Use Poles, the Company shall mark or band the Joint Use Pole(s) where the electrical or mechanical hazard exists and shall correct the Hazardous Condition depending on its severity within twenty-four (24) hours but in no event any longer than thirty (30) calendar days.

5.2 Where a potential or actual Hazardous Condition is determined by the Company to be wide spread, the Company shall notify the Licensee in writing of the potential safety risk and the nature of the hazard, as soon as reasonably possible, quantify, mark or band the Joint Use Pole(s) where the Hazardous Condition exists and shall correct the Hazardous Condition within such reasonable time frame as possible. Until such time that the Company has remedied the Hazardous Condition, the Company shall offer protection to the Licensee and its employees and contractors at no cost until such time as the condition is corrected.

5.3 Both parties acknowledge and agree that if the Licensee proceeds to work on its Attachments located on the applicable Joint Use Pole(s) after receiving such notification by the Company of the Hazardous Conditions and prior to the Company having rectified or replaced the said attachments and/or Joint Use Pole(s), the Licensee shall do so at its own risk and shall assume all risk of damage, loss or injury to its Attachments or to attachments of third parties and to its employees, servants, agents, representatives, contractors and other persons acting on its behalf in performing the work and third parties.

5.4 Subject to the foregoing, the Company shall at all times and at its sole expense maintain its Joint Use Pole(s) and all of its own supporting attachments in a safe and serviceable condition and in accordance with the Standards and repair or replace such of said attachments and/or Joint Use Pole(s) as they become defective, deteriorated or unsafe or show signs of Hazardous Conditions.

6.0 INSTALLATION, MAINTENANCE AND OPERATION OF ATTACHMENTS:

6.1 During the Term of this License, the Licensee covenants and agrees that it will:

- (a) only attach its Attachments (other than Service Drop(s)) to Joint Use Poles in locations identified in a Permit approved by the Company for those particular Attachments;
- (b) attach its Attachments in such a way so as not to interfere with the existing lines, works or equipment of the Company or of other permitted users of the Joint Use Poles; and
- (c) attach its Attachments in accordance with the terms and conditions herein;
- (d) not attach any of its Attachments (other than Service Drop(s)) until the Company has approved the Application for the particular Attachments;
- (e) work in conjunction with the Company to develop a mutually satisfactory standard for labeling Attachments that would include a method of identifying the type and owner of the Attachment, placement of the identification tag and develop an implementation plan with a view to have the standard implemented on or before the end of the Initial Term.

6.2 The Licensee shall at all times and at its sole expense, and in accordance with the terms and conditions of this License:

- (a) maintain and operate its Attachments in a safe and serviceable condition;
- (b) replace its Attachments as determined by the Licensee from time to time; and
- (c) remove its Attachments that are no longer required for providing or being used to provide Telecommunication Services to the Licensee's customers.

6.3 Notwithstanding any provision contained hereunder to the contrary, the Licensee may add or alter Service Drops when attached to a Joint Use Pole or In-span for which the Joint Use Pole (or nearest Joint Use Pole if In-span) without reporting the addition or alteration to the Company. If the Joint Use Pole is not included in an existing Permit, the Service Drop must be reported to the Company and an Application of Permit made within thirty (30) calendar days.

6.4 The Licensee shall, at its sole cost, Rearrange or temporarily remove any of its Attachments, at the Company's written request, where this is required for purposes of the placement, Rearrangement, maintenance or removal of any of the Company's attachments. The Licensee will perform such work within ninety (90) calendar days (or such other period of time agreed to between the parties) after being notified in writing by the Company to do so, or within a shorter period of time in case of an Emergency, as may be determined by the Company using Good Utility Practice and which shall be relayed to the Licensee with reasons therefor. If the Licensee is unable to comply with any such notice, or in the event of Emergency requiring immediate action, the Company may perform the said work, or cause the said work to be performed by others and the Licensee shall pay the Company costs.

7.0 RIGHT OF WAY:

7.1 The Company grants to the Licensee, its employees, agents, contractors and subcontractors the right of ingress and egress on, under, or over the lands on which the Joint Use Poles are situate either on foot or by means of vehicles or necessary equipment to install, operate, maintain, repair, replace and remove the Licensee's Attachments on and to the Joint Use Poles to the extent such easements, rights of way, licenses, authorities, permits, arrangements and other agreements relating to the grant of right and interests in or access to the real property underlying the Joint Use Poles and in accordance with the provisions of Section 42 of the Electricity Act, 1998.

7.2 Subject to Section 7.1 above, the Licensee shall be responsible for obtaining any and all other easements, rights of way, licenses, privileges, authorizations, permissions or other land rights from others including authorization or permission to locate on municipal or provincial road allowances or any other applicable authorization or permission required from any municipal, provincial or federal government or any agency, body or board thereof having jurisdiction, as may be necessary for the placement, operation and maintenance of its Attachments upon and along the Joint Use Poles provided for in a Permit and if the Licensee fails to comply with the provisions of this clause, it shall indemnify the Company from and against any and all claims or demands or other liability resulting from such failure.

7.3 In the event that an easement, right of way, license, privilege, authorization, permission or other land right referred to in section 7.2 becomes the subject of a dispute with a property owner, municipality or other directly interested party, the Licensee shall take all reasonable steps to resolve that dispute and will, in the event it cannot resolve the dispute amicably cause it to be adjudicated before a court, tribunal or regulatory body having jurisdiction. The Licensee shall forthwith after it is rendered, abide by the final decision of that court, tribunal or regulatory body after any appeals or reviews have been decided. Notwithstanding the foregoing, should the property owner, municipality or other directly interested party obtain a mandatory injunction requiring the Company to remove or have the Attachments removed, the Licensee shall forthwith comply with the terms of the injunction as if the injunction was issued against the Licensee instead of the Company. If the Licensee does not comply within forty-eight (48) hours of being notified by the Company, the Company may remove or cause the Attachments to be removed by others at the risk of damage to the Licensee's Attachments and the Licensee shall pay the Company's costs. Nothing in this clause shall be deemed to confer on the Licensee any authority to continue to occupy the Joint Use Pole or otherwise to infringe upon any rights of such property owners, municipalities or other persons.

8.0 SAFETY AND COMPLIANCE WITH APPLICABLE LAWS:

8.1 Each party agrees that it, its employees, agents, representatives, contractors or subcontractors in the performance of each party's obligations and the exercise of each party's rights under this License shall at all times:

- (a) Comply with all applicable laws, rules, orders, ordinances, regulations and other rules of all lawful authorities acting within their powers;
- (b) Comply with the Company's safety practices as provided by the Company from time to time to the Licensee;
- (c) Carry out work according to the Limits of Approach; and
- (d) Ensure that all of its employees, agents, representatives, contractors or subcontractors engaged in the Transfer, Rearrangement, placement, maintenance, operation and removal of Attachments and/or other attachments or equipment to or from the Joint Use Poles are qualified to deal with electrical hazards in accordance with the requirements of the *Occupational Health & Safety Act*, (Ontario) as amended and all applicable regulations thereto including, Construction Projects – O. Reg. 213/91 or Part 11 of the Canada Labour Code, R.S.C. 1985, c. L.2, as amended and all applicable regulations thereto, whichever is more stringent.

9.0 OWNERSHIP

9.1 All Attachments of Licensee shall be and remain at all times the Licensee's sole property and no Attachment to a Joint Use Pole hereunder shall create or vest in the Company any ownership or property rights in the said Attachments.

9.2 All Joint Use Poles shall remain the property of the Company and any payments made by the Licensee for changes to the Joint Use Poles, and the use of space on any Joint Use Pole by the Licensee shall not entitle the Licensee to ownership of or any other right, title or interest in or to such Joint Use Pole other than the license specifically granted under this License.

10.0 TREE TRIMMING:

10.1 The trimming or removing of trees, underbrush or any other items as required for routine maintenance for the Licensee's Attachments shall be the sole responsibility of the Licensee. However, the Licensee and the Company may, by mutual consent, make arrangements regarding provision of tree trimming or line clearing services. If the Licensee fails to engage in the requisite trimming or removal within seven (7) calendar days of notification from the Company, the Company may undertake such work or arrange for it to be completed and the Licensee shall reimburse the Company for the Licensee's proportionate share of the tree trimming and line clearing costs. The Licensee's proportionate share of the direct costs incurred by the Company shall be submitted by an invoice to the Licensee and the Licensee shall pay such amount within thirty (30) calendar days of the date the Licensee's receives the invoice. If the Licensee fails to pay any invoice within thirty (30) calendar days of receipt of such invoice, the provisions of Article 19 apply and the Company may invoke any or all of the measures detailed in Article 19.

10.2 The Company shall be responsible for all other routine tree trimming or line clearing costs and expenses.

11.0 POLE RENTAL RATES:

11.1 In consideration of the grant of License herein, the Licensee shall, during the Term of this License, pay the Company an annual Pole Rental Rate of \$15.65 for each Joint Use Pole where there are Attachments but excluding Services Drops. For greater certainty, the formula to determine the annual Pole Rental Rate shall be as shown in Schedule "A" attached.

11.2 Both parties acknowledge and agree that the Pole Rental COLI Components may be increased from year to year commencing on January 1, 2004 by the Company, as follows: by any increase to the full Cost of Living Index for Ontario ("COLI") as reported for September of the previous year. Any increase will be noted on the Company's invoice.

11.3 The Licensee shall pay and indemnify and save harmless the Company against all taxes, rates, assessments, or fees of every nature and kind which are levied directly upon Attachments designated on a Permit or any other taxes, rents, assessments or fees levied directly by reason of the rights granted to the Licensee by this License. Notwithstanding the foregoing, the Licensee shall have the right, at its option and expense, to contest any such taxes or other levies, or other fees or charges and suspend payment of the same to the Company or such government or public authority until such time as the matter is definitively determined by a non-reviewable order or other decision of a regulatory or judicial body having jurisdiction; provided that, such suspension of payment shall not result in the Company incurring any liability for such taxes, levies or other fees or charges. The Company agrees to cooperate and assist with any such contest or appeal of taxes, as may be reasonably required by the Licensee.

11.4 The Pole Rental Rate for any given year, during the Term of this License, shall be invoiced by the Company to the Licensee and the Licensee has the option of making a lump sum payment by no later than sixty (60) calendar days after receipt of the invoice or making payments on the basis of quarterly installments to be paid on or before the first days of January, April, July and October in each calendar year during the Term.

11.5 Throughout this License, any reference to the Company's costs means the Company's charge for labour, equipment and materials for any work performed by Company hereunder at the Company's standard rates plus the Company's standard overheads charged to all parties having attachment or use of Joint Use Poles. By no later than January 1, 2004 and annually thereafter if the Company wishes to make any changes, the Company shall notify the Licensee of the fixed unit prices applicable to any work where the Licensee has to pay the Company costs.

12.0 UNAUTHORIZED ATTACHMENTS:

12.1 If at any time during the Term of this License an Attachment(s) is attached without an Application being approved by or on behalf of the Company for such Attachment(s), where the Company determines, in its sole and absolute discretion, to be feasible to do so, the Licensee may submit a revised or new Application to reflect the Attachment(s) and where the revised or new Application is approved by the Company, the said Attachment(s) become authorized and can remain on the Joint Use Poles subject to the terms and conditions of this License. If the Company determines that the Attachment has the potential to cause harm or injury to persons or property which are only correctable by removal of such Attachment(s) then the Licensee shall remove the particular unauthorized Attachment(s) as requested by the Company, failing which the Company shall have the right to forthwith remove any and all unauthorized Attachment(s) and to charge the Licensee for all costs incurred by the Company as a result of the removal of such unauthorized Attachment(s).

12.2 In addition to the Pole Rental Rate payable for authorized Attachment(s), the Licensee agrees to pay to the Company the total Pole Rental Rate for unauthorized Attachment(s) commencing from the date upon which the unauthorized Attachment(s) are placed on the Joint Use Poles or for a period of five (5) years whichever is greater, the total Pole Rental Rate being calculated by using the Pole Rental Rate for the current year for such Attachment(s). The parties agree that the total Pole Rental Rate for unauthorized Attachments herein provided

shall be deemed to be fair and just in the circumstances and shall be treated as liquidated damages and not as a penalty. Should the number of unauthorized Attachment(s) exceed 2% of the number of Joint Use Poles for which Permits have been granted, the Licensee will also pay to the Company twenty percent (25%) of its labour costs associated with the audit wherein the Company discovered the unauthorized Attachment(s). Notwithstanding the foregoing, the parties agree that Service Drop(s) will not be treated as unauthorized Attachments for the purposes of this License.

13.0 TRANSFER AND RELOCATIONS

13.1 Notwithstanding any provision contained hereunder to the contrary and subject always to the proviso contained at the end of this section, the Licensee will be responsible for its own costs for any Transfer and/or relocation of the Attachments the Company deems reasonably necessary due to the constructing, reconstructing, changing, altering or improving of any portion of the Joint Use Poles; provided always, if the Company requests the relocation of the Attachments within five (5) calendar years of the initial installation of the Attachments the Company agrees to share the costs on a cost-sharing formula with respect to the Licensee’s Attachments between the Company and the Licensee as follows:

Year of Placement	Licensee	Company
0 to 1	0%	100%
1 to 2	20%	80%
2 to 3	40%	60%
3 to 4	60%	40%
4 to 5	80%	20%
5+	100%	0%

The Licensee’s Transfer and relocation costs shall include actual and reasonable labour, engineering, equipment and material costs at the Licensee’s current rates. The Company shall give the Licensee a minimum of sixty (60) calendar days notice of such work, except in an Emergency, in which case the Company will only be required to give the Licensee notice of such work as soon as reasonably possible.

13.2 In the event the Attachments require Transfer and relocation or replacement at the request of a third party, the Licensee shall negotiate payment of its costs with the third party. The Company shall not Transfer or relocate any Attachments prior to receiving the Licensee’s written notification that it has reached an agreement with the third party with respect to its relocation costs except that, if the Licensee has not reached agreement with the third party within thirty (30) calendar days, the Company may impose such relocation terms not inconsistent with this Agreement as it considers reasonable and the Licensee will indemnify the Company in respect of any costs it incurs as a result of any third party’s objection to the Ontario Energy Board in respect of such terms.

14.0 EXISTING RIGHTS OF OTHERS:

14.1 If the Company has granted to any other individual, partnership, corporation or any other entity or person that is not a party to this License, by contract or otherwise, rights or privileges to use any of its Joint Use Poles not covered by this License, nothing herein contained shall be construed as affecting such rights or privileges if and when this License is made applicable to such Joint Use Poles, and the Company shall have the right, by contract or otherwise, to continue and extend such existing rights or privileges.

14.2 The Company shall not grant to any third party by contract or otherwise, rights or privileges to use any Joint Use Poles used by the Licensee or any poles for which it has given permission for such Joint Use by the Licensee, unless the Company includes a requirement substantially the same as Section 14.1 above in the Company’s agreement with the third party.

14.3 Notwithstanding Sections 14.1 and 14.2 above, the Company shall ensure that its equipment or attachments or the equipment or attachments of any third party that it may from time to time grant rights to use the Joint Use Pole(s) during the Term shall not interfere with or impair the function and operation of the Licensee’s Attachments.

15.0 LIABILITY, DAMAGE AND INDEMNIFICATION:

15.1 The Licensee does hereby assume all reasonable risk of damage to or loss of its Attachments howsoever caused, and does for itself and its successors and assigns hereby release and forever discharge the Company, its successors and assigns, its employees, agents, servants and representatives from all claims and demands with respect thereto except for such loss and damage caused by the Company's negligence or willful misconduct and/or from the negligence or willful misconduct of those it is at law responsible. The Licensee does hereby agree to indemnify and save harmless the Company, its successors and assigns, its employees, agents, servants and representatives from and against all damage, loss or injury to persons or property which may be suffered or which may hereafter be sustained or incurred by reason of or in any way relating to, arising from, or based upon the exercise by the Licensee of the permission herein granted or the performance of or non-performance of the Licensee of any of its obligations or covenants in this License and all manner of actions, suits, causes of action, proceedings, charges, expenses, risks, liabilities, debts, obligations, duties, claims and demands in connection therewith, except where the foregoing is caused by the Company's negligence or willful misconduct and/or from the negligence or willful misconduct of those it is at law responsible.

15.2 The Company does hereby assume all reasonable risk of damage to or loss of the Joint Use Poles howsoever caused, and does for itself and its successors and assigns hereby release and forever discharge the Licensee, its successors and assigns, its employees, agents, servants and representatives from all claims and demands with respect thereto except for such loss and damage caused by the Licensee's negligence or willful misconduct and from those it is in law responsible. The Company does hereby fully indemnify and save harmless the Licensee, its successors and assigns, its employees, agents, servants and representatives from and against all damage, loss or injury to persons or property which may be suffered or which may hereafter be sustained or incurred by reason of or in any way relating to, arising from, or based upon the performance or non-performance of the Company any of its obligations or covenants in this License and all manner of actions, suits, causes of action, proceedings, charges, expenses, risks, liabilities, debts, obligations, duties, claims and demands in connection therewith except where the foregoing is caused by the Licensee's negligence or willful misconduct of the Company and/or from those it is at law responsible and all manner of actions, suits, causes of action, proceedings, charges, expenses, risks, liabilities, debts, obligations, duties, claims and demands in connection therewith.

15.3 During the term of this License, the Licensee will immediately notify the Company of any damage whatsoever to the Company's or a third party's equipment arising as a result of the Licensee affixing, replacing, Rearranging, Transferring, modifying, maintaining or repairing any of its Attachments. The Company will immediately notify the Licensee of any damage whatsoever to the Licensee's Attachments arising as a result of the Company replacing, Rearranging, Transferring, modifying, maintaining or repairing any of its attachments.

15.4 Notwithstanding anything to the contrary in this License, neither party shall be liable for any indirect or consequential damages or damages for pure economic loss, including without limitation, loss of profits and income.

15.5 Both parties acknowledge and agree that clauses 15.1, 15.2, 15.3 and 15.4 above shall survive the termination of this License.

16.0 DISPUTE RESOLUTION:

16.1 The Company and the Licensee shall seek to resolve problems or concerns at the operational level. Except in circumstances where an Emergency exists as may be reasonably determined by the Company using Good Utility Practice, in which case this clause does not apply, if such disputes or any other disputes related to this License are not resolved within thirty (30) calendar days, either party may, by notice to the other, refer the dispute to a committee to be formed and to be comprised of two (2) representatives, one appointed by each party. If the two representatives cannot resolve the dispute within ten (10) calendar days after reference to them, either party may seek such further recourse as they deem appropriate. Nothing in this clause serves as a waiver of any other rights or remedies that either party may have pursuant to this License, at law or equity.

17.0 INSURANCE:

17.1 Each of the parties hereto shall maintain insurance or provide reasonable evidence of self insurance in sufficient amount and description as will protect the other party from claims for damages, personal injury, including death, and for claims from property damage which may arise under this License, including but not limited to the installation and operation of the Attachments and of the Joint Use Poles hereunder or any act or omission of the Company or the Licensee's employees, servants agents, licensees or contractors.

17.2 In addition to the foregoing, each of the parties covenants and agrees that:

- (a) the limits of liability for personal injury, bodily injury and property damage combined shall be for no less than five million dollars (\$5,000,000.00) for each occurrence;
- (b) the Comprehensive General Liability Insurance or self insurance shall extend to cover the contractual obligations of each party as stated in this License; and
- (c) all policies shall provide that they cannot be cancelled, lapsed or materially changed without at least thirty (30) calendar days notice to the other party.

17.3 With respect to any third party claims that result in a claim hereunder, the party indemnifying will have the right at its expense, to participate in or assume control of the negotiation, settlement or defence of such claim. In the event the party indemnifying assumes control of any third party claim, the indemnifying party has the right to settle the claim on such terms and conditions as are acceptable to indemnifying party and the party so indemnified will provide and execute such release or such other documentation as may be necessary to complete the settlement of such claim.

17.4 The parties agree that the insurance described herein does not in any way limit either party's liability pursuant to the indemnity provisions of this License.

18.0 TERMINATION:

18.1 The permission granted by any Permit may be terminated by the Company: (i) if the Joint Use Pole(s) designated by such Permit is abandoned by the Company; or (ii) if the Company decides to or must discontinue the use of the Joint Use Pole(s), and in either case, the Company shall provide the Licensee with at least ninety (90) calendar days (or such other period of time agreed to by the parties), prior written notice thereof. If the Joint Use Pole(s) designated by such Permit(s) are to be sold to a third party, the Company may not transfer or sell any Joint Use Pole(s) unless as a condition of transfer or sale the purchaser agrees to assume in writing all obligations of the Company under this License and its agreement to continue to allow the Attachment(s) thereon for the remainder of the Term; provided that, the Company shall provide the Licensee a first right of refusal to purchase the Joint Use Pole(s) and the Licensee shall have a period of ninety (90) calendar days from notification by the Company of its intent to sale the Joint Use Pole(s). In the event the License exercises its option to purchase a Joint Use Pole(s) then the parties shall negotiate reasonable purchase terms separately from this License.

18.2 If the Licensee defaults at any time in the payment of any undisputed Pole Rental Rate or fails to or neglects at any time to fully perform, observe and comply with all material terms, conditions and covenants herein, then the Company shall as soon as practicable, notify the Licensee in writing of such default and the Licensee shall correct such default to the satisfaction of the Company within thirty (30) calendar days of the issuance of such notice or sooner in the case of an Emergency, as may be determined by the Company or within a longer time period if such default requires more time to cure, the Licensee will be deemed to have complied with the remedying of the default if it commences remedying or curing the condition within the thirty (30) calendar day period, failing which the Company may forthwith terminate this License and the privileges herein granted.

18.3 The Company shall be entitled, at its option, to terminate this License immediately upon written notice to the Licensee upon the Licensee becoming bankrupt or insolvent or upon the Licensee ceasing to provide Telecommunications Services.

18.4 The termination of a Permit approved pursuant to this License shall not be deemed to be termination of this License unless such Permit is the last remaining or only Permit approved pursuant to this License in which case the termination of the Permit shall be deemed to be termination of this License.

18.5 Upon the termination of a Permit approved pursuant to this License, the Licensee shall at its sole expense and at the request of the Company, remove from the Joint Use Poles its Attachment(s) covered by the terminated Permit within ninety (90) calendar days, or such other period of time agreed to by the parties, after receipt of notice thereof or within a shorter period of time in case of an Emergency, as may be determined by the Company, failing which the Company may remove such Attachment(s) and the Licensee shall pay the Company's costs of same. Upon the removal of such Attachment(s) by the Company, the Company shall have the right to retain the Attachment(s) so removed until the Licensee pays the Company's costs of removal thereof and if the Licensee fails to pay such costs within thirty (30) calendar days from removal then the Company shall have the further right to sell the Attachment(s) so removed and apply the amount so received against the Company's costs of removing the Attachment(s).

18.6 Upon termination of this License, the Licensee shall at its sole expense and at the request of the Company, remove from the Joint Use Pole(s) its Attachment(s) covered by this License in a prompt and orderly manner, and in any case no later than two (2) calendar years after termination of this License. If the Licensee fails to remove the Attachments within the two (2) calendar year periods, the Company may remove the Attachments at the Licensee's expense. The Company may retain the Attachments so removed until the Licensee pays the Company's cost of removal. If the Licensee fails to pay such costs within thirty (30) calendar days of receipt of the Company's invoice, the Company shall, without further notice to the Licensee have the right to sell the Attachments either separately for salvage value or intact as a system and apply the amount received against the Company's costs of removal.

18.7 It is understood and agreed by both parties that any termination of this License shall not relieve either party of or from its obligations hereunder arising prior to the date of such termination, save and except for the establishment of new Joint Use Agreement and notwithstanding any such termination, this License shall remain in full force and effect with respect to all Joint Use Poles used by the parties at the time of such termination until the use of such Joint Use Poles has been discontinued by the Company or the Licensee has removed its Attachments from such Joint Use Poles whichever shall first occur.

19.0 FAILURE TO COMPLY AND LATE PAYMENTS:

19.1 Failure of either party to enforce or insist upon compliance with any of the terms or provisions of this License shall not constitute a general waiver or relinquishment of any such terms or provisions, but the same shall be and remain at all times in full force and effect.

19.2 All invoices rendered by the Company in accordance with the terms and conditions of this License that are outstanding for longer than sixty (60) calendar days from the Licensee having received the invoice shall bear interest at two percent (2%) per annum.

20.0 FORCE MAJEURE:

20.1 Save and except for the payment of any monies required hereunder, neither party shall be deemed to be in default of this License where the failure to perform or the delay in performing any obligation is due wholly or in part to a cause beyond its reasonable control, including but not limited to an act of God, an act of any federal, provincial, municipal or government authority, civil commotion, strikes, lockouts and other labour disputes, fires, floods, sabotage, earthquakes, storms, epidemics, and an inability due to causes beyond the reasonable control of the party. The party subject to such an event of force majeure shall promptly notify the other party of its inability to perform or of any delay in performing due to an event of force majeure and shall provide an estimate, as soon as practicable, as to when the obligation will be performed. The time for performing the obligation shall be extended for a period equal to the time during which the party was subject to the event of force majeure. Both parties shall explore all reasonable avenues available to avoid or resolve events of force majeure in the shortest time possible.

21.0 RELATIONSHIP OF PARTIES:

21.1 Nothing in this License creates the relationship of principal and agent, employer and employee, partnership or joint venture between the parties. The parties agree that they are and will at all times remain independent and are not and shall not represent themselves to be the agent, employee, partner or joint venturer of the other. No

representations will be made or acts taken by either party which could establish any apparent relationship of agency, employment, joint venture or partnership and no party shall be bound in any manner whatsoever by any licenses, warranties or representations made by the other party to any other person nor with respect to any other action of the other party.

22.0 NOTICE:

22.1 Any notice or other writing required or permitted to be given under this Agreement or for the purposes of it, to any party, shall be valid only if delivered in writing in accordance with this clause. Notices can be provided to **INSERT CONTACT NAME AND ADDRESS**, in respect of the Licensee and to **INSERT CONTACT NAME AND ADDRESS** in respect of the Company. The parties may change their respective addresses and addressees for delivery by delivering notices of such changes as provided herein. Notice sent accordingly shall be deemed to have been delivered and received:

- (a) If delivered by hand, upon receipt;
- (b) If delivered by fax, 48 hours after the time of transmission, excluding from the calculation weekends and public holidays;
- (c) If delivered by overnight courier, four (4) calendar days after the couriering thereof;
- (d) If delivered by registered mail, six (6) calendar days after the mailing thereof, provided that if there is a postal strike such notice shall be delivered by hand or courier.

23.0 NON-ASSIGNMENT:

23.1 Neither this License nor any rights, remedies, liabilities or obligations arising under it or by reason of it nor Permit(s) granted hereunder shall be assignable by the Licensee, without the prior written consent of the Company which shall not be unreasonably withheld; provided that the Licensee may assign this License or any rights, remedies or liabilities to a holding body corporate, a subsidiary body corporate or an affiliate of the Licensee as defined in the Canada Business Corporations Act, in which case the Licensee shall provide the Company with advance notification of assignment by giving the Company written notice at least thirty (30) calendar days prior to the assignment. The Licensee further covenants and agrees to cause the assignee to execute a novation agreement thereby agreeing to be bound by the terms and conditions of this License. Subject thereto, this License shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns and upon the execution of said novation agreement the Licensee shall be fully released from its obligations under this License effective on the effective date of such assignment, save for any obligations arising prior to such assignment.

23.2 Notwithstanding the foregoing, the Licensee may, without consent, assign this License to a purchaser of all or substantially all of its assets located in the area of where the Joint Use Pole(s) are located.

23.3 Nothing herein contained shall prevent or limit the right of the Licensee from sublicensing, selling or granting to third parties a license to use, including the sale of capacity or a right to use any of the fibres forming part of the Attachments, provided that:

- (a) no such subletting, sale or grants shall hinder or adversely affect the rights of the Company under this License;
- (b) the Licensee shall remain responsible for the maintenance of any fibre so sublet, sold or granted to a third party and shall continue to fulfill all of its obligations under this License; and
- (c) the Licensee shall not grant to any such third party any right of access whatsoever to the Joint Use Pole(s).

24.0 ENTIRE AGREEMENT:

24.1 This License, together with the other Schedules attached hereto, constitutes the entire agreement between the Company and the Licensee with respect to the matter herein and supersedes all prior oral or written representations and agreements.

25.0 AMENDMENTS:

25.1 Subject to the foregoing, no amendment, modification or supplement to this License shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of this License.

25.2 Notwithstanding the definition of "Standards" in Section 1 of this License, amendments to the Company's Standards that in the Company's opinion, unreasonably affect the Licensee will be subject to mutual agreement by both parties.

26.0 SEVERABILITY:

26.1 If any provision of this License is declared invalid or unenforceable by any competent authority such provision shall be deemed severed and shall not affect the validity or enforceability of the remaining provisions of this License, unless such invalidity or unenforceability renders the operation of this License impossible.

27.0 OTHER INFORMATION:

27.1 Each party shall at the other party's request and expense execute and do all such further acts and things as may be necessary to carry out the full intent and meaning of this License and the transactions contemplated thereby.

28.0 COUNTERPARTS:

28.1 This License may be executed in counterparts and the counterparts together shall constitute an original.

29.0 REASONABLENESS:

29.1 Each party agrees that it shall at all times act reasonably in the performance of its obligations and the exercise of its rights under this License. It is further agreed that all consents and approvals of the Company hereunder shall not be unreasonably withheld or delayed.

30.0 APPLICABLE LAW:

30.1 This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein. The parties agree that all disputes arising under this License shall be conducted in a competent Court located within the Province of Ontario.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper officers duly authorized in that behalf.

LOCAL DISTRIBUTION COMPANY

I have the authority to bind the Corporation.

INSERT NAME OF LICENSEE

I have the authority to bind the Corporation.
Name:
Title:

Schedule "A":

Pole Rental Rate Formula:

(A)	Net Embedded Cost of the Pole:	\$478.00
(B)	Depreciation:	\$31.11
(C)	Capital Carrying Cost:	\$45.41 (9.5% of Net Embedded Cost of Pole)
(D)	Maintenance:	\$7.61
(E)	Administration Mark-up:	N/A
(F)	Total Capital Related Costs (B + C + D):	\$84.13
(G)	Cable Distribution Allocation (Space Allocation Factor):	15.5%
(H)	Contribution (F * G):	\$13.04
(I)	Loss in Productivity:	\$1.92
(J)	Administration:	\$0.69
(K)	Total Pole Rental Rate (H + I + J):	\$15.65

Schedule "B"

"Application" – See attached.