THE CORPORATION OF THE TOWNSHIP OF LAURENTIAN VALLEY

BY-LAW #2009-07-028

BEING A BY-LAW TO AUTHORIZE THE MAYOR AND CAO/CLERK TO EXECUTE AN AGREEMENT WITH THE MINISTRY OF AGRICULTURE, FOOD AND RURAL AFFAIRS REGARDING THE RURAL CONNECTIONS BROADBAND PROGRAM

WHEREAS Section 8 of the Municipal Act, 2001 provides the municipality with the powers of a natural person and the authority to govern their affairs as they consider appropriate; and

WHEREAS the Town of Petawawa and the Township of Laurentian Valley submitted a joint application for funding through the Rural Connections Broadband Program of the Ministry of Agriculture, Food and Rural Affairs to service the communities with access to Broadband Services; and

WHEREAS the Township of Laurentian Valley is acting in the capacity as lead municipality for the purposes of the joint application; and

WHEREAS the Council of the Corporation of the Township of Laurentian Valley deems it expedient to enter into an agreement with the Ontario Ministry of Agriculture, Food and Rural Affairs with respect to the Rural Connections Broadband Program;

NOW THEREFORE the Council of the Corporation of the Township of Laurentian Valley enacts as follows:

1. That the Mayor and CAO/Clerk be and are hereby authorized to execute the attached agreement with the Ministry of Agriculture, Food and Rural Affairs Rural Connections Broadband Program and to do or cause to be done all matters or act or anything to give full force and effect to this By-Law.

2. That the executed agreement annexed hereto be made part of this By-Law.

3. That this By-Law shall come into force and effect immediately upon the passage thereof.

READ A FIRST AND SECOND TIME THIS TWENTY-FIRST DAY OF JULY, 2009

READ A THIRD TIME AND PASSED THIS TWENTY-FIRST DAY OF JULY, 2009

Jack Wilson, Mayor

John Baird, CAO/Clerk
RURAL CONNECTIONS BROADBAND PROGRAM

FUNDING AGREEMENT

THIS AGREEMENT made in duplicate as of the _____ day of ____________, 2009

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Agriculture, Food and Rural Affairs
(referred to herein as the "Ministry")

- and -

THE CORPORATION OF THE TOWNSHIP OF LAURENTIAN VALLEY
(referred to herein as the "Recipient")

WHEREAS the Government of Ontario is investing in Ontario's infrastructure;

AND WHEREAS the Ministry has established the Rural Connections Broadband Program (the "Program") to address barriers to economic growth, and ensure that Ontario's rural communities remain viable, healthy and vibrant places in which to live, work and invest;

AND WHEREAS it is the desire of the Ministry to fund the Recipient for the purpose of building modern, efficient and reliable telecommunications systems;

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, the parties hereto agree as follows:

1.0 Definitions

1.1 In this Agreement the following words shall have the following meanings:

(a) "Adjust the Financial Assistance" means adjust the amount of the Financial Assistance on the Project or the amount of financial assistance to the Recipient for any other project(s) under any round of the Ministry's Rural Connections broadband initiatives, or any other provincial programs, either current or future, and/or require repayment for some or all of the Financial Assistance of the Project in an amount to be determined by the Ministry and within the period specified by the Ministry.
(b) "Agreement" means this Agreement between the Ministry and the Recipient and all schedules and attachments to this Agreement, and any instrument amending this Agreement;

(c) "Allowable Financial Assistance" has the meaning given to it in Section 7.1 of this Agreement;

(d) "Budget" means the Project budget set out in Schedule "B" hereto;

(e) "Eligible Cost(s)" has the meaning given to it in Sections 3 and 6 of this Agreement and Schedule "D" hereto;

(f) "End of Financial Assistance Date" means March 31, 2012;

(g) "Environmental Laws" means all applicable federal, provincial or municipal laws, regulations, by-laws, orders, rules, policies or guidelines respecting the protection of the natural environment, public or occupational health or safety, and the manufacture, importation, handling, transportation, storage, disposal and treatment of environmental contaminants and include without limitation, the Environmental Protection Act (Ontario), the Environmental Assessment Act (Ontario), the Ontario Water Resources Act, the Canadian Environmental Protection Act, 1999, the Canadian Environmental Assessment Act, the Fisheries Act (Canada) and the Navigable Waters Protection Act (Canada);

(h) "Event of Default" has the meaning given to it in Section 19 of this Agreement;

(i) "Expiration Date" means March 31, 2012;

(j) "Final Report" means the documentation and template requirements as identified in Schedule "H" Final Report;

(k) "Final Report Date" means 90 days after the completion date of the Project;

(l) "Fiscal Year" means the period beginning on April 1st of a year and ending on March 31st of the following year;

(m) "Financial Assistance" means the financial assistance provided to the Recipient by the Ministry pursuant to this Agreement as a proportionate share of the total Eligible Costs as indicated in Schedule "C" Financial Assistance;

(n) "Ineligible Cost(s)" has the meaning given to it in Section 3 of this Agreement and Schedule D hereto;

(o) "Maximum Financial Assistance" means the total amount of Financial Assistance provided to the Recipient and in any event shall be no greater than the Maximum Financial Assistance outlined in Schedule "C";

(p) "Project" means the Project described in Schedule "A" Project Description;

(q) "Projected Expenditures" means the projected budget line items as outlined in Schedule "B";
(r) "Substantially Performed" has the meaning set out in and shall be determined in accordance with subsection 2(1) of the Construction Lien Act (Ontario).

2.0 Term of the Agreement

2.1 Subject to any extension or termination of this Agreement or the survival of any of the provisions of this Agreement pursuant to the provisions contained herein, this Agreement shall be in effect from the date set out on the first page of this Agreement, up to and including the Expiration Date.

2.2 Notwithstanding anything in this Agreement and regardless of the Project’s state of completion, the Ministry shall not be obligated to provide Financial Assistance under this Agreement after the End of Financial Assistance Date.

2.3 The division of this Agreement into schedules, articles, sections, clauses, paragraphs and the insertion of headings are for convenience or reference only, and shall not affect the construction or interpretation of this Agreement.

3.0 Financial Assistance

3.1 In order for a cost to be eligible for Financial Assistance pursuant to this Agreement (an "Eligible Cost"), it must be described in Schedule "D" and be specifically identified in Schedule "B", except where otherwise expressly approved in writing by the Ministry. For greater certainty, where Schedule "A" identifies a portion of the works that are specifically excluded from the description of the Project under this Agreement, the costs associated with that portion of the works are not eligible.

3.2 Subject to Section 3.1, the eligibility of any items not listed in Schedule "D" to this Agreement will be determined in accordance with Ministry policies and guidelines. The final eligibility of such items claimed is at the sole discretion of the Ministry.

3.3 Notwithstanding anything else contained herein, the costs that are not eligible for Financial Assistance pursuant to this Agreement are set out in Schedule "D" ("Ineligible Costs").

3.4 The Recipient acknowledges that the Ministry's fiscal year ends on March 31 in each year, and that should a cost not be submitted by the Recipient for Financial Assistance before March 31 of the Fiscal Year following the year in which it was incurred, such cost shall be deemed to be ineligible for Financial Assistance.

3.5 The Ministry shall provide the Financial Assistance to the Recipient in the proportion of one third (1/3) of the total approved Eligible Costs to a maximum of $1,000,000.00 over the term of the Agreement as described in Schedule "C". The Recipient is responsible for securing the remaining share of the project costs.

3.6 Subject to section 6.3, the Ministry shall disburse the Financial Assistance upon receipt and approval by the Ministry of the Claim Submission attached as Schedule “F”, including documentation acceptable to the Ministry.
3.7 For clarity, the Recipient hereby expressly acknowledges that the inclusion of an item in the Budget does not necessarily mean that such item is an Eligible Cost. Where there is a conflict between the Budget and this section, the provisions of this section shall prevail.

3.8 Despite sections 3.1 and 3.2, the Ministry, in its sole discretion, may adjust or terminate the amount of Financial Assistance to be provided to the Recipient in any Fiscal Year during which the Agreement is in effect based upon the Ministry’s assessment of the current year’s financial report provided to the Ministry as required.

3.9 Despite sections 3.1 and 3.2 and 3.6, the Ministry shall not provide any Financial Assistance to the Recipient until the insurance and sureties requirements described in section 15 have been met.

4.0 Project

4.1 The Recipient shall be responsible for ensuring the undertaking, implementation and completion of the Project is substantially in accordance with the description of the Project attached as Schedule “A” and Schedule “B” by March 31, 2012.

4.2 The Recipient shall not make any changes to the Project without the prior written consent of the Ministry.

5.0 Funding Payment

5.1 The Recipient shall only seek reimbursement for actual paid third party expenses for the purpose of completing the Project in accordance with the Projected Expenditures identified in Schedule “B” and Eligible Costs identified in Schedule “D”.

5.2 The Recipient shall not make any changes to Projected Expenditures identified in Schedule “B” without the prior written consent of the Ministry.

5.3 Where the actual expenses paid by the Recipient are lower than the Projected Expenditures identified in Schedule “B”, the Recipient shall notify the Ministry and the Ministry may, in its sole discretion, adjust or terminate the Financial Assistance.

5.4 The Recipient shall immediately notify the Ministry if it does not intend to carry out the Project in whole or in part as specified in Schedule “A” in which case the Ministry may, in its sole discretion, adjust or terminate the Financial Assistance.

6.0 Payment Terms

6.1 The Ministry will pay the Recipient according to the deliverables and milestones outlined in Schedules “B” and “E”.
6.2 Subject to the conditions referred to in subsection 6.3, the Ministry shall pay one hundred percent (100%) of the province’s one-third share of Eligible Costs, as described in Schedule “D” for each claim received, until the total payments reach ninety percent (90%) of the Financial Assistance.

6.3 The ten percent (10%) holdback of the Financial Assistance will be reimbursed once the Project is complete and the Ministry's approves the Final Report submitted by the Recipient.

6.4 In order for a cost or expense to be eligible for Financial Assistance pursuant to this Agreement,

(a) the cost or expense must,

(i) be reasonable;

(ii) be directly related to the components of the Project as described in Schedule “A”;

(iii) be specifically identified as an Projected Expenditures for the Project as set out in Schedule “B”;

(iv) comply with the terms as set out in Schedule “D”;

(v) subject to section 3.4, have been incurred on or after April 1, 2008, but no later than March 31, 2012;

(vi) be an actual cash outlay to third parties acting at arm’s length that can be documented through original invoices or proofs of payment;

(vii) for project management costs, be no greater than ten (10) per cent of the total Eligible Costs;

(viii) for outreach/awareness and public and public access costs, be in the range of three (3) to five (5) per cent of total Eligible Costs;

(ix) for in-kind contributions on existing infrastructure, be submitted for prior approval by the Ministry.

(b) a completed Claim Submission attached as Schedule “F”, including copies of paid invoices, must be submitted to the Ministry; and

(c) when requested, all original evidence (such as invoices, receipts, proofs of payment, etc.) of payment related to Eligible Costs, including in-kind contributions, and such supporting documentation must be submitted to the Ministry.

6.5 The Recipient shall submit its claims on a quarterly basis, unless the Ministry agrees in writing to accept submissions on a less frequent basis.

6.6 The Recipient shall submit its final claims with the required documentation for approval, cost reviews, audits and settlement within three (3) months of completion of the Project and no later than the Final Report Date or such later date as is specified in writing by the Ministry.
Thereafter, the Ministry shall not be obligated to consider any further claims in relation to the Project. The Recipient shall also submit, upon request by the Ministry, the required documentation for approval, cost reviews and audits on an interim basis.

6.7 The Ministry may, in its sole discretion, withhold payments of future Financial Assistance if the Ministry, acting reasonably, is not satisfied that there is adequate evidence of progress being made to achieve the Project, if there has been an breach listed under section 19.1(b),(c) or (d).

7.0 Overpayment

7.1 Funds advanced to the Recipient prior to settlement in accordance with Sections 5 and 6 of this Agreement shall not be construed as a final determination of the amount of Financial Assistance applicable to the Project. Upon conducting a final cost review or audit of the Project, the Ministry will determine the final amount of Financial Assistance on the Project (the “Allowable Financial Assistance”). The Recipient agrees to repay to the Ministry, upon receipt of a written demand and within the period specified by the Ministry, that portion of the total of the funds advanced that exceeds the Allowable Financial Assistance applicable to the Project, as determined by the Ministry, as well as any funds used for a purpose other than that stated in the terms of this Agreement, as determined by the Ministry.

7.2 The Ministry may deduct any overpayment of Financial Assistance made on the Project from financial assistance payable on any other project(s) of the Recipient under the Rural Connections program or any other provincial program, either current or future. Any overpayment made on any other project(s) of the Recipient under the Rural Connections program or any other provincial programs, either current or future, may in turn be deducted from Financial Assistance payable on the Project.

7.3 The Ministry reserves the right to demand interest on any overpayment of Financial Assistance owing by the Recipient under the terms of this Agreement at the then current interest rate charged by the Government of Ontario on accounts receivable. The Recipient shall pay the amount of interest owing on any overpayment of Financial Assistance owing by the Recipient under the terms of this Agreement upon receipt of a written demand and within the period specified by the Ministry.

8.0 Reports

8.1 During the term of the Agreement, the Recipient shall submit the reports described in subsections 8.2, 8.3, 8.4, 8.5 and 8.6 to the Ministry.

8.2 On the dates provided for in Schedule B, the Recipient shall submit the Claim Submission as shown in Schedule "F" in a manner that is satisfactory to the Ministry which includes a detailed description of the Project and the results achieved to the date of the Submission.

8.3 On or before January 31 and August 31 of each Fiscal Year, the Recipient shall submit a Projected Expenditure Report as shown in Schedule "G" in a manner that is satisfactory to the Ministry outlining the current incurred costs and projections and the Recipient shall follow such administrative procedures as are specified from time to time by the Ministry.
8.4 On or before June 30 of each Fiscal Year, the Recipient shall submit a Progress Report as shown in Schedule “F”, Part 1 in a manner that is satisfactory to the Ministry outlining the project description and the results received to the date of the report.

8.5 On or before June 30 of each Fiscal Year and with the Final Report, and no later than June 30, 2013, the Recipient shall submit the Hex Coverage Confirmation as shown in Schedule “K” in a manner that is satisfactory to the Ministry identifying the broadband access coverage area in the completed project.

8.6 Within 90 days of project completion, and no later than June 30, 2013, a Final Report with the information as described in Schedule “H” must be submitted to the Ministry which shall include:

(a) a detailed description of the Project and the results achieved to the date of the Statement;
(b) the details of any variance from the Project, the Budget and/or the Project schedule;
(c) a final Financial Statement showing Eligible Costs incurred and paid; and
(d) any other information respecting the Project that may be requested by the Ministry.

8.7 The Recipient shall ensure that all reports are completed in a manner that is satisfactory to the Ministry and that every report or financial statement is signed on behalf of the Recipient by an authorized municipal officer.

9.0 Covenants, Representations and Warrants

The Recipient covenants, represents and warrants to the Ministry that:

(a) it is conducting and shall conduct its business in compliance with all applicable federal, provincial and municipal laws, and all rules, regulations, by-laws, notices, orders and approvals;

(b) it has the authority and any necessary approval to enter into this Agreement and to carry out its terms;

(c) it has or will apply for all permits, approvals, and licenses which are required in order to carry out the Project including, but not limited to, any approvals lawfully required under the Planning Act (Ontario), the Building Code Act, 1992 (Ontario), the Highway Traffic Act (Ontario), the Public Transportation and Highway Improvement Act (Ontario), the Bridges Act (Ontario) and all Environmental Laws;

(d) it validly exists as a legal entity with full power to perform and observe all of the terms and conditions of this Agreement;

(e) where applicable, it has passed by-laws required to undertake the Project;

(f) it is now and will continue to be compliant with all Environmental Laws;

(g) provided that it is not a municipality or a Crown Agency,
A. it is not a non-resident of Canada within the meaning of the *Income Tax Act (Canada)*; 
B. is a corporation, a partnership or a sole proprietorship validly in existence; and 
C. is registered and qualified to do business wherever necessary to carry out the Project; 

(h) it has the experience, financial health and ability to carry out this Project; 

(i) if it is a Local Government or a Crown Agency, it has the requisite legislative authority to carry out the Project; 

(j) other than the Financial Assistance being provided pursuant to this Agreement, the Recipient has not and will not use any funds received from Her Majesty the Queen in right of Ontario or a Crown Agency towards any aspect of the Project; and 

(k) all information provided during the Rural Connections application process remains true, correct and complete in every respect except as set out to the contrary herein. Without limitation, the Project, Budget and Project Schedule are as set out herein. 

9.2 Upon request, the Recipient shall provide the Ministry with proof of the matters referred to in this Section. It is a condition precedent to any payment under this Agreement that the representations and warranties under this Section are true at the time of payment and that the Recipient is not in default of compliance with any terms of this Agreement. Where this is not the case, the Ministry may, in its sole discretion, Adjust the Financial Assistance for the Project. 

10.0 Further Conditions 

10.1 The Ministry shall be entitled, at any time, to impose such additional terms or conditions on the use of the Financial Assistance which it, in its sole discretion, considers appropriate for the proper expenditure and management of the Financial Assistance and the carrying out and completion of the Project and shall be entitled to impose such terms and conditions on any consent granted pursuant to this Agreement. 

11.0 Records and Audit 

11.1 In completing the Project, the Recipient: 

(a) shall conduct itself in accordance with all applicable laws; 

(b) shall keep and maintain all financial records, receipts, invoices and other financially-related documents relating to the Ministry Financial Assistance or otherwise to the Project in a manner consistent with generally accepted accounting principles and clerical practices, and shall maintain such records and keep them available for review by the Ministry for a period of seven (7) years from the date of the expiry or termination of this Agreement; 

(c) shall maintain all non-financial documents and records relating to the Ministry Financial Assistance or otherwise to the Project, including any records it receives about the people serves, in a confidential manner consistent with all applicable law; and
(d) hereby authorizes the Ministry, its agents and employees, including the Ontario Provincial Auditor’s office, upon twenty-four (24) hours’ notice and during normal business hours, to enter upon the Recipient’s premises to review the status and manner of operation of the Project, to inspect the progress and monitor the Project sites, to inspect and copy any financial records, invoices and other financially-related documents, and subject to consent by the person it serves, non-financial records and documents, in the possession or under the control of the Recipient which relate to the Financial Assistance or otherwise to the Project.

11.2 The Ministry’s right of inspection in this Agreement includes the right to perform a full or partial financial audit. The Ministry may require the assistance of an external auditor to carry out an audit of the material. If so, the Recipient shall, upon request, retain an external auditor acceptable to the Ministry at the Recipient’s sole expense. The Recipient shall ensure that any auditor who conducts an audit pursuant to this section of the Agreement or otherwise, provides a copy of the audit report to the Ministry for its consideration at the same time that the audit report is given to the Recipient.

11.3 The Ministry’s right of inspection in this Agreement includes the right to perform a full or partial technical audit from an independent technical expert to certify the full functionality and capability of the infrastructure and its components to the satisfaction of Ministry.

11.4 To assist the Ministry in the task described in this section, the Recipient shall provide any other information to the Ministry reasonably requested by the Ministry.

11.5 The purposes for which the Ministry may exercise its right under this section include:

(a) determining for what items and purposes the Recipient expended the Financial Assistance;
(b) determining whether, and to what extent, the Recipient expended the Financial Assistance with due regard to economy and efficiency; and
(c) determining whether the Recipient completed the Project effectively and in accordance with the terms of this Agreement.

11.6 If, in the opinion of the Ministry, any of the information requirements of this section are not met, the Ministry may, in its sole discretion, require the information as a condition precedent to any payment in relation to the Project or any other project(s) of the Recipient under the Rural Connections initiative, or any other provincial program(s) (either current or future). In addition, the Ministry may, in its sole discretion, adjust or terminate the Financial Assistance for the Project.

11.7 Upon request, the Recipient agrees to provide data and information about the Project relevant to any Program Evaluation exercise undertaken by the Province of Ontario for the Program.

12.0 Procurement

12.1 Municipalities are responsible for following procurement processes and guidelines as prescribed by the municipality in accordance with the Municipal Act, 2001. Information must be kept on site for audit purposes.
12.2 The infrastructure procurement process conducted by the Recipient for telecommunications service providers must ensure the deliverables provided meet the following requirements: allc open access; have a minimum download speed of 1.5 Mbps; and be scalable.

12.3 The Recipient shall inform the Ministry in writing if any asset purchased with the Funds is sold, leased or otherwise disposed of during the term of this Agreement, the cost of which exceeded $30,000 at the time of purchase.

13.0 Conflict of Interest and Confidentiality

13.1 The Recipient shall ensure that the Project is carried out in all its aspects without a conflict of interest by any person associated with the Project in whatever capacity.

13.2 For these purposes, a conflict of interest includes a situation in which a person associated with the Project or any member of his or her family is able to benefit financially from his or her involvement in the Project.

13.3 The Recipient shall disclose to the Ministry without delay any actual or potential situation that may be reasonably interpreted as either a conflict of interest or a potential conflict of interest.

13.4 The Recipient acknowledges that the Ministry is bound by the provisions of the Freedom of Information and Protection of Privacy Act and regulations thereunder.

14.0 Indemnity

14.1 In no event shall the Ministry be liable for

(a) any bodily injury, death or property damage to the Recipient, their employees, agents, or consultants or for any claim, demand or action by any third party against the Recipient, their employees, agents, or consultants, arising out of or in any way related to this Agreement or the Project; or

(b) any incidental, indirect, special or consequential damages, or any loss of use, revenue or profit to the Recipient, their employees, agents, or consultants arising out of or in any way related to this Agreement or the Project.

14.2 The Recipient agrees to indemnify and hold harmless Her Majesty the Queen in right of Ontario, Her directors, officers, employees and agents from and against all suits, judgments, claims, demands, expenses actions, causes of action and losses including, without limitation, reasonable legal expenses and any claim for lien made pursuant to the Construction Lien Act, and for any and all liability for damages to property and injury to persons, including death, which Her Majesty the Queen in right of Ontario, Her directors, officers, employees and agents may incur, otherwise than by reason of their own negligence or willful misconduct, as a result of or arising out of or in relation to any breach by the Recipient of the terms of this Agreement, or the Recipient’s own negligence or willful misconduct.

14.3 The Recipient further agrees to indemnify and hold harmless Her Majesty the Queen in right of Ontario, Her directors, officers, employees and agents, for any incidental, indirect, special or
consequential damages, or any loss of use, revenue or profit, which Her Majesty the Queen in right of Ontario, Her directors, officers, employees and agents may incur, otherwise than by reason of their own negligence or wilful misconduct, as a result of or arising out of or in relation to any breach by the Recipient of the terms of this Agreement, or the Recipient’s own negligence or wilful misconduct.

15.0 Insurance and Bonding

15.1 Each Recipient shall put in effect and maintain for the period during which the Agreement is in effect, at its own expense, with insurers acceptable to the Ministry, all the necessary insurance that would be considered appropriate for a prudent Recipient of this type undertaking a project similar to this Project, including Commercial General Liability Insurance, for third party bodily injury, personal injury and property damage to an inclusive limit of not less than five million dollars ($5,000,000.00) per occurrence and not less than five million dollars ($5,000,000.00) products and completed operations aggregate. The Recipient’s Commercial General Liability Insurance policy shall include:

(a) Her Majesty the Queen in right of Ontario, as represented by the Minister of Agriculture, Food and Rural Affairs, Her Ministers, agents, appointees and employees as additional insureds with respect to liability arising in the course of performance of the Recipient’s obligations under, or otherwise in connection with, the Agreement;
(b) a cross-liability clause;
(c) Contractual Liability coverage;
(d) Products and Completed Operations Liability coverage;
(e) A valid WSIB Clearance Certificate, or Employers Liability and Voluntary Compensation, which ever applies;
(f) Tenants Legal Liability (for premises/building leases only);
(g) Non-Owned automobile coverage with blanket contractual and physical damage coverage for hired automobiles; and
(h) A thirty (30) day written notice of cancellation, termination or material change clause.

15.2 Before beginning the Project, each Recipient shall provide the Ministry with a valid Certificate of Insurance (and any replacements thereof) that references the Project, and confirms the above requirements. The Recipient shall provide the Ministry with a copy of the policy and any renewal replacement certificates as may be necessary.

15.3 The Recipient shall put in effect and maintain in full force and effect or cause to be put into effect and maintained in full force and effect during the term of this Agreement:

a) a performance bond in the amount of 50% of the contract price for any construction Contract related to the Project and which is for an amount greater than $150,000 covering the performance of that construction Contract and the correction of any deficiencies; and

b) a labour and material payment bond in the amount of 50% of the contract price for any construction Contract related to the Project and which is for an amount greater than $150,000 covering the payment for labour, material or both.
15.4 The Recipient may provide an irrevocable standby letter of credit to the Ministry as an alternative to the requirement for the bonds mentioned in Section 15.3 a) and b). The letter of credit will be issued by a Schedule 1 Canadian bank and may be in the form provided in Schedule "J". The letter of credit shall be for the same amounts and for the same time frame as the bonds mentioned in Section 15.3.

15.5 Before any claims are paid, each Recipient shall provide the Ministry with a valid copy of the surety bonds or irrevocable letters of credit (and any replacements thereof) that references the Project, and confirms the above requirements.

16.0 Credit

16.1 The Recipient shall acknowledge the support of the Ministry in all reports and materials and in all advertising and publicity relating to the Project, in a format approved by the Ministry.

16.2 The Recipient acknowledges that the Ministry may publicize information regarding the Program, including program descriptions, participants and financial assistance amounts.

16.3 The Recipient shall ensure the acknowledgement in any report or materials indicates that the views expressed in the report or materials are the views of the Recipient and do not necessarily reflect those of the Ministry.

17.0 Inspection

17.1 The Ministry reserves the right to inspect any aspect of the Project at any time.

18.0 Termination by Ministry for Convenience

18.1 The Ministry may in its sole discretion, without liability, cost or penalty, and without prejudice to any other rights or remedies of the Ministry under this Agreement or at law or in equity, terminate this Agreement at any time, for any reason, upon giving at least thirty (30) days notice to the Recipient.

18.2 Where notice to terminate is given under this section, the Ministry may, in its sole discretion, assess the state of the Project and allow the Recipient to wind down the Project by the end of the notice period.

19.0 Termination and Default

19.1 The Ministry may, in its sole discretion, without liability, cost or penalty, and without prejudice to any other rights or remedies of the Ministry under this Agreement or at law or in equity, terminate this Agreement immediately upon giving notice to the Recipient if the following Event of Default should take place:

(a) funding for the program in any Fiscal Year is not appropriated by the Legislature or is revoked if previously granted; or

(b) in the opinion of the Ministry:
i) a Recipient has knowingly provided false or misleading information regarding its funding request or in any other communication with the Ministry;
ii) a Recipient breaches any term or condition of this Agreement;
iii) the Recipient is unable to complete the Project or is likely to discontinue it;
iv) it is not reasonable for any reason for the Recipient to complete the Project;
v) a material adverse change occurs such that the viability of a Recipient as a going concern is threatened;

or if:

(c) a Recipient makes an assignment, proposal, compromise, or arrangement for the benefit of creditors, or is petitioned into bankruptcy, or files for the appointment of a receiver; or

(d) a Recipient ceases to operate.

19.2 The Ministry, in its sole discretion, considers the nature of the breach under section 19.1 to be such that it can be remedied and that it is appropriate to allow the Recipient the opportunity to remedy the breach, the Ministry may give the Recipient an opportunity to remedy the breach by giving the Recipient written notice

(a) of the particulars of the breach;

(b) of the period of time within which the Recipient is required to remedy the breach;

(c) that the Ministry shall terminate this Agreement:

i) at the end of the notice period provided for in the notice if the Recipient fails to remedy the breach within the time specified in the notice, or

ii) prior to the end of the notice period provided for in the notice if it becomes apparent to the Ministry that the Recipient cannot completely remedy the breach within that time or such further period of time as the Ministry considers reasonable, or the Recipient is not proceeding to remedy the breach in a way that is satisfactory to the Ministry.

19.3 If the Ministry has provided the Recipient with an opportunity to remedy the breach, and

(a) the Recipient does not remedy the breach within the time period specified in the notice;

(b) it becomes apparent to the Ministry that the Recipient cannot completely remedy the breach within the time specified in the notice or such further period of time as the Ministry considers reasonable; or

(c) the Recipient is not proceeding to remedy the breach in a way that is satisfactory to the Ministry, the Ministry shall have the right to immediately terminate this Agreement by giving notice of termination to the Recipient.
19.4 In the event of termination pursuant to this section the effective date of termination shall be the last day of the notice period, the last day of any subsequent notice period or immediately, whichever applies.

19.5 The Ministry may, at any time, waive any above-mentioned Event of Default which may have occurred provided that no such waiver shall extend to, or be taken in any manner whatsoever to affect, any subsequent Event of Default or the right to remedies resulting therefrom, and that no such waiver shall be, or shall deemed to constitute, a waiver of such Event of Default unless such waiver is in writing from the Ministry.

20.0 Financial Assistance Upon Termination

20.1 If this Agreement is terminated by the Ministry pursuant to sections 18.1 or 19.1, the Ministry shall cancel all further Financial Assistance.

20.2 If this Agreement is terminated by the Ministry for any reason, the Ministry may in addition to the rights conferred upon it under this Agreement or in law or in equity, demand from the Recipient the payment of funds equal to those provided to the Recipient.

20.3 If the Ministry demands the repayment of any part of the Financial Assistance pursuant to this Agreement the amount demanded shall be deemed to be a debt due and owing to the Crown in right of Ontario and the Recipient shall pay the amount to the Ministry immediately unless the Ministry directs otherwise.

20.4 The Crown in right of Ontario and the Ministry reserve the right to demand interest on any amount owing by the Recipient at the then current rate charged by the Province of Ontario on accounts receivable.

20.5 The Recipient shall repay the amount demanded by cheque payable to the "Minister of Finance" and mailed to the Ministry to the attention of the Ministry representative as provided for in section 23.

21.0 Project Award, Management and Completion

21.1 The Recipient shall be fully responsible for the undertaking, implementation and completion of the Project and shall retain any and all Consultants reasonably required to undertake a project of the size, scope and complexity of the Project. Where implementation of the Project is dependent on completion of a project by others, the Recipient shall be fully responsible for obtaining any assurances that it may require from others in relation to the implementation of the Project by the Recipient.

21.2 The Ministry shall not be responsible in any way whatsoever for the undertaking, implementation and completion of the Project or any interdependent project of others.

21.3 The Ministry shall not be responsible for any costs associated with the operation, maintenance and repair of the Project nor for any claims as arising from the tender and bidding process.
22.0 Financial Assistance on Expiry of Agreement

Upon the expiry of the Agreement, the Recipient shall, upon the demand of the Ministry, repay to the Ministry an amount equal to any part of the Financial Assistance used by the Recipient for purposes not agreed upon by the Ministry. This amount shall be a debt due and owing to the Crown in right of Ontario and the Ministry’s right to demand payment of this money is in addition to the rights conferred upon it under this Agreement or in law or in equity.

23.0 Notices and Project Representative

23.1 Any notice or communication required to be given under this Agreement shall be in writing and shall be delivered personally, delivered by courier or sent by certified or registered mail, postage prepaid with return receipt requested, or sent by facsimile addressed to the other party at the address provided below or at such other address as any of the Grantees shall later designate to the Ministry in writing. All notices or communications shall be addressed as follows:

<table>
<thead>
<tr>
<th>To the Ministry:</th>
<th>To the Recipient:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontario Ministry of Agriculture, Food and Rural Affairs</td>
<td>Township of Laurentian Valley</td>
</tr>
<tr>
<td>Rural Community Development Branch</td>
<td>460 Witt Road, R.R. 4</td>
</tr>
<tr>
<td>1 Stone Road West, 4th floor NW</td>
<td>Pembroke, ON K8A 6W5</td>
</tr>
<tr>
<td>Guelph, ON N1G 4Y2</td>
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</tr>
<tr>
<td>Attention: Dino Radocchia, Manager</td>
<td>Attention: John A. Baird,</td>
</tr>
<tr>
<td>Telephone: (519) 826-3787</td>
<td>Chief Administrative Officer/Clerk</td>
</tr>
<tr>
<td>Fax: (519) 826-4336</td>
<td>Telephone: (613) 735-6291</td>
</tr>
<tr>
<td></td>
<td>Fax: (613) 735-5820</td>
</tr>
</tbody>
</table>

23.2 All notices shall be effective:

(a) at the time the delivery is made when the notice is delivered personally, by courier or by fax; and

(b) seventy-two (72) hours after deposit in the mail when the notice is sent by certified, registered or postage prepaid mail.

23.3 The individual identified above as the representative of the Recipient above will, in the first instance,

(a) act as the Recipient’s Project representative and act as liaison for the Project with the Manager of the Rural Community Development Branch, of the Ministry for the purpose of implementing this Agreement; and

(b) sign, on behalf of all the Recipient, the Claim Submission attached as Schedule “F”, the and the Final Report attached as Schedule “H”.

23.4 The Recipient must provide written notice to the Ministry naming a new Project representative if the individual referred to in section 23.1 as the Recipient’s Project representative ceases to perform the requirements under that section.
24.0 Severability of Provisions

24.1 The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and any invalid or unenforceable provision shall be deemed to be severed.

25.0 Waiver

25.1 A waiver of any failure to comply with any term of this Agreement must be written and signed by the party providing the waiver. Each waiver must refer to a specific failure to comply and shall not have the effect of waiving any subsequent failures to comply.

26.0 Independent Parties

26.1 The parties are and shall at all times remain independent of each other and are not and shall not represent themselves to be the agent, joint venture, partner or employee of the other. No representations shall be made or acts taken by either party which could establish or imply any apparent relationship of agency, joint venture, partnership or employment and neither party shall be bound in any manner whatsoever by any agreements, warranties or representations made by the other party to any other person nor with respect to any other action of the other party.

27.0 Assignment of Agreement or Financial Assistance

27.1 The Recipient shall not assign this Agreement or the Financial Assistance or any part thereof without the prior written consent of the Ministry, which consent shall be in the Ministry's sole discretion and may be withheld or subject to the terms and conditions that may be imposed by the Ministry.

28.0 Governing Law

28.1 This Agreement and the rights, obligations and relations of the parties hereto shall be governed by and construed in accordance with the laws of the Province of Ontario.

29.0 Further Assurances

29.1 The parties agree to do or cause to be done all acts or things necessary to implement and carry into effect this Agreement to its full extent.

30.0 Circumstances Beyond the Control of Either Party

30.1 Neither party shall be responsible for damage caused by delay or failure to perform under the terms of this Agreement resulting from matters beyond the control of the parties including strike, lockout or any other action arising from a labour dispute, fire, flood, act of God, war, riot or other insurrection, lawful act of public authority, or delay or default caused by a common carrier which cannot be reasonably foreseen or provided against.
31.0 Survival

The provisions in sections 8.0 (Reports), 9.0 (Covenants, Representations and Warrants), 11.0 (Records and Audit), 14.0 (Indemnity), 16.0 (Credit), 17.0 (Inspection), 20.0 (Financial Assistance upon Termination) and 22.0 (Financial Assistance on Expiry of Agreement) shall survive termination or expiry of this Agreement for a period of seven (7) years from the date of expiry or termination of this Agreement.

32.0 Schedules

32.1 The following are the schedules attached to and forming part of this Agreement.

- (a) Schedule “A” Description of the Project
- (b) Schedule “B” Approved Budget
- (c) Schedule “C” Financial Assistance
- (d) Schedule “D” Eligible and Ineligible Costs
- (e) Schedule “E” Project Milestone Schedule
- (f) Schedule “F” Claim Submission
- (g) Schedule “G” Projected Expenditure Report
- (h) Schedule “H” Final Report
- (i) Schedule “I” Communications Requirements
- (j) Schedule “J” Irrevocable Standby Letter of Credit Template
- (k) Schedule “K” Hex Coverage Confirmation

33.0 Priority

33.1 In the event of a conflict or inconsistencies between the body of this Agreement and the Schedules, the body of this Agreement shall prevail.

34.0 Entire Agreement

34.1 This Agreement together with the attached schedules listed in section 32.1 of this Agreement constitutes the entire Agreement between the parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

34.2 This Agreement may only be modified by a written Agreement duly executed by the parties.
IN WITNESS WHEREOF the parties have executed this Agreement made as of the date first written above.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO
as represented by the Minister of Agriculture, Food and Rural Affairs
by:

Name: The Honourable Leona Dombrowsky
Title: Minister of Agriculture, Food and Rural Affairs

RECIPIENT'S NAME: THE CORPORATION OF THE TOWNSHIP OF LAURENTIAN VALLEY
by:

Name: Jack W. Wilson
Title: Mayor

Date: July 28th, 2009

Name: John A. Baird
Title: Chief Administrative Officer/Clerk

I/we have authority to bind the Recipient
FILE # 8057  THE CORPORATION OF THE TOWNSHIP OF LAURENTIAN VALLEY

PROJECT DESCRIPTION:

The project proposes to incorporate both DSL and wireless service, using existing infrastructure to extend capabilities to new areas within the Township of Laurentian Valley that were not serviced in the past. It is anticipated that 82% of the area will be serviced through this project. Minimum speeds for all users will meet 1.5 Mbps download requirement.
## SCHEDULE B
### APPROVED BUDGET

**File Number:** 8057  
**Municipality:** Laurentian Valley  
**Estimated Construction Start Date:** August 2009  
**Estimated Project Completion Date:** December 2010

### ESTIMATED ELIGIBLE COSTS

<table>
<thead>
<tr>
<th>Projected Budget Line Item</th>
<th>Estimated Eligible Costs ($)</th>
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<tbody>
<tr>
<td>1. Consulting Fees (application/business case development, etc.)</td>
<td>$71,000</td>
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<tr>
<td>2. Design Engineering</td>
<td>$120,000</td>
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<tr>
<td>3. Infrastructure, Construction, Equipment</td>
<td>$1,721,000</td>
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<tr>
<td>4. Project Management (max. 10% of total eligible costs)</td>
<td>$74,000</td>
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<tr>
<td>5. E-Business Outreach/Awareness *</td>
<td>$36,516</td>
</tr>
<tr>
<td>6. Public and Public Sector Access* (* range 3-5% of total eligible costs)</td>
<td>$55,540</td>
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<tr>
<td>7. OMAFRA Communications Protocols (plaques, ceremonies)</td>
<td>$2,100</td>
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<tr>
<td>8. Miscellaneous (e.g., sureties)</td>
<td>$22,568</td>
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</tbody>
</table>

**Total Estimated Eligible Costs:** $2,102,724

### PROJECTED INCURRED COSTS BASED ON TOTAL ESTIMATED ELIGIBLE COSTS

Note: The total in the table below must be equal to the total estimated eligible costs above.

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>April – June</th>
<th>July - Sept</th>
<th>Oct - Dec</th>
<th>Jan - Mar</th>
<th>ANNUAL TOTAL</th>
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<tbody>
<tr>
<td>2008</td>
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<td>2009</td>
<td>$270,000</td>
<td>$500,000</td>
<td>$620,000</td>
<td>$375,000</td>
<td>$1,765,000</td>
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<tr>
<td>2010</td>
<td>$184,000</td>
<td>$120,000</td>
<td>$15,000</td>
<td>$18,724</td>
<td>$337,724</td>
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<tr>
<td>2011</td>
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<td>2012</td>
<td></td>
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</tr>
</tbody>
</table>

**Total:** (Equal to "Total Estimated Eligible Costs" above) $2,102,724

Claims (including paid invoices and proofs of payments) should be submitted for payment at a minimum on a quarterly basis.
Total Eligible Projects Costs: $2,102,724

Maximum Financial Assistance: $700,908

Municipal Responsible for Remaining Share: $1,401,816

The Ministry will pay up to one-third of total approved eligible costs, to a maximum of $1,000,000 for the term of the Agreement.

The Ministry will hold back 10% of the Financial Assistance, the release of which shall be contingent on submission of the Recipient’s Final Report detailing the progress and status of the Project and substantiating that the Project has been Substantially Performed. Such report must contain the information required in the Final Report as set out in Section 8.5 of this Agreement. The Ministry is not obligated to pay interest on the holdback or any other payments under this Agreement.

MINISTRY COLLABORATES WITH CLIENT ON AN APPROPRIATE PROJECT SCHEDULE
ELIGIBLE COSTS

Third Party Direct Cash Costs

These are eligible expenditures are direct cash costs that are:

- properly and reasonably incurred for the completion of the project;
- third party invoices paid by the Recipient;
- incurred on or after April 1, 2008 and incurred on or by March 31, 2012.

The following costs are considered eligible for funding purposes:

- Consulting fees: fees and costs pertaining to the Request for Proposal (RFP) and/or Request for Information (RFI) to assist in preparing the application (including business case, technical plan, gap analysis, etc.), map validation;

- Engineering Design: network architecture and systems design/integration

Infrastructure and Equipment:
- Broadband communications infrastructure and equipment;
- New customer premises equipment purchases representing a reasonable number expected to be installed in the first 12 month period;
- Software programs (network management and telecommunications facilities relating to the broadband network only);
- Network testing costs;
- Improved information resources related to the project only (new databases and information technology);
- Implementation Costs;
- Co-location costs for a maximum 12 month period incurred no earlier than April 1, 2008;
- Site preparation necessary to construct towers and adjoining exterior cabinets.

Project Management (maximum 10% of approved eligible costs):
- Human Resources/staffing (incremental costs relative to Project);
- Project management consultant;

Municipalities are required to allocate a range of 3% to 5% of the eligible project costs to the following activities:

- E-Business Outreach and Awareness: Small and Medium-sized Enterprise outreach and awareness spending must be at least one-third (1/3) of this budget.

- Public and Public Sector Access: The remaining portion is to be directed to public sector access.
OMAFRA Communications Protocols: Details are provided in Schedule I of this Agreement. The maximum Eligible Costs are $500 per event with a Project maximum of $1000.

For the purposes of announcements and ceremonies, Eligible Costs include the following:

- Printing and mailing invitations
- Refreshments*
- Draping for plaque unveiling
- Project material for display and/or media kit
- Temporary signage
- Rentals such as:
  - stage
  - chairs
  - podium
  - PA system
  - flagpole

* Only light refreshments (e.g., coffee, tea, muffins) will be considered Eligible Costs.

The maximum eligible cost of the plaque shall not exceed $100, not including installation, and is eligible for one-third reimbursement to be incurred by March 31, 2012.

Miscellaneous: The cost of obtaining performance bonds and/or irrevocable letters of credit are Eligible Costs.

**In-Kind Contributions**

Existing Infrastructure - Overview

Consideration for in-kind contributions is subject to limitations and guidelines.

Only the legal owner of an asset may contribute to the project. The owner of the asset will be required to sign a declaration as a contributing partner. If the owner does not sign the declaration, the asset will not be considered eligible for reimbursement.

Infrastructure contributed to or funded under the 2007-08 Rural Connections program is not eligible as an in-kind contribution for any purpose.

Signed declarations are to be included with the normal claim submissions.

**In-Kind Contributions - Existing Infrastructure (Existing prior to April 1, 2008)**

Existing broadband infrastructure [e.g., telecommunications towers, silos, water towers, Point of Presence (POP), cable/fibre, remote Digital Subscriber Line Access Multiplier (DSLAM)] that will be used as part of the new broadband network may be eligible as an in-kind contribution to the project.
Eligible infrastructure and the maximum value of each unit are determined according to the list below. The maximum values for existing infrastructure include all related equipment (tower structure, backhaul, power, backup, radios, etc.).

The maximum eligible value of any combination of a backhaul point and cable/fibre to that point cannot exceed $30,000.

A maximum of 2 backhaul Internet gateways per project will be considered as an in-kind contribution. A gateway includes any connection up to the first point of distribution. The second gateway is only eligible if used for redundancy purposes.

<table>
<thead>
<tr>
<th>Description</th>
<th>Height</th>
<th>Maximum Value</th>
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</thead>
<tbody>
<tr>
<td>Distribution Towers and other Vertical Real Estate</td>
<td></td>
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<tr>
<td>Existing telecommunications equipment attached to building (e.g., grain elevators, water and fire towers, silos)</td>
<td>50 feet or less</td>
<td>$15,000</td>
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<tr>
<td>Existing telecommunications equipment attached to building (e.g., grain elevators, water and fire towers, silos)</td>
<td>greater than 50 feet</td>
<td>$30,000</td>
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<tr>
<td>existing telecommunications towers</td>
<td>50 feet or less</td>
<td>$15,000</td>
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<tr>
<td>existing telecommunications towers</td>
<td>greater than 50 feet to 100 feet</td>
<td>$30,000</td>
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<tr>
<td>existing telecommunications towers</td>
<td>greater than 100 feet</td>
<td>$150,000</td>
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<tr>
<td>Backhaul Related Equipment</td>
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<tr>
<td>existing telecommunications tower or other point of presence used for backhaul purposes</td>
<td></td>
<td>$30,000</td>
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<tr>
<td>existing cable/fibre to a point of presence used for backhaul purposes = $5,000 per kilometre</td>
<td></td>
<td>$30,000</td>
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<tr>
<td>Gateways</td>
<td></td>
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<tr>
<td>Primary gateway to the Internet to first point of distribution</td>
<td></td>
<td>$30,000</td>
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<tr>
<td>Secondary gateway eligible only for redundancy purposes</td>
<td></td>
<td>$30,000</td>
</tr>
</tbody>
</table>

In-Kind Contributions - New Network (Expenditures on or after April 1, 2008)

Only the legal owner of an asset may contribute to the project. The owner of the asset will be required to sign a declaration as a contributing partner or provide a valid invoice for the goods and services contributed. If the owner does not sign the declaration or provide the invoice, the asset will not be considered eligible for reimbursement.

In-kind items must be measurable, represent current fair market value and be necessary for the implementation of the project.

Costs relating to the current infrastructure build eligible for in kind contributions are the same as those listed above under Third Party Direct Cash Costs.
INELIGIBLE COSTS

Ineligible costs include, but are not limited to:

- Direct or indirect operating or administrative costs and, other activities normally carried out by the applicants;
- Costs incurred prior to April 1, 2008;
- Radio licensing fees;
- Debt restructuring, fundraising or financing charges and interest costs;
- Purchase or lease of land and associated costs;
- Vehicles;
- Other indirect fixed costs not directly attributable to the implementation of the project;
- Courier and mailing costs;
- Taxes for which the Recipient or a Third Party is eligible for a tax rebate, and all other costs eligible for rebates such as the GST rebate received by Municipalities;
- Routine repair and maintenance costs;
- Insurance costs not incremental to the Project;
- Legal costs;
- Activities or operations performed outside of Ontario where the benefits do not accrue to Rural Connections projects;
- Research and development costs or pilot projects;
- Annual or Repetitive Costs - memberships, repeat printing costs;
- Remunerations or Fees Paid to a Board of Directors for their time;
- Volunteer Services, Opportunity Costs, and Standard Discounts;
- Donations in the Form of Knowledge, Goodwill or Other Such Intangibles;
- Any other expense, which at the discretion of the program, is deemed to be ineligible.

For the purposes of announcements and ceremonies, Ineligible Costs include the following: alcoholic beverages, china, tents, waiters, guest mileage or transportation, wine glasses, lighting, plants, photographers and gifts.
SCHEDULE E
PROJECT MILESTONE SCHEDULE

- Enter milestone description
- Shade the boxes by the appropriate quarter pertaining to the timelines estimated for your project.

Based on government Fiscal Year:

- Q1 = April - June
- Q2 = July - September
- Q3 = October - December
- Q4 = January - March

<table>
<thead>
<tr>
<th>MILESTONE DESCRIPTION</th>
<th>08 Q1</th>
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<th>11 Q4</th>
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<th>12 Q2</th>
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<th>12 Q4</th>
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<td>Business Case, Technical Plans, RFP</td>
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<td>E-Business Outreach/Awareness Activities</td>
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<td>Public And Public Sector Access</td>
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<td>Final Report</td>
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**ACTIVITIES FOR THIS REPORT:**

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<thead>
<tr>
<th>ACTIVITY</th>
<th>DESCRIPTION</th>
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**RESULTS**

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<tr>
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<th>DESCRIPTION</th>
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**ISSUES WHICH MAY IMPACT ON THE PROJECT'S SUCCESS AND TIMING FOR COMPLETION?**

<table>
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<tr>
<th>ISSUE</th>
<th>DESCRIPTION</th>
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**IDENTIFY PUBLIC ACCESS AND OUTREACH/AWARENESS ACTIVITIES UNDERTAKEN TO DATE.**

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>DESCRIPTION</th>
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</table>

**SIGNATURE**

<table>
<thead>
<tr>
<th>Project Representative:</th>
<th>Date:</th>
</tr>
</thead>
</table>
### Ontario

**Rural Connections Broadband Program**

#### 1 - Project Information

<table>
<thead>
<tr>
<th>File No.</th>
<th>Municipality:</th>
<th>Completion Date:</th>
<th>Authorized Municipal Officer</th>
</tr>
</thead>
<tbody>
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<table>
<thead>
<tr>
<th>Claim No.</th>
<th>Period Covered:</th>
<th>Final Claim (Yes/ No)</th>
<th>Name of Project Representative</th>
<th>Date</th>
</tr>
</thead>
<tbody>
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</table>

#### 2 - Invoices

**Budget Line Descriptions should match Line Items from Schedule B.**

<table>
<thead>
<tr>
<th>Budget Line Desc.</th>
<th>Invoice #</th>
<th>Date</th>
<th>Vendor Name</th>
<th>Work Description</th>
<th>Invoice Amount</th>
<th>GST Rebate</th>
<th>Net Claim Amount</th>
<th>Paid (Yes/No)</th>
<th>Cheque #</th>
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</thead>
<tbody>
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Attach Invoices as listed above and send to:
Rural Connections Broadband Program
Ontario Ministry of Agriculture, Food and Rural Affairs
4th Floor, 1 Stone Road W., Guelph, ON N1G 4Y2

Total Amount Claimed $ - $ - $ -
SCHEDULE G – PROJECTED EXPENDITURE REPORT
January 31 and August 31

Rural Connections Broadband Program
FAX 519-826-4436

<table>
<thead>
<tr>
<th>Municipality:</th>
<th>I certify that the financial information contained within this report is true and accurate to the best of my knowledge. Costs related to the approved project will be incurred for the amount on the schedule as indicated in the chart below:</th>
</tr>
</thead>
<tbody>
<tr>
<td>File:</td>
<td></td>
</tr>
<tr>
<td>Project Representative:</td>
<td>NAME:</td>
</tr>
</tbody>
</table>

1. Insert costs incurred per quarter in the appropriate box below.
2. Calculate each fiscal total (A,B,C,D) by adding up the amounts in each quarter.
3. Calculate the sum of the total project (E) by adding all the fiscal totals.
4. Insert Amount of Claims Reimbursed = F
5. Calculate Total Costs Remaining to be Reimbursed = E-F

<table>
<thead>
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</tbody>
</table>

Total = E
A+B+C+D=E

Amount of Claims Paid = F
Amount of Claims Remaining = E-F

$
In accordance with section 8.5 of the Agreement, Recipient must provide a Final Report which meets the requirements listed below (see attached). The Ministry will release the 10% project holdback upon satisfaction that the Recipient has successfully completed the Project and has fully complied with all of the terms and conditions of the Agreement.

Within 90 days of project completion, a Final Report must be submitted to the Ministry which shall include, but is not limited to:

(a) a detailed summary of the results of the Project achieved to the date of the Final Report including information and data to assist in program evaluation;

(b) the details of any variance from the Schedule A and Schedule B and/or the project schedule;

(c) a final Financial Report showing all Eligible Costs Incurred and paid; and

(d) any other information respecting the Project that demonstrates the success of the Project.

The format for the Final Report is attached.
RURAL CONNECTIONS BROADBAND PROGRAM

SCHEDULE H – FINAL REPORT

File: "[Type File Number]"
Recipient: "[Type Municipality Name]"
Contact: "[Type Contact Name & Title]"
Telephone: "[Phone number]"
Total Eligible Costs: "$[Total Cost Amount]"
Funding Approved: "$[Total Funding Amount Approved]"
Start Date: "[Project Start Date]"
End Date: "[Project End Date]"
Partner ISP: "[ISP]"

Section 1. Project Scope and Implementation

This section should provide a description of the physical area to be covered by the project. Information should include a description of the population and types of businesses and organizations within the target area. Include a high level description of the project timeline from contract with government to completion, including the major milestones and timelines.

Section 2. Project Partners

Describe the partners, their contributions and anticipated benefits from the project. Not all partners are financial contributors so their role should be described in detail.

Section 3. Changes (variances) from Original Plan

Project – Describe any design or scope changes from the approved Project and Technical Plans. (e.g., terrain challenges, etc.)

Budget – Describe changes in the project budget and the rationale for them. (e.g., cost overruns, construction delays, equipment issues, etc.)

Schedule – Describe changes in project schedule, why they were made, and the impact on the project. (e.g., delays in the supply chain, vendor issues, etc.)

Section 4. Final Financial Statement

Complete and sign the attached Financial Statement showing all sources and uses of Project funds.
Section 5. Data Collection for Project Evaluation

Complete Form Attached – Data Collections for Project Evaluation

Section 6. Other Information

Please provide any other information which demonstrates the success of the project and its impact on other stakeholders (e.g. citizens, businesses, small and medium enterprises), rural communities and the Province of Ontario.

Section 7. Confidentiality and Signature

Information submitted in this report to the Province of Ontario will be subject to the Freedom of Information and Protection of Privacy Act. Any information submitted in confidence should be clearly marked "CONFIDENTIAL" by the Recipient. Inquiries about confidentiality should be directed to the Rural Community Development Branch.

NAME and TITLE (Please print):

SIGNATURE:

DATE:
SCHEDULE H
FINANCIAL STATEMENT – FILE #

For the period from __________ to ________________

Sources of Funds – all amounts should include PST, if applicable, and exclude GST

<table>
<thead>
<tr>
<th>Name/Organization</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners</td>
<td></td>
</tr>
<tr>
<td>1.</td>
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<td>2.</td>
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<td>3.</td>
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<td>4.</td>
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<tr>
<td>Other private contributions</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td></td>
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<td>2.</td>
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<tr>
<td>Other public contributions</td>
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<tr>
<td>1.</td>
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<td>2.</td>
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<tr>
<td>Program Funding</td>
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<td>Claim #</td>
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<tr>
<td>Claim #</td>
<td></td>
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<tr>
<td>Claim #</td>
<td></td>
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<tr>
<td>Claim #</td>
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<tr>
<td>10% Holdback</td>
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</tbody>
</table>

Total Sources of Funds = A

Uses of Funds – all amounts should include PST, if applicable, and exclude GST

<table>
<thead>
<tr>
<th>Line Item Expense from Budget</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Consulting Fees</td>
<td></td>
</tr>
<tr>
<td>2. Design Engineering</td>
<td></td>
</tr>
<tr>
<td>3. Infrastructure, Construction, Equipment</td>
<td></td>
</tr>
<tr>
<td>4. Project Management</td>
<td></td>
</tr>
<tr>
<td>5. E-Business Outreach/Awareness</td>
<td></td>
</tr>
<tr>
<td>6. Public and Public Sector Awareness</td>
<td></td>
</tr>
<tr>
<td>7. OMAFRA Communications Protocols</td>
<td></td>
</tr>
<tr>
<td>8. Miscellaneous</td>
<td></td>
</tr>
</tbody>
</table>

Total Uses of Funds = B

VARIANCE BETWEEN A and B

EXPLANATION OF VARIANCE
# SCHEDULE H
DATA COLLECTION FOR PROJECT EVALUATION – File # 8057 – Laurentian Valley

## QUANTITATIVE

<table>
<thead>
<tr>
<th>Public Access and Public Sector Access</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Population served by project</td>
<td></td>
</tr>
<tr>
<td>Number of Small and Medium Sized Enterprises (SMEs) served by project</td>
<td></td>
</tr>
<tr>
<td>Number of Broader Public Sector organizations (schools, libraries, etc.) served by project</td>
<td></td>
</tr>
<tr>
<td>Number of newly-connected schools</td>
<td></td>
</tr>
<tr>
<td>Number of newly-connected libraries</td>
<td></td>
</tr>
<tr>
<td>Number of public access points/community access points</td>
<td></td>
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</tbody>
</table>

### Optional – Subscriber Uptake

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Number of new household subscribers</td>
<td></td>
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<tr>
<td>Number of SME subscribers</td>
<td></td>
</tr>
<tr>
<td>Number of home-based business subscribers</td>
<td></td>
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<tr>
<td>Number of IT intensive jobs</td>
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### Outreach and Awareness

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<tbody>
<tr>
<td>Number of Outreach/Awareness events and activities</td>
<td></td>
</tr>
<tr>
<td>Number of community organizations engaged in project</td>
<td></td>
</tr>
<tr>
<td>Number of industry partners engaged in project</td>
<td></td>
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<tr>
<td>Number of citizens attending Outreach/Awareness sessions</td>
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<tr>
<td>Number of businesses attending Outreach/Awareness sessions</td>
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### Technology

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<tbody>
<tr>
<td>Type of Infrastructure Built</td>
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<tr>
<td>Expected Download Speed</td>
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<tr>
<td>Expected Upload Speed</td>
<td></td>
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</tbody>
</table>
QUALITATIVE

Small and Medium Size Enterprise (SME) Outreach and Awareness

Provide brief description of SME Outreach/Awareness activities and outcomes. In the comments section, describe what worked, what did not work, and what you would have done differently. Describe impact on uptake on e-business solutions, job growth, business retention attributable to the outreach events.

<table>
<thead>
<tr>
<th>Description of Event or Project</th>
<th>Completion Date</th>
<th>Costs</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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</table>

Public Outreach and Awareness

Provide brief description of Outreach/Awareness activities and outcomes. In the comments section, describe what worked, what did not work, and what you would have done differently. Describe impact on various sectors, for example, access to health care and education attributable to project implementation.

<table>
<thead>
<tr>
<th>Description of Event or Project</th>
<th>Completion Date</th>
<th>Costs</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
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</table>
SCHEDULE I
COMMUNICATIONS REQUIREMENTS

Purpose of Schedule

This Schedule describes the Recipient’s responsibilities and financial obligations involved in:

(a) communications activities and products for the Project to recognize the contributions of the Provincial Government and the Recipient; and

(b) producing and installing commemorative plaques.

General Principles

The Recipient will work with OMAFRA officials to undertake communication activities ensuring equal recognition of all parties making a significant financial contribution to the Project.

All ceremonies, signs and plaques will follow these communications requirements and any other requirements that may be specified by the Ministry, from time to time.

All parties making a significant financial contribution to the Project shall receive equal recognition and prominence when logos, symbols, flags and other types of identification are incorporated into announcements, ceremonies, signs and plaques unless the Ministry provides otherwise.

Both official languages will be used for public information, signs and plaques in accordance with the French language services standards for Ontario.

Announcements and Ceremonies

There are typically three stages at which publicity is important:

1. The announcement that a municipality's application has been approved;
2. When the construction work commences; and
3. The completion of the project.

The Provincial Government, in cooperation with the Recipient, is responsible for organizing the Project approval announcement.

Milestone events, such as ground-breakings and ribbon-cuttings, will be organized by the Recipient, in cooperation with the Provincial Government. All governments must be equally represented at all events.

When asked by elected representatives or designated officials from the Provincial Government, the Recipient will coordinate a mutually agreeable venue, date and time for the event in light of the availability of participants from all levels of government. The Provincial Government will consider announcing Projects by news release only when scheduling conflicts
prevent announcing Project approval through a local event within 45 days of final approval by Provincial Government.

The Recipient may invite other elected officials and members of council. The Recipient may also invite local interested parties, such as contractors, architects, labour groups, and community leaders as early as possible, and in consultation with the Provincial Government, prior to the event.

After the participants, date and location have been determined, the Recipient may send out invitations to all guests.

Where appropriate, the Recipient may invite the general public by posting notices in public areas, such as post office and libraries or by placing public service announcements in the local media.

All written communications (invitations, public service announcements, posters, etc.) must indicate that the Project received Financial Assistance from the Government of Ontario under the Rural Connections Broadband Program.

The Recipient will have an opportunity to provide input into the agenda, news release, etc. and will receive final copies.

To ensure the Rural Connections visual identity is visible at all events, a Rural Connections C-kde will be provided to the Recipient for the event, where practical. Provincial and municipal flags may also be on display at all Rural Connections events.

Responsibilities

The Recipient will:
- make all local arrangements (e.g., podium, flags as appropriate, seating for speakers, shovels for ground-breaking ceremonies or ribbon for opening ceremonies, etc.) if required;
- produce invitation and guest list and distribute invitations;
- display Project material;
- choose a Master of Ceremonies, if required;
- arrange for refreshments if desired; and,
- arrange for a public address system if appropriate.

Eligible Costs

A portion of a recommended event (sod turning, plaque unveiling, ribbon-cutting, official opening) will be funded in accordance with this Agreement.

Only costs associated with events recommended by the Provincial Government will be considered Eligible Costs. The maximum Eligible Cost for any one event is $500, with a total of $000 per project.

Refer to Schedule D for a list of eligible and ineligible costs.
Signs and Plaques

The Recipient must comply with the Ontario style guide when designing all signs and plaques as set out below:

- Ontario’s style guide and digital templates are available in a variety of formats. For more information please contact your Project Coordinator.

The Recipient will ensure that proofs of all Ontario project signs and plaques are reviewed by the Ministry before installation.

Responsibilities

All capital projects should have a permanent plaque installed in an appropriate and visible location such as inside main lobby/foyer, outside main building, or other prominent location.

The Recipient shall install plaques as directed by this Schedule. The relevant standards and procedures are outlined in the following paragraphs:

- Upon completion of a Project where the Maximum Financial Assistance exceeds $100,000, the Recipient will install a permanent plaque.
- Permanent plaques may follow the design outlined in the Ontario style guide or use a style suited to the building, provided all government and partner logos are included.
- Costs for plaques shall be part of the Project’s Eligible Costs in accordance with Schedule D.
- The Recipient will submit proofs of the plaques to the Ministry for prior approval.
- Both official languages will be used for public information, signs and plaques when required by Ontario’s French language services standards.

Plaque Specifications

- Size: between 12” x 9” and 24” x 18” or closest standard size.
- Materials: silver anodized aluminum plate or black aluminum plate with silver engraved lettering; plaque backing constructed of solid wood with rosewood piano finish.
- Hardware: reinforced hanger or open space on back so that plaque may be permanently mounted to a wall.
- Options: other suitable materials such as cast aluminum, cast bronze, engraved acrylic as appropriate to project/location.
SCHEDULE J
IRREVOCABLE STANDBY LETTER OF CREDIT TEMPLATE

Letter of Credit Number .
Issue Date .

TO:
Ministry of Agriculture, Food and Rural Affairs
Rural Community Development Branch
1 Stone Road West, 2NW
Guelph, Ontario N1G 4Y2

We, the [Insert name and address of Bank - the address must be in Ontario] (either “We” or the “Bank”) hereby issue to and in favour of Her Majesty the Queen in the Right of the Province of Ontario as represented by the Minister of Agriculture, Food and Rural Affairs (either “You” or the “Minister”) our Irrevocable Standby Letter of Credit for the account of [Insert exact legal name of Municipality] (the “Customer”) for an amount not to exceed [Insert dollars in text] ($ [Insert dollars in figures]) in lawful money of Canada.

This Letter of Credit is given for the obligations of the Customer incurred, or to be incurred, to the Minister under an Agreement dated __________ and made between the Customer and the Minister and which is entitled “Rural Connections ... The Ontario Municipal Rural Broadband Partnership Program” as may be amended.

You are authorized, subject only to the terms of this Letter of Credit, to draw on the Bank from time to time and at any time, in the event that You require payment under this Letter of Credit. We shall issue payment without enquiring whether You have a right as between the Minister and the Customer to make such draw, and without recognizing any claims of the Customer or other remedies available to You at any time and from time to time.

Partial drawings are permitted under this Letter of Credit up to the full amount of this Letter of Credit.

All drawing requests under this Letter of Credit shall be made by a written demand for payment by the Minister that shall state the Letter of Credit No. and Issue Date and shall state that the amount drawn is in connection with the obligations of the Municipality incurred or to be incurred under the terms of the aforementioned Agreement. All drawings must be made payable to the Ministry of Agriculture, Food and Rural Affairs. Any one of the Deputy Minister of Agriculture, Food and Rural Affairs, or any of their respective heirs, successors and assigns, is duly authorized to sign the written demand by and for the Minister.

We shall honour your demand for payment not later than the second business day following receipt of the written demand for payment, provided the drawing request is presented at the address of the Bank stated above before 5 p.m. on or before the date this Letter of Credit expires.

The amount of credit from time to time available by this Letter of Credit may be reduced by such amount as shall be specified in writing by direction given to the Bank by You and over the signature of one of: the Deputy Minister of Agriculture Food and Rural Affairs, and the Director of Business Planning and Financial Management Branch for the Minister of Agriculture, Food and Rural Affairs, or the Director of Rural Community Development Branch for the Minister of Agriculture, Food and Rural Affairs or any of their respective heirs, successors and assigns.
This Letter of Credit will expire on ________, but shall be deemed to be automatically extended without any formal amendment or notice to that effect, from year to year for successive periods of one year each from the present or any future expiration date hereof, unless not less than ninety days prior to the present or any future expiration. We shall notify You in writing, delivered by courier or by prepaid registered mail to the attention of the:

Director
Rural Community Development Branch
Ontario Ministry of Agriculture, Food and Rural Affairs
1 Stone Rd. W., 4NW
Guelph, ON. N1G 4Y2

that the Bank elects not to renew this Letter of Credit beyond its current expiry. Upon receipt by You of such notice You may draw before 5 p.m. on or before the current expiry date the full amount hereunder by the written demand for payment.

We acknowledge and agree that this Letter of Credit is irrevocable.

This Letter of Credit is subject to the International Standby Practices (ISP98). This Letter of Credit shall also be governed by and construed in accordance with the laws of the Province of Ontario and the applicable laws of Canada except to the extent that such laws are inconsistent with the International Standby Practices (ISP98).
### Schedule K

#### Rural Connections Broadband Program

Broadband Access at Project Completion

Municipality:

<table>
<thead>
<tr>
<th>A</th>
<th>Proposed Hexes to be covered in approved application</th>
</tr>
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<tbody>
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</table>

<table>
<thead>
<tr>
<th>B</th>
<th>Hexes from Column B Covered after Project Completion</th>
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<tbody>
<tr>
<td>Y</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>C</th>
<th>Additional Hexes Covered due to Project Scope Change</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>D</th>
<th>Hexes Covered Outside of the Approved Project Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

### A and D
Record hex number in Column A and indicate in Column D (Y/N) to identify additional hexes funded in project due to scope changes.

### A and E
Record hex number in Column A and indicate in Column E (Y/N) to identify additional hexes covered by ISP in addition to those in project scope (i.e., not funded under the program).

### C - Explanation of why Proposed Hexes were not covered

<table>
<thead>
<tr>
<th>Hex ID</th>
<th>COMMENTS</th>
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### D - Explanation of Hexes Covered due to Scope Change

<table>
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<th>Hex ID</th>
<th>COMMENTS</th>
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### F - Explanation of Hexes Covered Outside Approved Project Scope

<table>
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<th>Hex ID</th>
<th>COMMENTS</th>
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</thead>
<tbody>
<tr>
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