

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the MOU) is made on this 15 day of July, 2014 by and between 768812 Ontario Inc., of Sudbury, Ontario, hereinafter referred to as Vianet, and The Corporation of the Town of Whitchurch-Stouffville, of Stouffville, Ontario, hereinafter referred to as the Town, for the purpose of achieving the various aims and objectives relating to the proposed fibre build in the Greater Trail of the Woods area (the Project).

WHEREAS Vianet and the Town desire to enter into an agreement describing their respective roles in the Project, which is to be completed by Vianet;

AND WHEREAS Vianet and the Town desire to enter into a Memorandum of Understanding between them, setting out the working arrangements that each of the parties agree are necessary to complete the Project;

Purpose

The Purpose of this Memorandum is to provide the framework for the obligations of Vianet and the Town in regards to the Project.

The Project

Vianet will build a fibre-to-the-home (FTTH) project in the area around the corners of Aurora Rd. and Kennedy Rd. The following streets are included in this project: David Wright Cir., Elia Dr., Forestview Trail, Green Valley Circle, Heron Trail, Hill Country Dr., Jesse Thomson, Percy Wright Rd., Sandy Ridge Crt., Wolf Run Crt., William Linton Trail and portions of Aurora Rd., Kennedy Rd. and McCowan Rd.

Home owners interested in having fibre built to their home will pay a one-time capital contribution of \$2,500. Vianet will commence with the Project once the 123 home owners committed to the project in the above-mentioned area have submitted their capital contribution to the Town. The Project is estimated to take 6 months from beginning of engineering to completion of the final installation. Once all the monies are collected, Vianet will begin the engineering of the Projects at which time all installation fees of \$2,500 per home owner will be become non-refundable.

Vianet's offer to the home owners is outlined on their web site under the link <http://www.vianet.ca/trailofthewoods/>. Internet, television and telephone services being offered to the residents within the Project are posted on Vianet's web site and are part of their standard offerings to other FTTH serving areas.

Obligations of the Parties

The Parties acknowledge that no contractual relationship is created between them by this MOU, but agree to work together in the true spirit of a joint venture to ensure that the Project is successful and to demonstrate financial, administrative and managerial commitment to the Project by carrying out the following activities.



The activities required to carry out for the Project shall include but shall not be limited to the following:

- a. Vianet's obligations include:
 1. Supply all labour and materials needed to complete the build of the Project
 2. Assume all financial risk of the Project
 3. Supply any and all marketing material to the home owners to whom internet, television and telephone services are to be made available
 4. All ongoing costs and maintenance obligations relating to the built fibre plant
- b. The Town's obligations include:
 1. Receipt of capital contributions into a separate financial account
 2. Disbursement of capital contributions to Vianet

Process to deliver the Installation Fee to the Town

- a) Vianet will inform each home owner when the separate financial account is set up
- b) Each home owner will submit to the Town at 111 Sandiford Drive, Stouffville, ON L4A 0Z8 a cheque in the amount of \$2,500.
- c) The Town will deposit this cheque into the above-mentioned account

Process for Vianet to Collect the \$2,500 Installation Fee

- a) Vianet will complete the installation to the home owner's satisfaction and ensure all services are working properly
- b) The home owner will verify that the all services are working properly and that the installation was completed to their satisfaction, including any repair to the property where Vianet has brought the fibre line from the property line into the home
- c) The home owner will sign off on the installation on the Vianet work order form
- d) A copy of the work order form will be given to the home owner as a proof/indication of services rendered to their satisfaction
- e) Vianet will submit monthly to the Town of Whitchurch Stouffville for payment the following:
 - a. A single request for the amount to be released for that submission period, in the amount of \$2,480 per home
 - b. A copy of each signed-off work order form
 - c. A master list documenting each submitted work order form



Miscellaneous Matters

Vianet will hold the Town harmless and indemnify the Town against any liability and/or costs it may incur in connection with the Project, save for its administration costs relating to receipt and disbursement of the capital contribution (which shall be collected from the home owners).

This MOU shall terminate upon disbursement by the Town to Vianet of the last of the capital contributions is provided for herein.

Agreed to this 15 day of July, 2014.

July 15, 2014
Date

VIANET

[Signature]
Signature

President
Title

I have authority to bind the Corporation

July 21/14.
Date

TOWN OF WHITCHURCH-STOUFFVILLE

[Signature]
Signature

Chief Administrative Officer
Title

I have authority to bind the Corporation

July 21/2014
Date

[Signature]
Signature

Treasurer
Title

I have authority to bind the Corporation