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Private and confidential

MRC Pontiac
 602, Route 301 Nord
 Campbell's Bay, Québec
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Attention: Kim Lesage, Director General

Subject: Initial Business Case Services for an new Energy from Waste facility

We understand that the Regional Municipality of Pontiac (the "Company", "MRC Pontiac", "you" or "your") is interested in hosting a new Energy from Waste ("EFW") facility ("Pontiac EFW" or the "Project") that will process up to 400,000 tonnes of solid waste per year, with such waste to be sourced from local municipalities (the "Municipalities") and potentially industrial, commercial, and industrial customers ("ICI Customers"). At this stage of the Project, MRC Pontiac is interested in completing an initial business case (the "IBC") that is intended to review the costs of the Pontiac EFW against a base-line landfill option (the "Landfill Option"), and to recommend a plan that will outline key steps needed to confirm waste supply, obtain approvals and funding, and to execute the procurement of the Pontiac EFW.

This letter confirms the terms of the engagement of Deloitte LLP ("Deloitte") as the prime contractor together with Ramboll¹ as a subcontractor, to form the integrated advisory team (collectively the "Team") that will deliver the services to complete the IBC (collectively, the "IBC Services" or the "Services" as defined herein).

Scope of IBC Services

The work plan to complete the IBC Services as summarized in Figure 1, and as discussed further in the sub-sections that follow.

Figure 1: IBC Work Plan

Key Tasks	Oct'23					Nov'23		
	2	9	16	23	30	6	13	20
1. Kick off, Data Collection and Project Governance	█							
2. Development of the Landfill Option		█	█					
3. Assessment of EFW Technology Options			█	█				

¹ Ramboll and Deloitte are 50:50 partners in the development of the IBC. Deloitte will engage Ramboll through a separate sub-contact that will align with the approach noted herein.

Key Tasks	Oct'23					Nov'23		
	2	9	16	23	30	6	13	20
4. Assessment of Project Deal Structure								
5. Development of Financial Model								
6. Draft and Issue Draft IBC for Review by Client								
7. Review of Draft IBC by Client								
8. Incorporate Comments from Client on Draft IBC								
9. Issue Final IBC to Client								

Task 1: Kick off, Data Collection and Project Governance

Summary of Activities:

- Plan and facilitate a kick-off meeting between the Team and Client.
- Confirm approach to project governance and management.
- Establish key points of contact.
- Develop a meeting schedule for weekly project management and for ad-hoc meetings at key milestones, as required.
- Outline a process to identify matters of confidentiality and sensitivity that need to be considered in the development of the IBC.
- Prepare an information request of background data required from the Client.
- Discuss status of discussions with Hydro Quebec on the structure of a potential Power-Purchase Agreement ("PPA").

Key Assumptions:

- N/A

Deliverables

- Information data request.
- Project governance approach.

Task 2: Development of the Landfill Option

Summary of Activities:

- Identify potential sources of waste to be processed at the Pontiac EFW that will be applied to the Landfill Option.
- For the Municipalities sources, provide:
 - a 30-year forecast of waste tonnages;
 - annual transportation costs from the Municipality to the proposed site; and
 - existing landfill tipping fees to serve as the comparator to the Pontiac EFW, if available.
- Any assumptions on tonnages from ICI customers.

Key Assumptions:

- The Client will coordinate with the collection of data from the Municipalities and any potential ICI Customers.

Deliverables

- Results will be incorporated into Task 6: Draft IBC.

Task 3: Development of EFW Technology Options

Summary of Activities:

- A high-level summary of EFW technology options will be prepared.
- Each EFW technology option will be compared against key factors such as reliability, energy efficiency, and environmental impacts of air emission and ash disposal.

- A recommendation for the Pontiac EFW will be made of the EFW technology option that is best suited to the key factors.
 - Overall mass and energy balance will be provided to be used for the financial model
 - High-level assessment of opportunity for selling low temperature energy to industries
 - High-level assessment of architecture appearance to allow for cost assessment to be used for the financial model
- Key Assumptions:
- The Client will provide input to the key factors, including on matters related policy objectives.
- Deliverables
- Results will be incorporated into Task 6: Draft IBC.

Task 4: Assessment of Project Deal Structure

- Summary of Activities:
- A high-level summary of the contractual deal structure options to deliver the Project, will be prepared ranging from:
 - Private Concession (Build-Operate-Transfer); to
 - Design-Build-Finance-Operate and Maintain; to
 - Design-Build-Operate and Maintain.
 - Prepare a summary of key financial / funding and investment assumptions (public and private) associated with each option.
 - Provide a summary of key private market conditions.
 - Each contractual deal structure option will be compared against key factors such as suitability of roles and responsibility, funding and financing requirements, costs and qualitative assessment of risks.
 - A recommendation for the Pontiac EFW will be made for the contractual deal structure option that is best suited to the key factors.
- Key Assumptions:
- The Client will provide input to the key factors, including matters related policy objectives.
- Deliverables
- Results will be incorporated into Task 6: Draft IBC.

Task 5: Development of Financial Model

- Summary of Activities:
- A financial model (the "Financial Model") will be prepared to analyse the Pontiac EFW that will include funding, financing, capital, operating and maintenance costs for the EFW technology option recommended from Task 3: Development of EFW Technology Options using the contractual deal structure recommended from Task 4: Assessment of Project Deal Structure.
 - Key assumptions to applied by the Team would be as follows:
 - The timeframe will be 30 years (i.e. the expected useful life);
 - Financing assumptions will be developed using comparable transactions and current capital market conditions;
 - Inflation assumptions will be developed using current market conditions;
 - Residual value assumptions at the end of the term will be applied, as required;

- Technical assumptions on construction costs and annual operating and maintenance will be developed on a unit cost, per tonne basis by applying information from comparable projects;
- Assumptions on electricity outputs will be made from precedent projects;
- Revenue from the PPA will be based on recent transactions by Hydro Quebec, and will include key assumptions on indexation and availability; and
- Key assumptions will be made on procurement and construction timelines.
- The data collected from Task 2: Development of the Landfill Option will be used to develop the Landfill Option of the Financial Model.
- The Financial Model will include:
 - Sections listing all input assumptions;
 - A dashboard of tables and figures that will be used in the IBC to compare the costs of each option on a present value basis as well as a nominal cost basis; and
 - A sensitivity analysis on key assumptions.

Key Assumptions:

- The Financial Model will be developed using MS Excel.
- The Client will provide input to the key factors on public financing structures, including the ability to raise and issue public debt, as applicable.

Deliverables

- Key outputs from the Financial Model will be incorporated into Task 6: Draft IBC.
- The Financial Model will be a standalone deliverable that will be provided with the IBC.

Task 6: Draft and Issue Draft IBC for Review by Client

Summary of Activities:

- The Draft IBC will be prepared that:
 - Summarizes the outcomes of each of the tasks noted above;
 - Provides a recommendation on next steps related to key stakeholders; and
 - Includes a high-level implementation plan of next steps.
- The Financial Model will be included as a deliverable with the Draft IBC.
- Provide a summary of key financial funding and investment assumptions associated with each option.
- Provide a summary of private market conditions.
- Each option will be compared against key factors such as:
 - Suitability of roles and responsibility;
 - Funding and financing requirements;
 - Costs; and
 - A qualitative assessment of key risks.
- A summary of key recommendations for the Pontiac EFW.

- Key Assumptions:
- The IBC will be developed using MS PowerPoint that will be a standalone document containing all data assumptions used by our Team.
 - MS PowerPoint will enable the Team to develop figures and graphics that will make the document easier to read and understand.
 - The IBC and the Financial Model are intended to serve as an initial high-level assessment.
 - Key assumptions will be made to make an “apples-to-apples” comparison of the options using information provided by the Client and/or from assumptions obtained from comparable transactions.
 - The results will serve as a starting point for funding discussion but may not be at the level of accuracy to make funding and investment commitments.

- Deliverables
- Draft IBC and Financial Model.

Task 7: Review of Draft IBC by Client

- Summary of Activities:
- The Client will review the draft documents prepared from Task 6: Draft and Issue Draft IBC for Review by Client and prepare a consolidated list of comments or questions to be addressed in the Final IBC.

- Key Assumptions:
- N/A

- Deliverables
- N/A.

Task 8: Incorporate Comments from Client on Draft IBC

- Summary of Activities:
- Our Team will incorporate the input received from Task 7: Review of Draft IBC by Client.

- Key Assumptions:
- N/A

- Deliverables
- N/A.

Task 9: Issue Final IBC to Client

- Summary of Activities:
- Issue final IBC.

- Key Assumptions:
- It is understood that the IBC and the Financial Model will need to be shared with key stakeholders, as required.
 - Our Team will work with the Client to identify key sensitivity information that may need to be redacted to suit the profile of stakeholders identified by the Client.

- Deliverables
- Final version of the IBC and Financial Model.

COVID-19 Restrictions and Conditions

The parties acknowledge the risk posed by the spread of COVID-19 and the associated impact this might have on the delivery of the services. The parties' personnel will comply with any restrictions or conditions imposed by their respective organizations on working practices as the threat of COVID-19 continues. While the parties will seek to continue to comply with their respective obligations in accordance with the timeframes and approach set out herein, the parties accept that they may be

required to adopt alternative working practices and put in place safeguards during this period, including working remotely, restrictions on travel to and from particular locations and the quarantining of individuals. These working practices and safeguards may impact or prevent the delivery of various activities, for example, workshops or other face to face meetings. The parties will work collaboratively and in good faith to agree to any changes that may be necessary to mitigate the adverse impact resulting from the effects of COVID-19 on the services, including the timetable for delivery of the services, the approach, methods and working practices for delivering the services, and any additional associated costs. In any event, Deloitte shall have no liability for any failure or delay to perform its obligations to the extent caused and/or contributed to by the spread of COVID-19 and its associated impacts.

Engagement team

The Team will be comprised of the following senior members as listed below. The engagement will be under the direction of Remo Bucci who will maintain overall responsibility for the engagement on behalf of the Team. Ash Hashim will be the Project Director and coordinate daily management of the engagement with the Client.

The Team will be supported by other professionals with the required expertise and experience, as required but are not listed herein.

Remo Bucci, Deloitte

Role: Overall Project Lead

Profile: Remo is a Partner in Deloitte's Infrastructure & Capital Projects practice in Toronto. Throughout his career he has been actively involved in infrastructure projects in Canada which has included the negotiation of funding agreements, power purchase agreement, risk assessments and deal structuring, financial analysis and business cases, financing through the private debt and equity capital markets, payment mechanisms, transaction documents, evaluation frameworks and overall project management. This work has included the development and management of infrastructure projects from project concept to financial close, which has required an ability to address day-to-day issues such as approvals, concept designs, critical path project planning, transaction management, as well complex policy issues that required co-ordination with the public and senior level decision makers. Remo advised the Regions of Durham and York on the York-Durham Energy Centre EFW which was commissioned in 2011, as well as Peel Region on its planned EFW which was in procurement in 2013 but was subsequently cancelled. Remo has been with Deloitte for over 20 years and has over 30 years of experience. He is licensed as a Professional Engineer in Ontario.

Ash Hashim, Deloitte

Role: Project Director (day to day lead)

Profile: Ash is a Director in Deloitte's Infrastructure & Capital Projects practice in Toronto. Ash brings a wealth of expertise spanning over a decade, specializing in the convergence of strategy development, financial analyses, and value creation within the realm of infrastructure assets. His impactful contributions have played a vital role in the achievements of both public and private sector clientele. As a key

member of the Deloitte team, Ash is committed to providing essential policy, strategic, governance, commercial, and investment guidance to organizations aspiring to build resilient and sustainable foundations.

In his current role, Ash spearheads numerous decarbonization initiatives spanning across asset groups and the lifecycle of infrastructure projects including business case and transaction structuring to contractual delivery model options analysis. Educationally, Ash has an MBA from Wester University – Ivey Business School.

Usman Ejaz, Deloitte

Role: Lead on Financial Model (alternate day to day lead)

Profile: Usman is a Director in Deloitte’s Infrastructure & Capital Projects practice in Deloitte. Usman brings over 15 years of experience gained from advising public sector clients on large scale public infrastructure projects delivered through a variety of deal structures. At Deloitte, he has been involved with the group’s projects with focus on waste management, water/wastewater, the transit & transportation, and energy/power (utilities, energy-from-waste, renewable energy etc.) sectors. Usman has extensive experience in business case and transaction advisory for various infrastructure PPP/P3 projects. He has held leadership roles on projects that have also included deal structuring, financial modeling and analysis (including value for money analysis), risk assessments, and advising client senior management on various financial and commercial aspects. Such projects have included development of business cases / procurement options analysis, transaction structuring, development / drafting of financial procurement documents and agreements. Usman has advised the Region of Peel on the planning and procurement of its planned EFW project (in 2013) that was subsequently cancelled and also advised the Region of Durham on its planned waste processing and organics management facility (with RNG off-take) (2020 to 2022) which is currently on hold. Usman has an MBA from Rotman School of Management, University of Toronto and has completed up to Level II of the CFA Program.

Saleha Shafiq, Deloitte

Role: Strategic Input and Quality Assurance

Profile: Saleha is a Partner with Deloitte’s Infrastructure & Capital Projects practice with over 22 years of significant Public Sector Advisory experience. She has led a variety of complex transactions in multiple sectors including waste, sustainability, healthcare, and transit. Saleha has a M.A. in Economics from Cambridge University. She is well versed with structuring partners, industry and financial analysis, and project management and has led several complex mandates. She has overall negotiated and structured process and partnership for public sector clients which have included managing multiple teams, coordinating advisors and stakeholder engagement.

She has worked nationally with clients such as Recycle BC, MMSW, RCC in the waste sector to look at the impact of transition and strategy in the space. She also a key leader for our national financial advisory services for sustainable supply chain as well as several public sector areas such as municipal government, healthcare, higher education amount others. This gives her insight into the potential for public-public partnerships that may exist for the City as it considers this acceleration of the circular economy.

She has also worked with the City and other municipalities into other innovation climate spaces like review the Distract Energy plan for Toronto and for the City of Guelph or development a business for energy for waste from Peel. This makes her familiar in the challenges municipalities face in changing operations as well as partnering with the private sector.

She has been a trusted advisor through consistent work with clients over decades. For example, she has been working with government for since 2009 on the Gordie Howe Bridge, which includes cross-border stakeholder management across 6 difference levels of government and needed to be responsive to each government's concerns, including during the critical transaction and contract period for a private partner.

Bettina Kamuk, Ramboll

Role:

Overall Technical Lead

Profile:

Bettina is Global Market Director in Ramboll Energy from waste and Carbon Capture division. With a background in chemical engineering and more than 30 years of comprehensive international experience in all aspects of waste management, Bettina Kamuk has acted as project director, project manager, and technical advisor for a significant number of Energy from Waste projects, representing both large- and small-scale plants. In recent years, Bettina has acted as project director for large international projects such as the Integrated Waste Management facility in Singapore, a new EFW facility in Abu Dhabi, and several feasibility studies Worldwide. Bettina's outstanding experience derives from her involvement in technology assessments, feasibility studies, environmental approval procedures, design, procurement to implementation and commissioning of EFW plants. Bettina often acts as a strategic advisor to the client and has amongst other a particular expertise in developing procurement decision strategies and uses her coordination skills to secure the most optimal project start. By taking initiatives to develop some of the largest, most efficient, and innovative EFW solutions of today, Bettina manages to have a wide overview and provides professional consultancy by addressing the clients' needs. Specifically for Canada it can be mentioned that Bettina advised Regions of Durham and York on the York-Durham Energy Centre EFW which was commissioned in 2011, as well as Peel Region, Metro Vancouver and Haltom during their planning of new EFW capacity. Currently she is involved as project director for a new EFW facility in Ontario and in PEI.

Johan Forsberg, Ramboll

Role: Energy from Waste Expert

Profile: With more than 10 years of experience in the Energy from Waste industry, Johan Forsberg is one of Ramboll's competent and highly experienced project managers. Johan has an educational background in Global Business Engineering and has a broad knowledge with a wide range of technical areas relating to combustion technologies, flue gas cleaning, energy optimisation, as well as project management, and Public Private Partnerships (PPP) / Private Finance Initiative (PFI) schemes. Johan has been involved in several large international projects, especially in the Middle east, Asia, and on the German market. Johan is currently acting as an assistant project manager on a large EFW project in Dubai for Dubai Waste Management company, where he remarkably coordinates resources between the Ramboll offices. Johan takes a central role in the development of EFW projects from the feasibility stage to the implementation of EFW facilities. Johan has considerable experience in drafting tender documents and preparation of contracts as well as managing design review during the engineering, manufacturing, and erection stages. Over the last couple of years he has been managing the technical design, tendering and contracting of a new greenfield EFW facility in Abu Dhabi where Ramboll act as technical advisor for the national energy company. Johan has a broad commercial and technical understanding and is always able to deliver high quality and enables the project team to achieve the project deliverables in time.

Giovanni Cafaggi, Ramboll

Role: Thermochemical Expert

Profile: With a background in Chemical engineering, Giovanni Cafaggi is a highly valued specialist on EFW thermochemical conversion processes, including combustion and modelling of thermal energy systems. Giovanni holds a master in energy conversion engineering from the University of Florence and a Ph.D. in chemical engineering from the Technical University of Denmark (DTU). Giovanni is currently involved on the Carbon Capture integration on a EFW facility project in Nyborg for Fortum (Denmark), where he contributes with his expertise in energy modelling and mass balances. Giovanni has been involved in Energy from Waste and Carbon Capture projects ranging from pre-feasibility studies, feasibility studies, preparation of tender documents, and tender evaluations. Giovanni is a proactive and involved core member of Ramboll's Energy Modelling competence team and Ramboll's Emission Control and Chemical Engineering competence team. Giovanni has a broad technical background with experience with flue gas treatment, energy modelling and mass balance, combustion and calorific value calculations, and boilers. In addition, Giovanni has experience with Ramboll's internal tool RAMsteam and commercial software Thermoflex for modelling of Waste to Energy facilities. Giovanni has the special ability to familiarize himself with advanced issues in interdisciplinary contexts and teams and is an exceedingly helpful project member. Giovanni is

detail oriented and always brings a critical perspective to find the best outcome of the project. Most recently Giovanni has been involved in conceptual design of a new EFW facility in Ontario where he was also responsible for the mass- and energy balance and connection to nearby industries.

Management responsibilities

The Company recognizes and acknowledges that by performing the IBC Services, Deloitte is not acting in any Company management capacity and that the Company has not asked Deloitte to make, nor has Deloitte agreed to make, any business decisions on behalf of the Company. In connection with Deloitte's provision of Services, you agree that you will perform the tasks, furnish the personnel, provide the resources, and assume and undertake the responsibilities specified below and in the General Business Terms ("**Company Responsibilities**").

Professional fees

The fee for the IBC Services will be CAD \$104,370 (excluding applicable taxes) ("Fee Estimate").

Please note that the Fee Estimate is subject to the IBC Services outlined above. It is our intention to manage our work to ensure that we do not exceed the indicated amount. To the extent that the IBC Services are amended, or we are close to reaching our Fee Estimate during the course of the engagement, we will ensure: (i) that you are advised of the cost implications of said scope change; and (ii) that we will obtain your approval in writing before undertaking said activities. Any advisory services provided subsequent to the delivery of our Report will be a separate engagement, with fees negotiated separately in good faith.

Professional fees

We will provide an invoice for our fees at the delivery of the Final IBC.

Duration

Notwithstanding the General Business Terms, this engagement shall become effective on the date signed by the City (the "Effective Date"), unless otherwise agreed in writing. The engagement shall commence on the Effective Date and terminate six (6) months after completion of Deloitte's IBC Services hereunder, or as otherwise extended in discussion with the Client (the "End Date").

Disclosure of relationships

We inform you that, based on our conflicts search, we are not aware of any conflict that would affect our ability to act impartially.

Disclosure of the engagement

Following completion of the engagement, Deloitte and the Deloitte Entities (defined in the General Business Terms) shall be permitted to disclose to third parties, the Company name, a summary of the services, each Deloitte Entities role in providing the services and the results achieved. We may use this information in proposals for future work and presentations regarding industry qualifications. We will obtain prior approval from the Company prior to using this information in public print media or electronic publication media.

General business terms

The attached General Business Terms form part of our mutual agreement concerning this engagement. By signing this agreement the parties agree to be bound by these General Business Terms. In the event of a conflict between this letter and the General Business Terms, the General Business Terms shall take precedence, provided that if the letter specifically states that a particular term shall take precedence over the General Business Terms, the letter shall take precedence with respect to that term.

Debriefing

On completion of the engagement, as part of our commitment to the quality of our service, we would welcome the opportunity to receive your comments on our work and the service delivered.

Confirmation

Please confirm your acceptance of this agreement by signing both copies of this letter in the space provided below and returning one signed copy of the letter to us. We will commence the engagement upon receiving the signed letter.

We appreciate this opportunity to serve you. Should you have any questions, please text or call me at 416 805 0102 or email me at rbucci@deloitte.ca.

Yours sincerely,



Remo Bucci
Partner
Deloitte LLP

Agreed and accepted by:

Signature of authorized signing officer
Kim Lesage
Director General

Date

General business terms

The following general business terms (the "terms") apply to the engagement agreement between Deloitte LLP ("Deloitte") and the Regional Municipality of Pontiac (the "Company") except as otherwise included in the engagement letter to which these general business terms are attached (the "engagement letter").

1. Contracting parties

- a) **Definitions:** "Deloitte" or "Deloitte Canada" shall mean Deloitte LLP "Deloitte Entities" shall mean the Ontario limited liability partnership Deloitte LLP and where appropriate its directors, officers, partners, principals, professional corporations, employees, agents, subsidiaries and affiliates and to the extent providing services under the engagement letter, the member firms of Deloitte Touche Tohmatsu Limited, the subsidiaries and affiliates of such member firms, and all of their respective directors, officers, partners, principals, professional corporations, employees, agents; and in all cases any successor or assignee.
- b) This engagement letter is between the Company and Deloitte Canada. The Company agrees that its relationship is solely with Deloitte Canada as the entity contracting with the Company to provide the services covered by this engagement letter. Notwithstanding the fact that certain services covered by this engagement letter may be carried out by personnel provided to Deloitte Canada from other Deloitte Entities through service or other agreements, Deloitte Canada remains solely responsible and liable to the Company for all services covered by the engagement letter. Accordingly, the Company agrees that none of the Deloitte Entities (except Deloitte Canada) will have any liability to the Company, and the Company will not bring any claims or proceedings of any nature (whether in contract, tort, breach of statutory duty, or otherwise and including, but not limited to, a claim or negligence) in any way in respect of or in connection with this engagement against any of the Deloitte Entities (except Deloitte Canada) or against any subcontractors that Deloitte Canada may use to provide the services covered by this engagement letter.
- c) To the extent that Deloitte Entities (other than Deloitte Canada) are providing services to Deloitte Canada in connection with this engagement as subcontractors to Deloitte Canada, then the term "Deloitte" should read as "Deloitte Entities" for purposes of these Terms.

2. Services

- a) It is understood and agreed that the services to be provided under the Engagement Letter (the "Services") may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and be made by, the Company. In connection with the Services, Deloitte shall be entitled to rely on all decisions and approvals of the Company.
- b) The Services conducted by Deloitte cannot be relied upon to disclose errors or fraud should they exist. The Services will not constitute an audit conducted in accordance with generally accepted auditing standards, an examination or compilation of, or the performance of agreed upon procedures with respect to prospective financial information, an examination of or any other form of assurance with respect to internal controls, or other attestation or review services in accordance with standards or rules established by the Chartered Professional Accountants of Canada ("CPA Canada"), the Canadian Public Accountability Board ("CPAB"), or other regulatory body. Deloitte will not express an opinion or any other form of assurance

on any operating or internal controls, financial statements, forecasts, projections or other financial information.

- c) Neither the Services or any advice or reports in connection therewith are intended to be, nor shall be construed to be, "investment advice" within the meaning of the US Investment Advisors Act of 1940. In the performance of the Services, Deloitte will not perform any evaluation of internal controls and procedures for financial reporting upon which the Company's management can base its assertion in connection with the US Sarbanes-Oxley Act of 2002 or related rules or regulations ("Sarbanes-Oxley"). Deloitte will make no representations or warranties and will provide no assurances that the Company's disclosure controls and procedures are compliant with the certification requirements of and internal controls and procedures for financial reporting are effective as required by Sarbanes-Oxley or any other standards or rules, including, without limitation, Sections 302 and 404 of Sarbanes-Oxley.

3. Term

Unless terminated sooner in accordance with its terms, this engagement shall terminate on the completion of the Services. Either party may terminate this engagement at any time upon giving at least five (5) days written notice to that effect to the other party, provided that in the event of termination for cause, the breaching party shall have the right to cure the breach within the notice period. In the event of termination pursuant to this paragraph, the Company agrees to compensate Deloitte Canada under the terms of the Engagement Letter for Services performed and expenses incurred through the effective date of termination.

4. Timely performance

Deloitte will endeavour to complete within any agreed upon time-frame the performance of the Services. However, Deloitte will not be liable for failures or delays in performance that arise from causes beyond Deloitte's control, including the untimely performance by Company of its obligations as set out in the engagement letter and in these Terms.

5. Fees and payment

- a) Unless otherwise specifically agreed in the engagement letter, Deloitte's fees will be based on standard hourly rates, which vary depending upon the experience level of the professionals involved. In the normal course of business, Deloitte revises its standard hourly rates to reflect changes in responsibilities, increased experience, and increased costs of doing business. Changes in standard hourly rates will be noted on the invoices for the first time period in which the revised rates become effective.
- b) In addition to professional fees, the Company will reimburse Deloitte Canada for Deloitte's reasonable out of pocket expenses incurred in connection with this engagement, including travel, meals, hotels and disbursements for outside legal counsel or any other consultants engaged by Deloitte with the prior consent of Company. Deloitte invoices will also include our standard charge of 7% of professional fees for technology, support personnel, telecom, printing and other similar administrative charges. Expenses will be stated separately on the invoices.
- c) All fees and other charges do not include any applicable federal, provincial or other goods and services or sales taxes, or any other taxes or duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by the Company without deduction from the fees and charges hereunder.

- d) Deloitte's invoices shall be due upon receipt. If payment is not received within thirty (30) days of receipt of an invoice (i) such invoice shall accrue a late charge equal to the lesser of (a) 1½% per month or (b) the highest rate allowable by law, in each case compounded monthly to the extent allowable by law, and (ii) Deloitte may also suspend or terminate the Services.
- e) In the event of any disputes, claims, or controversies arising out of or related to this Agreement ("Disputes"), a party shall notify the other in writing. The parties shall, using diligent efforts, attempt to resolve the Dispute in accordance with the following escalation process. Disputes shall first be referred to Deloitte's engagement partner and Client's contact person. If they are unable to resolve the Dispute within fifteen (15) days of the notice of the Dispute, the Dispute will be escalated to Deloitte's lead client service partner and Client's contact person. If they are unable to resolve the Dispute within fifteen (15) additional days, then each party may exercise any rights it may have under this Agreement, at law or in equity, including the right to suspend its obligations under this Agreement.
- f) To the extent that, as part of the Services to be performed by Deloitte Canada as described in the engagement letter, Deloitte Canada personnel are required to perform the services in the United States of America ("US Business"), the Company and Deloitte Canada agree to assign performance of the US Business to Deloitte Canada LP, an affiliate of Deloitte Canada. All services performed by Deloitte Canada LP shall be performed under the direction of Deloitte Canada which shall remain responsible to the Company for such Services. Deloitte Canada LP shall invoice the Company with respect to the US Business and Deloitte Canada will invoice for services performed in Canada ("Canadian Business"). Payment for US business and/or Canadian Business can be settled with one payment to Deloitte Canada.

6. Independence

- a) Deloitte Canada may terminate this engagement upon written notice to the Company if it determines that (i) a governmental, regulatory or professional entity (including, without limitation, provincial accounting institutes, Canadian and foreign securities commissions, the Canadian Public Accountability Board and the Public Company Accounting Oversight Board) or an entity having the force of law has introduced a new, or modified an existing, law, rule, regulation, interpretation or decision the result of which would render the performance by Deloitte of any part of the engagement illegal or otherwise unlawful or in conflict with independence or professional rules, or (ii) circumstances change (including, without limitation, changes in ownership of the Company or any of its affiliates) such that the performance by Deloitte of any part of the engagement would be illegal or otherwise unlawful or in conflict with independence or professional rules. Upon termination of the engagement, the Company will compensate Deloitte Canada under the terms of the Engagement Letter for the Services performed and expenses incurred through the effective date of termination.
- b) The Company shall provide Deloitte Canada with prompt written notice if the Company or any of its subsidiaries or affiliates engages Deloitte Canada, a member firm of Deloitte Touche Tohmatsu Limited or any affiliate of such a member firm to provide audit related services. In the event that Deloitte, a member firm of Deloitte Touche Tohmatsu Limited or any affiliate of such a member firm, provides audit services for Company, parent of Company or affiliate of Company, Company acknowledges that Company has adhered to all regulatory requirements regarding the provision of non-audit services by Deloitte Canada, member firm of Deloitte Touche Tohmatsu Limited or any affiliate of such a member firm in accordance with applicable laws, regulations and rules that apply to the Company, including audit committee pre-approval requirements.

7. Conflict of interest

- a) **Notification and resolution.** Should Deloitte Canada determine that there is a potential conflict of interest in connection with its performance of the Services, Deloitte Canada will advise the Company promptly and endeavour to resolve such potential conflict. Also, the Company agrees to notify Deloitte Canada promptly of any potential conflict affecting this engagement of which it is, or becomes aware. Where a potential conflict is identified by either party and Deloitte Canada believes the Company's interests can be properly safeguarded by the implementation of appropriate procedures, Deloitte Canada will discuss and agree such procedures with the Company.
- b) **Non-exclusivity.** Having engaged Deloitte Canada for the limited purpose set out in the engagement letter, the Company agrees on behalf of itself and its affiliates that no Deloitte Entity is precluded from acting in any capacity for any other party and that the Company's engagement of Deloitte Canada in this matter will not be asserted by the Company as a basis for disqualifying Deloitte Canada, an affiliate of Deloitte Canada or a member firm of Deloitte Touche Tohmatsu Limited or any of their respective affiliates from acting for any other party. The Company agrees to waive any real or potential conflict of interest of Deloitte Canada, an affiliate of Deloitte Canada or a member firm of Deloitte Touche Tohmatsu Limited or any of their respective affiliates in connection with Deloitte's Services for the Company under the terms of the Engagement Letter.
- c) In the event that Deloitte Canada, an affiliate of Deloitte Canada or a member firm of Deloitte Touche Tohmatsu Limited or any of their respective affiliates acts for any other party, (i) Deloitte will not disclose any Confidential Information (defined below) that the Company provides to Deloitte in connection with this engagement and will not use such Confidential Information for another party's benefit, and (ii) Deloitte will establish appropriate ethical walls between the persons involved in advising the Company under this engagement and the persons involved in advising another party.

8. Company responsibilities

- a) **Cooperation.** The Company shall cooperate with Deloitte in the performance of the Services, including, without limitation, providing Deloitte with reasonable facilities and timely access to data, information and personnel of the Company. The Company shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of all data and information provided to Deloitte for purposes of the performance by Deloitte of the Services hereunder.
- b) **Management.** The Company shall be solely responsible for, among other things: (i) making all management decisions and performing all management functions; (ii) designating a competent management member to oversee the Services; (iii) evaluating the adequacy and results of the Services; (iv) accepting responsibility for the results of the Services; and (v) establishing and maintaining internal controls, including, without limitation, monitoring ongoing activities.

9. Information

- a) **Access and reliance.** The Company will make available to Deloitte all information (financial or otherwise) reasonably necessary to enable Deloitte to provide the Services. The Company will also provide Deloitte with any information, advice and opinions relevant to the engagement that may be delivered by third parties, such as legal counsel (except where

necessary to preserve privilege) and accounting, financial, environmental or other advisors, and will ensure that such third parties co-operate with Deloitte on matters considered by Deloitte to be relevant to the engagement. In carrying out its Services, Deloitte will rely on information that is publicly available, prepared or supplied by the Company or provided to Deloitte by third parties. Deloitte will be entitled to rely on, and is under no obligation to verify, the accuracy or completeness of such information and Deloitte has no responsibility for the accuracy or completeness of the information provided by, or on behalf of, Company or other parties, even if Deloitte had reason to know or should have known of such inaccuracy or incompleteness. This engagement cannot be relied upon to disclose errors or fraud should they exist. Further, Deloitte is under no obligation to investigate any changes that may occur in such information subsequent to the date thereof.

- b) **Representation.** The Company represents and warrants that all information provided to Deloitte, directly or indirectly, orally or in writing, by the Company or its agents and advisors in connection with the engagement will be accurate and complete in all material respects and will not be misleading in any material respect. Upon request, the Company will provide Deloitte with a separate written representation confirming the accuracy and completeness of the information provided to Deloitte and the information included, or to be included, in any information documents with respect to the Company.
- c) **Confidentiality.** To the extent that, in connection with this engagement, Deloitte come into possession of any proprietary or confidential information of the Company ("Confidential Information") (including Personal Information as defined in section 12 (b) below), Deloitte will not disclose such information to any third party, other than the Deloitte Entities, without the Company's consent, except as may be required or permitted by law, regulation, judicial or administrative process, or in accordance with applicable professional standards, or in connection with litigation pertaining thereto. Also, Confidential Information may be used, processed and stored outside Canada by Deloitte, Deloitte Entities and third party service providers. Deloitte is responsible to the Client for causing Deloitte Entities and third party service providers to comply with the obligations of confidentiality set out in this section. Confidential Information may be subject to disclosure in accordance with laws applicable in the jurisdiction in which the information is processed or stored, which laws may not provide the same level of protection under Canadian law. "Confidential Information" shall not include information which:
- i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure by Deloitte in breach hereof;
 - ii) is disclosed by the Company to a third party without substantially the same restrictions as set forth herein;
 - iii) becomes available to Deloitte on a non-confidential basis from a source other than the Company which Deloitte believes is not prohibited from disclosing such information to Deloitte by obligation to the Company;
 - iv) is known by Deloitte prior to its receipt from the Company without any obligation of confidentiality with respect thereto; or
 - v) is developed by Deloitte independently of any disclosures made by the Company to Deloitte of such information.
- d) **Prospective financial information.** Unless Deloitte Canada and the Company agree otherwise in the Engagement Letter, Deloitte will not compile, examine or apply other

procedures to prospective financial information of the Company or other parties in accordance with Chartered Professional Accountants of Canada Standards and accordingly, will express no opinion or any other form of assurance or representations concerning its accuracy, completeness or presentation format. Any financial forecasts or projections belong to the Company or other parties and are the sole responsibility of such management. There will usually be differences between projected and actual results, because events and circumstances frequently do not occur as expected or predicted, and those differences may be material.

- e) Deloitte will not return or provide records or information obtained in the course of the engagement to the Company if it is illegal to do so or if Deloitte is requested to withhold the records or information by law enforcement or other public or regulatory authorities (regardless of whether the engagement has been terminated).

10. Reporting

- a) **Qualifications to advice, opinions, and reports.** Any advice, opinions, or reports provided by Deloitte will be made subject to, and will be based upon, such assumptions, limitations, qualifications and reservations as Deloitte, in its judgment, deems necessary or prudent in the circumstances, including without limitation: (i) the time available to perform the Services, (ii) the information, data, opinions, advice and representations made available to Deloitte, and (iii) access to the Company's management, advisors and agents.
- b) **Amendments to reports.** Deloitte reserves the right to amend its advice, opinions, and reports accordingly, in the event that new information becomes available which may be contrary to or different from that which is set out to the Company in documents or verbal reports. Notwithstanding the foregoing, Deloitte has no responsibility for performing any services or procedures beyond those agreed to by Company and Deloitte Canada or for updating the Services performed.
- c) **Limitation on use and distribution.** Except as otherwise agreed in writing, all services in connection with this engagement shall be solely for the Company's internal purposes and use, and this engagement does not create privity between Deloitte and any person or party other than the Company ("third party"). This engagement is not intended for the express or implied benefit of any third party. No third party is entitled to rely, in any manner or for any purpose, on the advice, opinions, reports, or Services of Deloitte. The Company further agrees that the advice, opinions, reports or other materials prepared or provided by Deloitte are to be used only for the purpose contemplated by the Engagement Letter and shall not be distributed to any third party without the prior written consent of Deloitte Canada.
- d) **Ownership.** Deloitte shall retain all right, title and interest in the reports, opinions and other documents provided by Deloitte to the Company and the Company shall be entitled to use such material in accordance with section 10(c).

11. Indemnification and limitation on liability

- a) **Application.** The provisions of this Section 11 shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise. This Section shall survive termination or expiry of the engagement. The provisions of this Section are not applicable to the extent that mandatory provisions of applicable regulatory bodies prohibit a professional financial advisor from limiting liability.

- b) **Limitation on liability.** The Company and Deloitte Canada agree to the following with respect to Deloitte's liability to the Company:
 - i) Deloitte shall not be liable to the Company for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid by the Company to Deloitte Canada pursuant to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of Deloitte.
 - ii) In no event shall Deloitte be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense relating to this engagement or any loss of revenue or profit or any other commercial or economic loss or failure to realize expected savings.
 - iii) In any action, claim, loss or damage arising out of the engagement, the Company agrees that Deloitte's liability will be several and not joint and several and the Company may only claim payment from Deloitte of Deloitte's proportionate share of the total liability based on the degree of fault of Deloitte as finally determined by a court of competent jurisdiction .
- c) **Indemnification.** The Company agrees to indemnify and hold harmless Deloitte from and against any and all claims, damages, costs, charges, liabilities and expenses, including all legal fees, claimed by any third party relating to the Services provided by Deloitte except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct by Deloitte.
- d) **Limitation on actions.** No action, regardless of form, relating to this engagement, may be brought by either party more than three years after the cause of action has accrued, except for an action for non-payment of fees.

12. Other

- a) **Regulatory or legal action.** The Company will notify Deloitte Canada promptly of any request received by the Company from any third party, including a regulatory authority, for any material information or for a meeting or hearing; the issuance of any restraining order; or the initiation of a proceeding or litigation relating to this engagement.

Subject to any professional issues including audit independence, if requested and if the parties agree, Deloitte will testify (as a non expert witness) or provide reasonable support services to the Company before any governmental commission, regulatory authority or court. Any such testimony or support services will be confined to the services performed under this engagement. Deloitte shall have the right to employ counsel in connection with such testimony or support services.

Deloitte shall be paid for any time spent by its personnel in connection with such support at their standard hourly rates, which shall be separate and apart from any other professional fees payable hereunder. The Company shall also reimburse Deloitte for its reasonable out-of-pocket costs, charges and expenses, including legal counsel, incurred in connection therewith. These fees and expenses shall be separate and in addition to any other fees or amounts payable under the provisions for payment of fees in the engagement letter.

- b) **Privacy.** Deloitte and the Company acknowledge and agree that, during the course of this engagement, Deloitte may collect personal information about identifiable individuals ("Personal Information"), either from the Company or from third parties. The Company and Deloitte Canada agree that Deloitte will collect, use and disclose Personal Information on behalf of the Company solely for purposes related to completing this engagement, providing services to the

Company and in a manner consistent with section 9(c) above. Deloitte shall not collect, use and disclose such Personal Information for Deloitte's own behalf or for its own purposes.

- c) **Survival and interpretation.** The agreements and undertakings of the Company contained in the Engagement Letter together with the following sections of these Terms shall survive the expiration or termination of this engagement: 1, 2, 4, 5, 6, 8, 9, 10, 11 and 12.
- d) **Governing law.** These Terms, the Engagement Letter and all matters relating to this engagement (whether in contract, statute, tort (such as negligence), or otherwise), shall be governed by, and construed in accordance with, the laws of the Province where Deloitte Canada's principal office performing the engagement is located. Any action or proceeding relating to this engagement shall be brought in the Province where Deloitte Canada's principal office performing the engagement is located, and the parties submit to the jurisdiction of the courts of that Province and waive any defence of inconvenient forum to the maintenance of such action or proceeding. For the Province of Quebec, the applicant has a right to elect/make the choice of the jurisdiction based on 3 criteria (i.e, Quebec instead of Ontario) according to Quebec Code of Civil Procedure – see S.41 – C-25.01 – Code of Civil Procedure (gouv.qc.ca).
- e) **Severability.** If any provision of the Terms or the Engagement Letter is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein.
- f) **Entire agreement.** These Terms and the Engagement Letter is the complete agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, proposals, negotiations, representations or warranties of any kind whether oral or written.
- g) **Assignment.** Except as provided below, neither party may assign, transfer or delegate any of its rights or obligations hereunder (including, without limitation, interests or Claims relating to this engagement) without the prior written consent of the other party. Client hereby consents to Deloitte Canada assigning or subcontracting any portion of the Services to any affiliate or related entity, whether located within or outside of Canada, provided that, any such assignment or subcontracting shall not relieve Deloitte Canada of its obligations hereunder. Services performed hereunder by Deloitte Canada's subcontractors shall be invoiced as professional fees on the same basis as Services performed by Deloitte Canada's personnel, unless otherwise agreed. Deloitte Canada may, without the consent of the Client, assign or subcontract its rights and obligations hereunder to (i) any affiliate or related entity or (ii) any entity which acquires all or a substantial part of the assets or business of Deloitte Canada.
- h) **Currency.** All financial references herein are to Canadian dollars unless specifically indicated otherwise. If it is necessary to convert any amounts into Canadian dollars, a prevailing commercial bank exchange rate at closing or the time of the invoice shall be used.
- i) **Notices.** Any notice or other communication required or permitted to be given under this engagement shall be in writing and shall be sufficiently given or made by delivery or by post or by telecopy or similar facsimile transmission (with confirmation of accurate and complete transmission obtained by the sender) to the respective parties. Any notice so given shall be deemed conclusively to have been given and received when so personally delivered or posted

or so telecopied or transmitted, except that any notice delivered after 5:00 p.m. on the day prior to a non-business day shall be deemed to have been received at 9:00 a.m. on the first business day following delivery. Any party may change its address, telephone number or facsimile number by notice to the others in the manner set out above.

- j) **Communication.** Except as instructed otherwise in writing, each party may assume that the other approves of properly addressed fax, email (including email exchanged via Internet media) and voicemail communication of both sensitive and non-sensitive documents and other communications concerning this engagement, as well as other means of communication used or accepted by the other.
- k) **Language.** The parties have requested that this Agreement and all communications and documents relating hereto be expressed in the English language. Les parties ont exigé que la présente convention ainsi que tous les documents s'y rattachant soient rédigés dans la langue anglaise.
- l) **Quality of Service.** If, at any time, you believe our service to you could be improved or if you are dissatisfied with any aspect of our services you should raise the matter with the engagement partner. Alternatively, if you wish to discuss the matter with someone other than the engagement partner, or make a complaint, please email ntlethics@deloitte.ca or call 1 (888) 683-2020 and ask for the National Ethics Leader. We will acknowledge the complaint upon receipt and every effort will be made to investigate expeditiously.