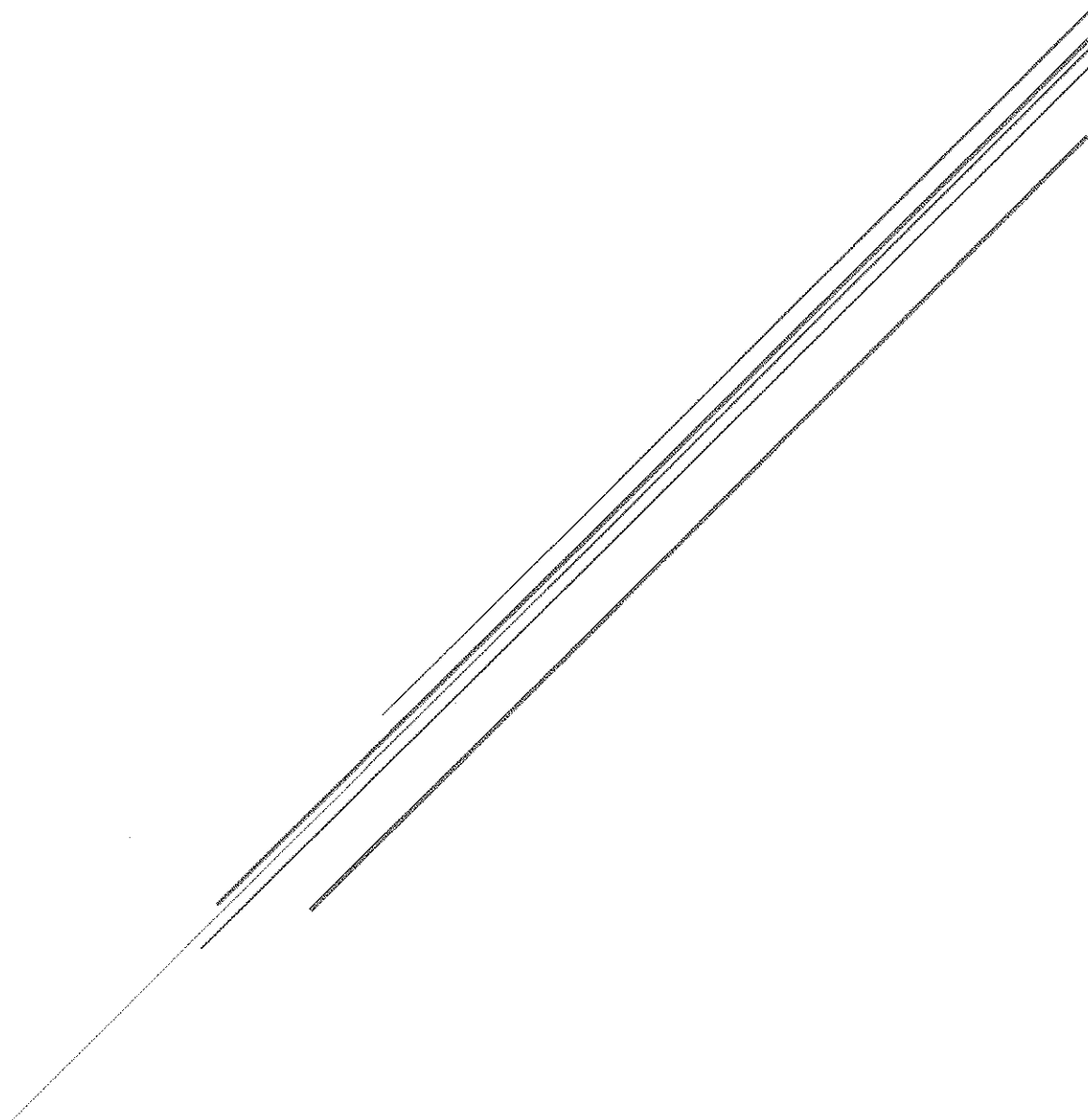


HORSE CREEK SEWER SERVICES INC.

- Terms & Conditions for Waste Water
- Schedule A – Utility Application Form
- Schedule B – Fees and Charges
- Schedule C – Waste Water Rate Structure



**HORSE CREEK SEWER SERVICES INC.
GENERAL TERMS AND CONDITIONS OF WASTE WATER SERVICE**

1.0 DEFINITIONS

“Administrative Charge” means the administrative charges imposed by the Company in accordance with section 3.2 and Schedule “B” hereof.

“Application for Service” means the Company’s standard form of contract in the form of Schedule “A” attached hereto and as filed with the Commission and in use by the Company from time to time.

“Company” means Horse Creek Sewer Services Inc.

“Customer” means the person or persons identified in the Application for Service and supplied with residential waste water service by the Company at the Service Address.

“Customer Facilities” means all waste water pipeline and equipment at the Service Address installed and maintained by the Customer between the Curb Stop Facilities and the Metering Facilities.

“Mainline System” means all facilities, equipment and apparatus upstream of the Point of Delivery, including all waste water pipelines, pump station facilities and equipment installed.

“Metering Facilities” mean all water meters, valves, metering equipment, remote readout and flow control equipment and appurtenant metering facilities downstream of the Point of Delivery as specified by the Company and installed at the Service Address.

“Optional Facilities” means those facilities, if any, identified in section 3.8.1 hereof

“Point of Delivery” means the point where the service valve is located within the Company’s right of way at which point the Mainline System would normally, but not always, exit and directly interconnect to the Service Address.

“Reconnection Charge” means the charges imposed by the Company in accordance with section 7.0 and Schedule “B” hereof for reconnecting a Customer’s service.

“Service Address” means the address specified in the Application for Service and at which the Customer agrees to take water service from Horse Creek Water Services Inc downstream of the Point of Delivery.

“Service Connection Charge” means the Service Connection Charge as set out in section 3.7.2 and Schedule “B” hereof.

“Terms and Conditions” mean these terms and conditions of service, including the schedules attached hereto.

“Tie-in Fee” means the fee as set out in Schedule “B” hereto and paid to the Company by the Customer in accordance with section 3.7.1 hereof, for the benefit to the customer of receiving access to waste water services from the Company.

2.0 GENERAL PROVISIONS

2.1 Scope and Application of Terms and Conditions

These Terms and Conditions apply to the Customer, and set out the basis whereby the Company agrees to supply and the Customer agrees to take and to pay the Company for the supply of waste water services.

No employee, agent or other representative of the Company has the authority to make any representation or agreement on behalf of the Company to any Customer or other party which is inconsistent with these Terms and Conditions.

The Customer acknowledges they have received a copy of these Terms and Conditions. These Terms and Conditions are also available on our web site www.horsecreekwater.com

2.2 Ownership of Facilities

Notwithstanding the payment by the Customer in accordance with these Terms and Conditions of the Tie-in Fee and any other charge imposed by the Company pursuant to these Terms and Conditions, the Company shall have full title to the Mainline System, to all Optional Facilities, if any and all other facilities related to the waste water system.

2.3 Application for Service

The Customer may apply for connection or reconnection of service at the Company's office nearest the Service Address and prior to such connection or reconnection of service, the Customer shall execute an Application for Service in the form of Schedule “A” attached hereto.

Where the Customer has not executed the Application for Service, the taking of waste water service by the Customer constitutes acceptance by the Customer of these Terms and Conditions. However, the Company may not be able to provide service to the Customer until the Customer

signs an Application for Service or gives the Company confirmation that the Customer otherwise accepts responsibility to pay for the services received from the Company in accordance with these Terms and Conditions.

An Application for Service is not assignable by the Customer without the prior written consent of the Company, which consent shall not be unreasonably withheld.

2.4 Location of Service

Unless otherwise specifically provided for in the Application for Service, all waste water services provided by the Company are provided solely for the Customer's own use at the Service Address.

3.0 CUSTOMER RIGHTS AND OBLIGATIONS

3.1 Right to Service

The Customer is entitled to the provision of waste water services in accordance with these Terms and Conditions upon satisfaction of the Customer's obligations as specified in these Terms and Conditions.

The Customer is entitled to take waste water service under a metered service rate. The Company's metered rates are set out in Schedule "C" hereto.

The Customer recognizes that the Company shall have no obligation to provide waste water services to the Customer until all necessary interconnections are completed and until the Metering Facilities are installed.

3.2 Duty to Pay Rates

The Customer shall be responsible to pay the Company's approved rates in accordance with Schedule "C" hereto and the initial billing period shall commence with the supply of waste water to the Service Address.

The Customer shall be responsible to pay the full account for waste water services directly to the Company or an authorized collection agent. The Customer agrees that all accounts are payable within 20 days of the date of the Company account and agrees to pay an arrears charge at the rate set out in Schedule "B" hereto. Failure of the Customer to receive the Company's invoice does not release the Customer from responsibility for payment. It is the Customer's responsibility to ensure all Company invoices are paid in a timely fashion.

The Customer shall be responsible to pay a charge as set out in Schedule "B" hereto for any cheque written by the Customer that is not honored by the Customer's financial institution.

3.3 Installation of Customer Facilities

In addition to the Customer's other obligations as specified herein, the Customer shall, at the Customer's own expense, install and maintain in good repair and order all Customer Facilities at the Service Address. The Customer agrees that all installations of Customer Facilities must be approved by the Company.

The Customer further agrees that if the Customer does not maintain the Customer Facilities in good repair and working order, the Company, acting reasonably, may, but is not required to, make arrangements for necessary repairs to the Customer Facilities and the customer will responsible for the costs of the repairs.

3.4 Easement

The Customer shall grant or cause to be granted to the Company, without cost to the Company, such easements or rights of way in and upon the Service Address as the Company reasonably requires for its Metering Facilities, Optional Facilities and/or Mainline System in order to provide waste water services to the Customer.

3.5 Right of Entry

The Customer is responsible for ensuring that the Company has full space at and access to the Service Address and grants and recognizes that the Company shall have the right through its employees, agents or other representatives to enter in and upon the Service Address at all reasonable times to permit the Company to:

- (i.) install, maintain, replace, remove interconnect and/or disconnect the Metering Facilities (and Optional Facilities, if any);
- (ii.) conduct meter readings, inspections and testing; and
- (iii.) do all other things reasonably required to supply and/or discontinue waste water service to the Customer.

The Customer shall provide for the Metering Facilities to be located in a frost free environment. Wherever practical, Metering Facilities shall be installed on the inside of the Customer's premises at the service address and the location of any Metering Facilities shall be subject to the reasonable approval of the Company so as to permit safe and convenient access.

The Customer's failure to provide right of entry, access and space as provided for herein, or the Customer's failure to allow the installation of Metering Facilities, will relieve the Company of any obligation to provide waste water service to the Customer.

3.6 Interference with Company Facilities

The Customer shall not, without the express written consent of the Company, erect, install or place, or permit or allow to be erected, installed or placed on or at the Service Address any structure or improvement, other than landscaping, but excluding trees and bushes, over or in such proximity to the Company's Metering Facilities, Optional Facilities and/or Mainline System so as to interfere with the operation or maintenance thereof. Nor shall the Customer otherwise interfere or tamper with the Company's Metering Facilities, Optional Facilities and/or Mainline System.

The Company shall not be liable for any damage to any structure or improvement erected, installed or placed in contravention of these Terms and Conditions resulting from the installation, maintenance, repair, replacement and/or removal of the Company's Metering Facilities, Optional Facilities and/or Mainline System.

The Customer shall not connect or cause to be connected, any other source of water or equipment that may contaminate the Company's Metering Facilities, Optional Facilities and/or Mainline System.

If the Customer (or a contractor or developer on the Customer's behalf) connects without authorization or tampers with the Company's Metering Facilities, Optional Facilities and/or Mainline System, the Customer shall be liable for all costs incurred to inspect and repair the Company's Facilities and will be subject to a penalty of up to \$2,500.00.

3.7 Standard Customer Contributions

3.7.1 Tie-in Fee

The Customer (or a contractor or developer on the Customer's behalf) must provide the Company with a Tie-in Fee as set forth in Schedule "B" hereto, for the benefit to the customer of receiving access to waste water services from the Company.

3.7.2 Service Connection Charge

The Customer shall also be responsible for an initial payment for a Service Connection Charge as set forth in Schedule "B" hereto. Service Connection Charge shall include administrative costs and, where the service connection is a new connection, the costs for Company personnel to attend at the Service Address to inspect any Customer Facilities and all other costs for extending the Company's Mainline System to the Point of Delivery. Should a contractor or developer not

pay the Service Connection Charge, the Customer will be responsible for this charge. In this case, the Customer will not be required to pay the Transfer Charge as set out in Schedule "B" hereto.

3.8 Special Customer Contributions

The Company may collect additional Customer contributions comprised of any or all of the following charges:

3.8.1 Optional Facilities

When the Company determines that a new service will require special and/or additional expense due to Customer requirements in addition to those commonly provided by the Company, such facilities shall be considered Optional Facilities and the Customer shall be responsible for the entire costs (including capital costs) of installation of such Optional Facilities. Optional Facilities must be specifically requested by a Customer before they will be considered by the company.

When the Company determines that a new service will require Optional Facilities, the Company may require to Customer to pay the additional amount estimated by the Company for the Optional Facilities as a construction advance prior to the commencement by the Company of any construction to interconnect the Customer.

3.9 Indemnity

The Customer shall be solely responsible for the installation, condition and maintenance of the Customer Facilities, and the Customer shall indemnify and save harmless the Company from and against any claim or demand for injury to person or damage to property arising out of or in any way connected with the said Customer Facilities and the use made by the Customer of waste water services, so long as such injury or damage is not caused by the negligence of the Company.

The Customer shall be responsible for and shall pay for all injury, loss and damage, of whatsoever nature and howsoever caused, suffered by the Company including all damage caused to any of the Company's Metering Facilities, Optional Facilities and/or Mainline System as a result of breach by these Terms and Conditions by the Customer.

3.10 Guarantee Deposit

Where the Customer's use of the Company's waste water service is temporary, where the Company determines in its sole discretion that the Customer's credit rating is not satisfactory, where the Customer's service has been disconnected for non-payment of the Company's rates as specified herein, or where the Customer is not the owner of the Service Address, the Company

shall collect from the Customer a guarantee deposit up to a maximum of the Customer's estimated regular six-month billing.

An annual review shall be made of all deposits held for two or more years. Where the Company determines in its sole discretion that the Customer's credit history is satisfactory and regular and timely payments have been made by the Customer as provided for herein, the security deposit will be refunded without interest.

Upon disconnection of service, the guarantee deposit shall be applied to any indebtedness of the Customer to the Company with the balance, if any, refunded to the Customer without interest.

3.11 Termination at the Request of the Customer

Where ownership or tenancy of the Service Address is changing, the Customer may terminate service upon providing at least seven days written notice to the Company. Upon receipt of such notice, the Company shall take or request the Customer to provide a final meter reading at the date of final termination of services and the Customer shall pay the Company for all services supplied by the Company up to such reading. The Customer shall be responsible for all services supplied, and the charges therefore, to the date of final termination of service.

Where ownership or tenancy of the Service Address is not changing, termination requests will not be considered.

4.0 COMPANY RIGHTS AND OBLIGATIONS

4.1 Duties Regarding Service

The Company shall have no obligation to provide waste water services to the Customer until the Customer has completed the Application for Service and all necessary interconnections are completed and equipment installed.

The Company will use reasonable efforts to maintain, but does not guarantee, uninterrupted waste water service to the Customer.

The Company shall have the right to interrupt waste water service to the Customer in order to inspect, repair, overhaul, reconstruct, test, or add to the Company's Metering Facilities, Optional Facilities and/or Mainline System, but will, to the extent practicable, endeavour to give prior notice to the Customer where the Customer's waste water service may be interrupted, and the Company will endeavour where reasonably feasible to ensure that such interruption is as short as possible and occurs at times least inconvenient to the Customer.

4.2 Limitations to Company Liability

Except where the Company is liable in accordance with this section, the Customer shall indemnify and save harmless the Company against any and all claims and demands of whatsoever nature, whether in tort or contract or otherwise, which may be made against the Company as a result of any injury, loss or damage, of whatsoever nature and howsoever caused, which may be suffered by the Customer or any other party, arising in connection with the provision by the Company to the Customer of the waste water service, or arising in connection with the failure, including physical failure, of the Company's facilities and/or equipment, including the Company's Metering Facilities, Optional Facilities and Mainline System.

Notwithstanding any other provision herein contained, the Company shall not be held responsible for any injury, loss or damage, of whatsoever nature and howsoever caused, suffered by the Customer or any other party caused by the interruption in or outage of the supply of waste water by the Company to the Customer.

4.3 Accounts

The Company shall render its accounts monthly or quarterly or at such other interval as the Company may elect. The Company reserves the right, in the event of being unable to obtain a reading of the Metering Facilities for any reason, to render the Company's account to the Customer based on an estimate of usage by the Customer during the billing period without prejudice to the Company's right to render a further bill after the reading has taken place.

5.0 GOVERNMENT APPROVALS

Notwithstanding anything to the contrary herein expressed or implied, the Customer's service shall be subject to the Company obtaining all governmental orders, permits, approvals and consents required by law with respect to the supply of service to the Customer.

6.0 DISCONNECTION

The Company may refuse to connect a service, or, without any prejudice to any of its legal remedies, discontinue service to the Customer on forty-eight (48) hours' notice on the basis of:

- (i) the non-payment within 20 days of the rendering by the Company of any account with respect to which there is no bona fide dispute;
- (ii) a material breach by the Customer of any of these Terms and Conditions, including Customer refusing the Company right of entry and access to the Service Address contrary to section 3.6 hereof;

- (iii.) any action or inaction by the Customer that would prejudice the Company's ability to supply service (including tampering with the Metering Facilities, Optional Facilities and/or Mainline System), or to be compensated for that service;
- (iv.) the Customer failing to keep the Customer Facilities at the Service Address operating up to the Company's standards; or
- (v.) the Customer vacating the Service Address without the Company's knowledge.

Notwithstanding the foregoing, if, in the opinion of the Company, the condition of the Customer Facilities is so hazardous as not to safely permit the giving of notice, no notice shall be required.

The Customer shall, notwithstanding the discontinuance of such waste water service, be liable for payment to the Company of all charges for waste water service supplied up to the time of discontinuance and reimbursement to the Company of any costs incurred related to the Disconnection.

7.0 RECONNECTION

When the Customer's service has been disconnected for any reason as noted in section 6.0 hereof, reconnection of service shall be preceded by satisfaction of the Terms and Conditions the breach of which caused the Customer's service to be disconnected, if any, and by payment of:

- (i.) all amounts due and payable by the Customer to the Company under these Terms and Conditions;
- (ii.) a guarantee deposit if required in accordance with these Terms and Conditions; and
- (iii.) a Reconnection Charge of the nature and the amounts set out in Schedule "B" hereto.

Once the Customer has satisfied the conditions for reconnection, the Company will make reasonable effort to reconnect the Customer's service within 48 hours.

8.0 METER DISPUTE

Metering Facilities may be inspected, tested or calibrated by the Company at any time upon prior notice to the Customer. The Company will endeavour to ensure that such inspecting, testing, or calibrating occurs at times convenient to the Customer when feasible.

The Customer may request, in writing, the Company to inspect, test and/or calibrate the Metering Facilities. When so requested, the Company will make reasonable efforts to inspect, test and/or calibrate the Metering Facilities within 30 days.

In the event the Customer has requested the Company to inspect, test and/or calibrate the Metering Facilities and the Metering Facilities are found to be accurate within 10% either way, no corrections to the Customer's billings shall be made and the expense of such testing shall be borne by the Customer.

If the Metering Facilities are found to be inaccurate beyond the aforementioned 10% limit, the costs of inspecting, testing and/or calibrating the Metering Facilities shall be borne by the Company. The Customer's accounts during the three calendar months preceding the test shall be corrected in proportion to the inaccuracy of the Metering Facilities, and such correction shall be accepted by both parties as settlement in full to that date of all claims on account of inaccuracy of the Metering Facilities.

These Terms and Conditions are effective this 10th day of August, 2014.
Horse Creek Water Services Inc.

Schedule A

Horse Creek Water Services Inc.

1164 Windermere Loop Road
Invermere, British Columbia
Phone: 1 (888) 456-6357
GST # 8134 9175

WATER UTILITY AND WASTE WATER SERVICE APPLICATION

Please Note: HORSE CREEK WATER SERVICES INC. requires a minimum of 10 business days to complete service order once all underground installations have been inspected and passed. Meters are installed once building has heat.

Complete, sign and return Application via fax (250) 342-6998 or Email: billing@horsecreekwater.com

Builder/Contractor Information

Service Connection Chg \$300 + GST

Date Service Required:							
	Month	Day	Year				
Legal Land Description:							
	Quarter/LSD	Section	TWP	Range/ Meridian	Lot/Unit	Block	Plan

Service Address: _____ City/Town: **Cochrane, AB** PC

Full Legal/Business/Name (print): _____ Operating as: _____

Billing address: _____ City/Town: _____ PC

Contact Name: _____ Phone # () _____ Fax # () _____ Cell # ()

Site Contact Name: _____ Phone # () _____ Fax # () _____ Cell # ()

Customer/Home Owner Information

Meter Installation Chg. \$800 + GST

Service Transfer Chg. \$75.00 + GST

Date Service Required:							
	Month	Day	Year	Meter #			
Legal Land Description:							
	Quarter/LSD	Section	TWP	Range/ Meridian	Lot/Unit	Block	Plan

Service Address: _____ City/Town: **Cochrane, AB** PC

Billing address: _____ City/Town: _____ PC

Contact Name: _____ Phone # () _____ Fax # () _____ Cell # ()

Customer Acceptance:

The CUSTOMER understands and agrees that utility services provided by HORSE CREEK WATER SERVICES INC. to the Customer shall be in accordance with the rates and charges as approved by the Alberta Utilities Commission, and its predecessor board, and the terms and conditions of service as approved by the Alberta Utilities Commission, from time to time. The customer also agrees to be bound by the same terms and conditions.

I/We acknowledge and consent to HORSE CREEK WATER SERVICES INC. collecting, using and disclosing the information contained herein, as required to establish my/our account and provide ongoing service and support.

Application Date:				Signature:			
	Month	Day	Year				

OFFICE USE ONLY:

	Date (mm/dd/yy)	Time	Notes:
Meter Install			
Line Flushed			
BacT #	R		
Meter Code #			
Meter Installer			

Schedule B
Fees and Charges

1. Tie-in Fee:	\$12,500.00
2. Service Connection Charge:	\$25.00
3. Dishonored Pre-Authorized Debit or Cheque:	\$25.00

4. Late Payment Charge:

When accounts are not paid in full on or before the date due, that amount relating to the current month's charge unpaid by the due date shall be increased by 1.5%, and such increased amount shall become due and payable by the Customer the day immediately following such due date. Such increase shall be in addition to the amount due pursuant to such account.

5. Reconnection Charge:

(i.) A charge equal to the actual cost of reconnecting the Customer, but shall not be less than \$25.00 for waste water; and

(ii.) A charge equal to the fixed charge applicable to the Company's metered service rate for each month the Customer's service is disconnected, up to 12 months of charges, except where the Customer taking service at the Service Address has changed or where the service has been disconnected for more than 18 months.

Schedule C
Rates Applicable to all Customers

Waste Water Rate:

Waste water has a fixed charge of \$70 per month

0 - 60 cubic meters of water use \$1.62/m³

> 60 cubic meters of water use – no charge