

The Terms of Service for telecommunications services that are provided by Bell Canada on an unregulated basis effective as of and from June 1, 2006 (the "Terms of Service").

Table of Contents

Article 1: General..... 3

Article 2: Obligation to Provide Service ..... 3

Article 3: Bell Canada Facilities ..... 3

Article 4: Bell Canada Right to enter Premises ..... 4

Article 5: Deposits and Alternatives ..... 4

Article 6: Restrictions on Use of Service ..... 5

Article 7: Customer Liability for Calls..... 5

Article 8: Dispute Procedure ..... 5

Article 9: Confidentiality of Customer Records..... 5

Article 10: Payment Time Limit..... 6

Article 11: Liability for Unbilled and Underbilled Charges ..... 6

Article 12: Liability for Charges that Should not Have Been Billed and Those That Were Overbilled..... 7

Article 13: Minimum Contract Period and Cancellation Before Service Commencement..... 7

Article 14: No Bypass ..... 7

Article 15: Refunds in Case of Service Problems; No Warranties, etc..... 8

Article 16: Limitation of Bell Canada Liability ..... 8

Article 17: Customer-Initiated Termination of Service ..... 8

Article 18: Bell Canada Initiated Suspension or Termination of Service ..... 9

Article 19: Changes; Amendments ..... 10

Article 20: Jurisdiction; Severability ..... 10

The Terms of Service for telecommunications services that are provided by Bell Canada on an unregulated basis (i.e., services that are not regulated by the CRTC, or which are subject to a CRTC forbearance order, including most Long Distance voice services, maintenance and repair plans and phone cards) (the "Services"), set out the basic rights, obligations and limitations of both Bell Canada and its customers. The Terms of Service are effective as of and from June 1, 2006.

### **Article 1: General**

1.1 Except as otherwise specified, these Terms of Service apply with regard to Services which the customer has requested.

1.2 Services offered by Bell Canada are subject to the terms and conditions contained in:

- (a) these Terms of Service;
- (b) applicable provisions of Bell Canada's Services Catalogue for the Services, a copy of which can be obtained by writing to Bell Canada, Tariff Sales, F7, 110 O'Connor Street, Ottawa, Ontario, K1P 1H1; and
- (c) any written application, to the extent that it is not inconsistent with (a) or (b) above.

Subject to Article 1.3, all of the above, hereinafter collectively referred to as the "Terms", bind both Bell Canada and its customers and are, to the extent permitted by applicable law, subject to change from time to time by Bell Canada.

1.3 The terms and conditions contained in any contract for the Services executed by the customer shall, with respect to such Services and to the extent of any conflict or inconsistency with the Terms, prevail over the Terms.

### **Article 2: Obligation to Provide Service**

2.1 Bell Canada reserves the right to deem any of the Services unavailable to any applicant, including without limitation, in the following circumstances:

- (a) Bell Canada would have to incur unusual expenses which the applicant will not pay; for example, for securing rights of way or for special construction;
- (b) the applicant owes amounts to Bell Canada that are past due other than as a guarantor; or
- (c) the applicant does not provide a reasonable deposit or alternative required pursuant to the Terms.

2.2 Where Bell Canada does not provide service on application, it will provide the applicant with a written explanation upon request.

2.3 Bell Canada assumes no liability whatsoever for any claims, damages, losses or expenses arising out of or otherwise relating to the unavailability of any of the Services or the decision of Bell Canada not to provide any of the Services on application.

### **Article 3: Bell Canada Facilities**

3.1 Unless otherwise provided in the Terms or by special agreement, Bell Canada will furnish and install all facilities required to provide the Services.

3.2 Unless otherwise explicitly stated, all Bell Canada equipment will always remain the property of Bell Canada. Upon termination of the Services for any reason, the customer must return to Bell Canada all Bell Canada equipment. Failure to do so will result in certain charges to customer, as further identified to customer upon receipt of such Bell Canada equipment.

3.3 Bell Canada will bear the expense of maintenance and repairs to its facilities required due to normal wear and tear, except that Bell Canada may charge for the additional expense incurred when the applicant or customer requires maintenance and repair work to be performed outside of regular working hours.

3.4 A customer who has deliberately, negligently, or by virtue of a lack of reasonable care, caused loss or damage to Bell Canada's facilities or equipment, may be charged an amount equal to the cost incurred by Bell Canada in repairing or replacing such facilities or equipment. In all cases, customers are liable for all damage caused to Bell Canada's facilities by the customer or by customer-provided facilities.

#### **Article 4: Bell Canada Right to enter Premises**

4.1 Bell Canada's agents and employees may, at reasonable hours, enter premises on which the Services are, or are to be, provided, to install, inspect, repair and remove its facilities or to inspect and perform necessary maintenance in cases of network-affecting disruptions involving customer-provided facilities.

4.2 Prior to entering premises, Bell Canada will obtain permission from the applicant, customer or other responsible person, as may be required.

4.3 Entry is not subject to Articles 4.1 and 4.2 in cases of emergency or where entry is pursuant to a court order.

4.4 Upon request, Bell Canada's agent or employee will show valid Bell Canada identification prior to entering premises.

#### **Article 5: Deposits and Alternatives**

5.1 Bell Canada may require deposits from an applicant or customer at any time if the applicant or customer:

- (a) has no credit history with Bell Canada and does not provide satisfactory credit information;
- (b) has an unsatisfactory credit rating with Bell Canada due to payment practices in the previous two years regarding any Bell Canada services; or
- (c) presents an abnormal risk of loss.

5.2 Bell Canada will inform the applicant or customer of the specific reason for requiring a deposit, and of the possibility of providing an alternative to a deposit, such as arranging for third party payment, a bank letter of credit or a written guarantee from a third person whose credit is established to the satisfaction of Bell Canada.

5.3 An applicant or customer may provide an alternative to a deposit provided it is reasonable in the circumstances.

5.4 At no time will the total amount of all deposits and alternatives provided by or for an applicant or customer exceed three months' charges for all Services, including anticipated long

distance charges.

5.5 Deposits will earn interest in accordance with the monthly savings account rate of the Bank of Montreal. The monthly interest will be calculated on the last day of each customer's monthly billing period, prorated for the portion of the month the deposit is held by Bell Canada. The calculation is based on the balance of the customer's deposit including interest earned prior to the monthly billing period.

5.6 Bell Canada will show the total amount of deposits held with accrued interest on each customer monthly account.

5.7 Bell Canada will review the continued appropriateness of deposits and alternative arrangements at six month intervals. When the Services are terminated or the conditions which originally justified them are no longer present, Bell Canada will promptly refund the deposit, with interest, or return the guarantee or other written undertaking, retaining only any amount then owed to it by the customer.

#### **Article 6: Restrictions on Use of Service**

6.1 Unless otherwise specified, the Services may be used by the customer and all persons having the customer's permission, and the customer is solely responsible for the use of the Services by such other persons. Customer will indemnify and hold Bell Canada harmless from all losses, costs, damages, liabilities and expenses related to any violation of the Terms by customer or any such other persons, or in connection with customer's or such other persons' use of the Services.

6.2 Customers are prohibited from using the Services or permitting them to be used for a purpose or in a manner that is contrary to law or for the purpose of making annoying or offensive calls.

6.3 Customers are prohibited from using the Services or permitting them to be used so as to prevent a fair and proportionate use by others.

6.4 Bell Canada's facilities must not be re-arranged, disconnected, removed, repaired or otherwise interfered with except in cases of emergency, or by special agreement.

6.5 No payment may be exacted, directly or indirectly, from any person by any party other than Bell Canada for the use of any of the Services, except by special agreement with Bell Canada.

#### **Article 7: Customer Liability for Calls**

7.1 Customers are responsible for paying for all calls originating from, and charged calls accepted at, their telephones, regardless of who made or accepted them.

#### **Article 8: Dispute Procedure**

8.1 Customers may dispute charges for calls which they do not believe originated from or were accepted at their telephones. The dispute procedure set out in the introductory pages of the telephone directory should be followed and customers must pay the undisputed portion of the bill.

#### **Article 9: Confidentiality of Customer Records**

9.1 Unless a customer consents in writing or disclosure is pursuant to a legal power, all information kept by Bell Canada regarding the customer, other than the customer's name,

address and listed telephone number, are confidential and will not be disclosed by Bell Canada to anyone other than: the customer; a person who, in the reasonable judgment of Bell Canada, is seeking the information as an agent of the customer; another telephone company, provided the information is required for the efficient and cost effective provision of telephone service and disclosure is made on a confidential basis with the information to be used only for that purpose; a company involved in supplying the customer with telephone or telephone directory related services, provided the information is required for that purpose and disclosure is made on a confidential basis with the information to be used only for that purpose; or an agent retained by Bell Canada in the collection of the customer's account, provided the information is required for, and is to be used only for that purpose.

9.2 Bell Canada's liability for disclosure of information contrary to Article 9.1 is not limited by Article 16.1.

9.3 Upon request, customers are permitted to inspect any Bell Canada records regarding their service.

### **Article 10: Payment Time Limit**

10.1 The Services are provided to customer subject to customer's payment of the applicable monthly service rates, usage charges, installation fees and/or activation fees, and other fees and charges, if any, together with all applicable taxes and charges, identified to customer upon applying for the Services or as otherwise identified to customer by Bell Canada from time to time.

Subject to Articles 10.2 and 10.3 and unless otherwise set out on customer's invoice for the Services, charges will be considered past due when payment has not been received by Bell Canada within 30 days of the billing date. Unless otherwise set out on customer's invoice for the Services, all charges not paid when due will bear interest at a compound rate equal to the Bank of Montreal's prime interest rate plus 7% per year ("Late Payment Charge"), which Late Payment Charge is subject to change by Bell Canada from time to time.

10.2 In exceptional circumstances, Bell Canada may request payment from the customer on an interim basis for the non-recurring charges that have accrued, providing the customer with details regarding the services and charges in question. In such cases, subject to Article 10.3 and unless otherwise set out on a customer's invoice for the Services, the charges will be considered past due three days after they are incurred or three days after Bell Canada demands payment, whichever occurs later.

10.3 Unless otherwise set out on a customer's invoice for the Services, no charge disputed by a customer can be considered past due unless Bell Canada has reasonable grounds for believing that the purpose of the dispute is to evade or delay payment.

10.4 Bell Canada may request immediate payment in extreme situations, provided that a notice has been issued pursuant to Article 10.2 and the abnormal risk of loss has substantially increased since that notice was given or Bell Canada has reasonable grounds for believing that the customer intends to defraud Bell Canada.

10.5 Customer may pay for the Services by credit card or by pre-authorized payment. It is the customer's responsibility to ensure that the billing information provided to Bell Canada remains current at all times.

### **Article 11: Liability for Unbilled and Underbilled Charges**

11.1 Unless there has been customer deception with regard to a charge, customers will not be responsible for paying a previously unbilled or underbilled charge except where:

- (a) in the case of a recurring charge or a charge for an international long distance message it is correctly billed within a period of one year from date it was incurred; or
- (b) in the case of a non-recurring charge other than for an international long distance message, it is correctly billed within a period of 150 days from the date it was incurred.

11.2 In the circumstances described in Article 11.1, unless there has been customer deception, Bell Canada will not charge the customer interest on the amount of the correction. If the customer is unable to promptly pay the full amount owing, Bell Canada will attempt to negotiate a reasonable deferred payment agreement.

#### **Article 12: Liability for Charges that Should not Have Been Billed and Those That Were Overbilled**

12.1 In the case of a recurring charge that should not have been billed or that was overbilled, a customer will be credited with the excess back to the date of the error, subject to applicable limitation periods provided by law. However, a customer who does not dispute the charge within one year of the date of an itemized statement which shows that charge correctly, will lose the right to have the excess credited for the period prior to that statement.

12.2 Non-recurring charges that should not have been billed or that were overbilled will be credited, provided that the customer disputes them within 150 days of the date of the bill.

12.3 A customer who is credited with any amount that should not have been billed or that was overbilled will also be credited with interest on that amount at the rate payable for interest on deposits that applied during the period in question.

#### **Article 13: Minimum Contract Period and Cancellation Before Service Commencement**

13.1 The Services are subject to a minimum initial commitment period of one month, commencing from the date the Services are provided, except as may be otherwise stipulated by Bell Canada. The service period for the Services continues thereafter until terminated (the "Term") by customer in those circumstances permitted by Article 17 hereof or by Bell Canada, in accordance with Article 18 hereof or elsewhere in the Terms, including these Terms of Service.

13.2 . A customer who cancels or delays a request for any of the Services after installation work has started, but before activation of such Services, will be charged, to the extent permitted by applicable law, as the amount representing a reasonable estimate of damages suffered by Bell Canada as a result of customer's cancellation or delay, and not as a penalty, the lesser of the (i) full charge for the entire minimum initial commitment period plus the installation charge and (ii) estimated costs incurred in installation less estimated net salvage. The estimated installation costs include the cost of unsalvaged equipment and materials specifically provided or used plus the cost of installing, including engineering, supply expense, labour and supervision, and any other disbursements resulting from the installation and removal work.

#### **Article 14: No Bypass**

14.1 The customer may not, unless otherwise provided by law, use any of the Services in a manner which bypasses, or attempts to bypass, the network of Bell Canada or Teleglobe Canada.

### **Article 15: Refunds in Case of Service Problems; No Warranties, etc.**

15.1 Subject to Article 16, where there are omissions, interruptions, delays, errors or defects in transmission, or failures or defects in Bell Canada facilities, Bell Canada's liability is limited to a refund of charges, on request, proportionate to the length of time the problem existed, provided Bell Canada is advised promptly of the problem. To the extent permitted by applicable law, Bell Canada makes no warranties, representations or conditions of any nature whatsoever, either expressed or implied, including, without limitation, any warranty, representation or condition of fitness for a particular purpose or merchantability with respect to any of the Services, and all warranties, representations and conditions, expressed or implied are, to the extent permitted by applicable law, hereby excluded.

### **Article 16: Limitation of Bell Canada Liability**

16.1 In the event of any breach by Bell Canada, including any breach of a fundamental contract term or any negligence, to the extent permitted by applicable law, customer's exclusive remedy shall be to receive from Bell Canada payment for actual and direct damages to a maximum amount of the greater of \$20 and three times the amounts refunded or cancelled in accordance with Article 15.1. Other than the foregoing remedy and to the extent permitted by applicable law, under no circumstances shall Bell Canada be liable to the customer or any third party for any direct, indirect, special, consequential, incidental, economic or punitive damages including, without limitation, loss of data, loss of income, loss of profit or failure to realize expected savings arising directly or indirectly from Bell Canada's negligence or breach of contract (including fundamental breach or otherwise, and breach of contract resulting from the negligence of Bell Canada).

16.2 Without limiting the generality of the foregoing, Bell Canada is not liable for:

- (a) any act or omission of a telecommunications carrier whose facilities are used in establishing connections to points which Bell Canada does not directly serve;
- (b) defamation or copyright infringement arising from material transmitted or received over Bell Canada's facilities; or
- (c) infringement of patents arising from combining or using customer-provided facilities with Bell Canada's facilities.

### **Article 17: Customer-Initiated Termination of Service**

17.1 Once activated, the Services may be terminated by customer by notifying Bell Canada. The termination will be effected thirty days from the date of such notice to Bell Canada. In addition to any Termination Charge (as defined below), customer will be charged the regular applicable fees and charges, together with all applicable taxes, for that 30-day termination period.

17.2 Before the expiry of the initial minimum commitment period (specified in Article 13.1 or as otherwise agreed by the parties), a customer may terminate the Services, in which case the customer must pay the applicable termination charge, the amount of which shall be identified to customer upon applying for the Services, as the amount representing a reasonable estimate of damages suffered by Bell Canada as a result of customer's early termination of the Services and not as a penalty (the "Termination Charge"). If customer cancels any of the Services prior to the end of the initial minimum commitment period as a result of a material change in any such Services, the Termination Charge will be waived by Bell Canada. Bell Canada, in its sole discretion, may otherwise waive or reduce any applicable Termination Charge.

## **Article 18: Bell Canada Initiated Suspension or Termination of Service**

18.1 Bell Canada, in its sole discretion, may suspend or terminate any of the customer's Services for cause, including in circumstances where the customer:

- (a) fails to pay an account of the customer that is past due, provided it exceeds fifty dollars or has been past due for more than two months;
- (b) fails to provide or maintain a reasonable deposit or alternative when required to do so pursuant to the Terms;
- (c) fails to comply with the terms of a deferred payment agreement;
- (d) repeatedly fails to provide Bell Canada with reasonable entry and access in conformity with Articles 4.1 and 4.2;
- (e) uses or permits others to use any of the Services so as to prevent fair and proportionate use by others;
- (f) uses or permits others to use any of the Services for a purpose or in a manner that is contrary to law or for the purpose of making annoying or offensive calls;
- (g) contravenes any term or condition of the Terms; or
- (h) fails to provide payment when requested by Bell Canada pursuant to Article 10.4.

18.2 If Bell Canada terminates the Services at any time, for any of the above reasons, customer may be charged an applicable Termination Charge (as described in Article 17.2). In the event of a suspension for any of the above reasons, a service charge in the amount described in Item 100 of Bell Canada's General Tariff may be charged to customer. Bell Canada may change this service charge from time to time.

18.3 Bell Canada will not suspend or terminate any of the Services in the following circumstances:

- (a) customer's failure to pay charges for a different class of service at different premises or for service in the name of another customer, including failure to pay the account of another customer as a guarantor;
- (b) where the customer is prepared to enter into and honour a reasonable deferred payment agreement; or
- (c) where there is a dispute regarding the basis of the proposed suspension or termination, provided payment is being made for undisputed outstanding amounts and Bell Canada does not have reasonable grounds for believing that the purpose of that dispute is to evade or delay payment.

18.4 Prior to suspension or termination, Bell Canada will provide the customer with reasonable advance notice, stating:

- (a) the reason for the proposed suspension or termination and the amount owing (if any);
- (b) the scheduled suspension or termination date;

- (c) that a reasonable deferred payment agreement can be entered into (where the reason suspension or termination is failure to pay);
- (d) the applicable reconnection charge; and
- (e) the telephone number of a Bell Canada representative with whom any dispute may be discussed.

18.5 Suspension or termination does not affect the customer's obligation to pay all amounts owed to Bell Canada.

18.6 Bell Canada will restore service, without undue delay, where the grounds for suspension or termination no longer exist or a payment or deferred payment agreement has been negotiated.

#### **Article 19: Changes; Amendments**

19.1 To the extent permitted by applicable law, Bell Canada may modify the Services and/or the Terms, at any time and from time to time, with or without customer's consent or authorization, including but not limited to modification or amendment of applicable charges and fees or any feature of any of the Services. Bell Canada will notify customer of any amendment or change to these Terms of Service or of any material change to the customer's Services in advance by posting notice of such change at [www.bell.ca/terms](http://www.bell.ca/terms), by sending customer notice via SIM message on customer's monthly bill, or by using any other notice method that will likely come to customer's attention. Customer will not be obligated to accept receipt of the Services after any change is made thereto; however, in the event that customer does not wish to accept such change, customer's sole remedy shall be cancellation of the changed Services. Should customer continue to use the Services after any such change is effective, to the extent permitted by applicable law, such use shall be deemed to be customer's acceptance thereto.

#### **Article 20: Jurisdiction; Severability**

20.1 Bell Canada is a federally-regulated undertaking and as such these Terms of Service, including all matters relating to their validity, construction, performance and enforcement, shall be governed by applicable federal laws and regulations of Canada and only those provincial laws and regulations that are applicable to it. These Terms of Service are subject to amendment, modification or termination if required by such laws or regulations. If any provision in these Terms of Service is declared to be invalid or in conflict with any such law or regulation, that provision may be deleted or modified, without affecting the validity of the other provisions hereof.