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February 15, 2005

CRTC AM 8:09 21FEV'05

Mr. Leonard Katz  
Executive Director, Telecommunications  
Canadian Radio-television and  
Telecommunications Commission  
Ottawa ON K1A 0N

E-mail: 'procedure@crtc.gc.ca'

**Re: MAI between 2034156 Ontario Inc. and Call-Net Communications  
Inc.**

Attached please find a copy of an executed master agreement for local interconnection between local exchange carriers (LECs) duly signed by 2034156 Ontario Inc. and Call-Net Communications Inc..

Kindly approve the agreement pursuant to Section 29 of the *Telecommunications Act*.

Please contact the undersigned if you have any questions,

Yours very truly,

Ken Engelhart  
Vice President, Regulatory

c.c. Serge Babin



**MASTER AGREEMENT  
for  
INTERCONNECTION**

*between*

**LOCAL EXCHANGE CARRIERS (LECs)**

***Call-Net Communications Inc.***

*and*

**2034156 ONTARIO Inc.**

**Version 27**

October 30, 2001 Version

**updated with  
Schedule H**

**pursuant to**

Telecom Decision CRTC 2002-77 (12 December 2002) re BPRE034b  
Telecom Decision CRTC 2003-35 (4 June 2003) re BPRE031c

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**LIST OF SCHEDULES**

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**MASTER AGREEMENT for INTERCONNECTION  
between LECs ("MALI")**

This Agreement effective this first day of February, 2005, (the "Effective Date")

**BETWEEN**

**2034156 ONTARIO INC., a corporation duly incorporated under the laws of Ontario, having its principal place of business or registered office in the city of Toronto in the province of Ontario:**

**AND**

**Call-Net Communications Inc. (CNCI), a corporation duly incorporated under the laws of Canada, having its principal place of business or registered office in the city of Toronto in the province of Ontario;**

hereinafter collectively referred to as "the Parties" and each, individually, as a "Party".



## RECITALS

WHEREAS each Party operates a telecommunications network (the "Network") through which local telecommunications services are made available;

WHEREAS each Party recognizes the other as a carrier equal in stature in the local telecommunications market in accordance with the principles stated by the Canadian Radio-television and Telecommunications Commission in Telecom Decision CRTC 97-8, Local Competition, 1 May 1997;

WHEREAS it is understood and agreed between the Parties that both will at all times meet the following conditions, as appropriate:

- (a) Membership in good standing of the Consortium established to facilitate Local Number Portability;
- (b) Membership in good standing in the Central Fund Consortium established to administer, collect and dispense interexchange contribution; and
- (c) Membership in good standing, as required, of the Consortium established to facilitate performance of the functions of the Central Numbering Administrator.

WHEREAS the Parties have agreed to interconnect their respective Networks for the purpose of the interchange of telecommunications traffic, in accordance with and subject to:

- (a) The terms, conditions and covenants in this Agreement;
- (b) The applicable Schedules attached hereto;
- (c) The applicable provisions of the tariffs of either Party, as amended from time to time and approved by the Commission; and
- (d) The terms and conditions specified in any Commission decisions and orders that may be lawfully applicable.

IT IS THEREFORE AGREED IN CONSIDERATION OF THE PREMISES AND THE MUTUAL TERMS AND CONDITIONS CONTAINED HEREIN:

**1. INTERPRETATION**

- (a) For the purposes of this Agreement, the following terms mean:
- (i) "Bill and Keep Traffic" means the telecommunications traffic as defined in Telecom Order CRTC 98-486, specifically, traffic between a pair of LECs that originates and terminates in the Exchange (local traffic) in which the LECs are directly interconnected, subject to the Commission's determinations from time to time (including tariff approvals).
  - (ii) "CCS7" means the digital signaling system used by carriers to route telephone calls and to provide other services.
  - (iii) "Commission" or "CRTC" means the Canadian Radio-television and Telecommunications Commission and its successors.
  - (iv) "Exchange" means the basic unit for the administration and provision of telephone service by an Incumbent LEC, which normally encompasses a city, town or village and adjacent areas.
  - (v) "Incumbent LEC" or "ILEC" means a LEC who provided local exchange service on a monopoly basis prior to May 1, 1997, but only in relation to the territory it served on a monopoly basis prior to May 1, 1997.
  - (vi) "Interconnection Facilities" means those facilities required to permit the interchange of traffic between LECs, including those interconnecting trunks and signaling links designated as shared-cost facilities.
  - (vii) "LEC" means a local exchange carrier, as further defined in Telecom Decision CRTC 97-8.
  - (viii) "Termination Service" means the termination by one LEC on its Network of traffic carried over Interconnection Facilities interchanged from the Network of the other LEC.
- b) The Recitals in this Agreement form an integral part of this Agreement, and are intended to assist in the interpretation of this Agreement and any attached Schedules.
- c) The Schedules to this Agreement listed in Appendix 1 form an integral part of this Agreement unless otherwise specified therein, and references to a Schedule are intended by both Parties to refer to the relevant Schedule as

it is modified from time to time with the mutual consent of the Parties. The Parties acknowledge that the Schedules to this Agreement extend to the offering of certain facilities and services in addition to Interconnection Facilities and Termination Service.

- d) Where a Schedule to this Agreement incorporates by reference a guideline for use by the Parties, the Parties may, by mutual accord, employ procedures or other provisions that differ from such guidelines. When the form of agreement filed by the Parties with the Commission for its prior approval is different in any material respect from this Agreement, the Parties agree to identify any such differences to the Commission.
- e) In addition to guidelines incorporated by reference into this Agreement, the Parties recognize that guidelines specifying methods, procedures and specifications employed for interconnection may be developed and amended from time to time by the CRTC Interconnection Steering Committee ("CISC") (or its successor). A list of CISC consensus documents concerning the interconnection of networks and approved by the CRTC is attached as Schedule B. The Parties agree to abide by such documents, as amended from time to time, as applicable.

## **2. OBJECTIVES AND SCOPE OF INTERCONNECTION**

- (a) The Parties agree to provide each other with Interconnection Facilities and Termination Service between their respective Networks.
- (b) It is understood and agreed between the Parties that any information provided by either Party to the other for the purposes of planning or provisioning Interconnection Facilities, notifying the other Party of planned Network changes, or otherwise for the implementation of this Agreement or the Schedules hereto, shall be kept confidential by the Party receiving such information in accordance with the provisions of Schedule A.

## **3. PROVISION OF INTERCONNECTION FACILITIES**

- (a) Physical interconnection between the Networks of the Parties shall occur at the designated locations (the "Points of Interconnection") listed in the bilateral Schedule negotiated between the Parties and attached as Schedule C, as modified by the Parties from time to time.
- (b) Interconnection between the Networks of the Parties for the purposes of exchanging CCS7 information shall occur at the locations (the "Signaling



Points of Interconnection") listed in the bilateral Schedule negotiated between the Parties and attached as Schedule C, as modified by the Parties from time to time.

- (c) Requests for the provision of Interconnection Facilities shall be in the form and according to the procedures specified in Schedule D.
- (d) The costs to provision capacity required for the exchange of Bill and Keep Traffic, including signaling, shall be shared equally between the Parties.

#### **4. COMPENSATION FOR NON-BILL AND KEEP TRAFFIC**

The exchange of telecommunications traffic other than Bill and Keep Traffic will be subject to the requirement to pay any applicable compensation to the Party providing the services.

#### **5. COMPENSATION FOR BILL AND KEEP TRAFFIC**

- (a) Subject to Section 5(b), the Parties recognize that no rates shall be charged by either Party to the other in respect of the exchange of Bill and Keep Traffic.
- (b) Each Party shall be entitled to charge rates for the termination of Bill and Keep Traffic according to its tariff, as amended from time to time and approved by the Commission.

#### **6. PLANNING**

- (a) Each Party shall provide to the other Party for planning purposes its reasonable forecasts of the Interconnection Facilities it will require from the other Party under this Agreement. Such forecasts shall be provided in the form and the intervals specified in the reports referred to in Schedule B.1 to this Agreement.
- (b) In order to enable the other Party to prepare the forecasts referenced in Section 6(a), above, and for planning purposes, each Party shall also provide to the other Party network architecture planning information in the form and at the intervals specified in the reports referred to in Schedule B.1 of this Agreement.

- (c) The forecasts and network architecture planning information provided pursuant to Sections 6(a) and (b) shall not be deemed by either Party to constitute requests for the provision of Interconnection Facilities.

## **7. NETWORK AND FACILITIES CHANGES**

- (a) Neither Party makes any representations to the other or to the other's customers that the Interconnection Facilities supplied by either of them are or will remain adaptable for use in connection with the services, facilities and equipment of the other or the other's customers.
- (b) Subject to Section 7(c), each Party reserves the right to change, in whole or in part, the design, function, operation or layout of its Network as the Party in its sole discretion considers necessary.
- (c) Each Party will provide the other with advance notice of changes to its Network in conformity with applicable Commission decisions, directives, and orders. Such notice shall be given in a co-operative and mutually beneficial manner. The Parties shall work together to make reasonable efforts to maintain compatibility of their Networks.
- (d) The Parties acknowledge and agree that any modification to Exchange boundaries by Incumbent LECs is subject to the approval of the Commission.

## **8. BILLING**

Statements of charges payable by each Party for the provision of telecommunication services to the other pursuant to this Agreement will be rendered in a billing medium and format and at intervals specified in Schedule E.

## **9. TESTING AND TROUBLE REPORTING**

- (a) Each of the Parties may make reasonable tests and inspections of its Network and may, upon reasonable notice to the other Party, temporarily interrupt services carried on the facilities or equipment being tested or inspected. Where such service interruptions affect traffic originating, terminating or carried upon the other Party's Network, appropriate procedures regarding such tests and inspections shall be negotiated

between the Parties. In all cases, each Party will make every effort to minimize disruptions by selecting times appropriately.

- (b) Each of the Parties, prior to reporting a trouble to the other Party, will use its best efforts to determine whether the trouble is located on its Network and, if so, to repair the trouble. In the event a trouble arises which either Party alleges is located within the Network of the other Party, and which the Parties, upon investigation, determine is not located in the Network of the second Party, a charge may be assessed by the second Party to the first Party based upon the reasonable costs, as defined in Section 9(c), incurred by the second Party.
- (c) Trouble reporting procedures and the notice periods considered reasonable shall be as set out in the Network Operations Guidelines referred to in Schedule F. The determination of reasonable costs shall be made in view of the circumstances of each occurrence, and shall be comprised of the following elements:
  - (i) labour rates, with the tariffed labour rates of the Incumbent LEC serving the area where the ILEC Point of Interconnection is located to be the upper limit of the allowable rate;
  - (ii) cost of material and equipment used in the investigation; and
  - (iii) reasonable costs charged by third parties engaged to assist either Party in the investigation, subject to the prior agreement of both Parties.
- (d) The aggregate charge for the trouble investigation activities based upon the elements listed in Section 9(c) shall not be considered reasonable if it exceeds the fair market value of such an investigation.



## 10. INTERCONNECTION STANDARDS AND COMPLIANCE

- (a) The technical interface between the Networks of the Parties will be in accordance with the reports referred to in Schedule B.2, and any other applicable industry standards and guidelines, as well as with the applicable laws, directives, orders, regulations and decisions of the Commission or other appropriate lawful authority. The Parties agree to make use of industry standard network interfaces wherever possible to interconnect their respective Networks.
- (b) Each Party shall be responsible to take the necessary precautions in the location, construction, operation and maintenance of its Network so as to prevent any hazards, troubles or interference with or interruption to the Network of the other Party.
- (c) Subject to Section 7, the characteristics and methods of operation of any circuits, facilities or equipment of either Party will not interfere with or impair the operation of the circuits, facilities or equipment of the other Party, nor will they cause damage to the other Party's Network, create a hazard to any of the other Party's employees or to any member of the public or impair the privacy of any communication carried over the Network of the other Party.
- (d) If such characteristics or methods of operation of any circuits, facilities or equipment are not in accordance with this Section 10, the Party apprehending the discordance will provide reasonable advance written notice to the other Party that temporary discontinuance of the use of any circuits, facilities or equipment may be required. When prior notice is not practicable, the Party apprehending the discordance may temporarily discontinue, without providing prior notification to the other Party, the provision of a circuit, facility or equipment if such action is reasonable under the circumstances. In cases of such temporary discontinuance, the other Party will be notified verbally and in writing as soon as possible after the temporary discontinuance and afforded the opportunity to correct the situation. A Party's temporary discontinuance will cease upon notice being given verbally and in writing to the other Party that the situation has been corrected.

## 11. RESPONSIBILITY FOR OPERATION OF NETWORKS

- (a) Each Party shall be individually responsible for the provision and maintenance of its respective services, facilities and equipment. Nothing herein will operate to convey to either Party the ownership of or any interest in the services, facilities and equipment of the other Party.
- (b) Each Party shall be solely responsible for the switching and routing of all telecommunications traffic on its Network and to the Point(s) of Interconnection with the other Party's Network.

## 12. TERMINATION

Except as otherwise agreed by the Parties:

- (a) Notwithstanding any other provision of this Agreement, either Party (the "Terminating Party") may terminate this Agreement at any time by giving written notice to the other Party (the "Non-Terminating Party") at least six (6) months in advance of the effective date of such termination, or such other date as is mutually agreed to by the Parties.
- (b) Subject to Section 13 (Force Majeure), either Party (the "Non-Defaulting Party") shall be entitled, at its option, to terminate this Agreement upon thirty (30) days prior written notice to the other Party (the "Party in Default"):
  - (i) where the Party in Default fails to pay any amount due and owing to the Non-Defaulting Party under this Agreement, other than reasonably disputed charges; or
  - (ii) where the Party in Default fails to comply with any of its material obligations under this Agreement;

after having provided the Party in Default with written notice of such deficiency and a period of thirty (30) days within which to cure such deficiency, and such deficiency, in the Non-Defaulting Party's reasonable determination, remains unremedied at the expiry of such thirty (30) day period.

(c) Notwithstanding any other provision of this Agreement, either Party shall be entitled, at its option, to terminate this Agreement upon no less than forty-eight (48) hours written notice to the other Party:

- (i) where required by law, court order or regulatory order or directive;
- (ii) on the Party in Default becoming bankrupt or insolvent;
- (iii) upon the filing by the Party in Default of any petition or answer seeking reorganization, readjustment or arrangement of the business of the Party in Default under any valid law relating to bankruptcy or insolvency;
- (iv) upon the Party in Default ceasing to carry on business in the ordinary course;
- (v) upon the appointment of a receiver or receiver-manager for all or substantially all of the property of the Party in Default; or
- (vi) upon the making by the Party in Default of any assignment or attempted assignment for the benefits of creditors;

such termination to be effective on the date specified in the notice of termination.

(d) For the purposes of this Section 12(d), "Non-Recoverable Costs" refers to costs incurred by either Party for the provision of non-fungible Jointly-built Interconnection Facilities in accordance with Section 3(c) including, but not limited to, reasonable administration, design and engineering costs, capital costs and installation costs, but excluding costs associated with the ongoing operation of such Jointly-built Interconnection Facilities.

The "Facilities Start Date" refers to the date on which the non-fungible Jointly-built Interconnection Facilities are ready for use.

Interconnection Facilities are considered to be "Jointly-built Interconnection Facilities" when their construction is subject to an agreement between the Parties providing for the sharing of cost and responsibility for construction.

The Non-Recoverable Costs shall be deemed to be amortized over a period of three (3) years from the Facilities Start Date as a payment stream of thirty-six (36) consecutive equal monthly payments from and including the Facilities Start Date. The said equal monthly payment shall be referred to as the "Amortized Amount" and the three (3) year period from the Facilities Start Date shall be referred to as the "Amortization Period".

The "Paying Party" shall refer:

- (i) in the event of termination in accordance with Section 12(a), to the Terminating Party; and
- (ii) in all other instances of termination, to the Party in Default.

In the event the effective date of termination is prior to the expiry of the Amortization Period, the Paying Party shall, within thirty (30) days of the effective date of termination, pay to the other Party, as liquidated damages and not as a penalty:

- (i) the present value of the Amortized Amount for each month of the unexpired portion of the Amortization Period from the day following the effective date of termination;
- (ii) less the salvage value, as estimated by the other Party, acting reasonably, together with any other amounts received by the other Party for the non-fungible Jointly-built Interconnection Facilities.

If the effective date of termination is not the last day in a calendar month, the required payment shall be calculated from the first day of the month of the effective date of termination. If the date of expiry of the Amortization Period is not the last day in a calendar month, the date of the last payment shall be deemed to occur on the last day in the said calendar month.

Computation of the present value of the monthly payments shall reflect application of a discount factor of the prime rate established by the Bank of Canada plus two (2) percent.

- (e) For greater certainty, payment of liquidated damages in accordance with Section 12(d) does not entitle the Paying Party to ownership of the non-fungible Jointly-built Interconnection Facilities provisioned in accordance with this Agreement.
- (f) Upon the effective date of termination, either Party may disconnect its portion of facilities interconnecting the Networks of the Parties at the Points of Interconnection and at the Signaling Points of Interconnection.
- (g) Termination of this Agreement shall not relieve either Party of its obligation to pay any amounts due or to become due to the other Party, nor deprive either Party of any of its rights or remedies or actions against the other Party which may have arisen prior to the effective date of termination.

**13. FORCE MAJEURE**

The performance of each of the Parties under this Agreement will be excused by labour difficulties (such as work stoppages, strikes, lock-outs, slow-downs and similar labour disrupting events), government orders, civil commotions, acts of God, events related to the failure of customers or other entities not under the control of either Party to resolve date related computer problems and other circumstances beyond the reasonable control of each such Party, where such circumstances prevent the Party's performance. Financial difficulty experienced by either Party will not be interpreted as Force Majeure.

**14. LIMITATION OF LIABILITY AND INDEMNIFICATION**

- (a) Neither Party guarantees to the other Party uninterrupted working of the services, facilities and equipment provided pursuant to this Agreement.
- (b) Except as provided in Sections 14(c), (g) and (h), under no circumstances will either Party (for the purposes of this Section 14, referred to as "LEC A"), or its officers, directors, employees, contractors or agents, be liable in contract, in tort (including, but not limited to, liability for any and all negligence, including gross negligence), in equity, for breach of statutory duty or otherwise to compensate the other Party (for the purposes of this Section 14, referred to as "LEC B") for any loss, injury, liability, damage, costs or expense arising directly or indirectly from the performance or non-performance of LEC A's obligations under this Agreement including, but not limited to:
  - (i) any act, omission, error, default or delay in respect of the making available, continued availability, provision, use or termination of the Interconnection Facilities;
  - (ii) failure to connect the Network of LEC A to the Network of LEC B; or
  - (iii) interception, distortion or interruption of any communication or attempted communication using the Interconnection Facilities or Termination Service.

For greater certainty, except as provided in Sections 14(c), (g) and (h), under no circumstances will LEC A or its officers, directors, employees, contractors or agents be liable for loss, whether direct or indirect, of profits, business or anticipated savings or for any indirect or consequential loss whatsoever notwithstanding that LEC A or its officers, directors, employees, contractors or agents has been advised of the likelihood of such losses.





(c) Notwithstanding Section 14(a) and 14(b), but subject to all other provisions of this Section 14, LEC A shall be liable to LEC B for the Recoverable Costs, if any, incurred by LEC B if LEC A:

- (i) wilfully and in bad faith fails or delays; or
- (ii) wilfully and in bad faith engages in conduct that is tantamount to a failure or delay,

in the performance of an obligation under this Agreement.

Conduct by LEC A, its officers, directors, employees, contractors or agents described in Section 14(c) (i) and (ii) is referred to herein as "Wrongful Conduct". For greater certainty, LEC B acknowledges and agrees that a Network outage or a Network fault affecting all or a substantial portion of LEC A's Network shall not constitute Wrongful Conduct.

(d) For the purpose of Section 14(c), "Recoverable Costs" means the larger of:

- (i)
  - (i.a) the revenues from the provision of telecommunications services that LEC B would reasonably have expected to have realized in the absence of Wrongful Conduct by LEC A net of any costs and charges that would reasonably be expected to have been incurred, but were not incurred, by LEC B in providing such telecommunications services during that period;  
  
less
  - (i.b) any revenues realized by LEC B in mitigating such Wrongful Conduct by LEC A, net of any costs reasonably incurred by LEC B in such mitigation; or
- (ii) any reasonable costs that LEC B incurred that it would not have incurred absent the Wrongful Conduct of LEC A.

- (e) If for any reason LEC A or its officers, directors, employees, contractors or agents are liable to LEC B for Recoverable Costs hereunder, whether in contract, in tort (including, but not limited to, liability for any and all negligence, including gross negligence), in equity, for breach of statutory duty or otherwise, the combined maximum liability of LEC A and its officers, directors, employees, contractors and agents shall be \$2,000,000.00 in respect of any one event or related series of events, with a maximum liability to LEC B in any 12 month period of \$2,000,000.00, irrespective of the number of events.
- (f) It is understood and agreed that any refusal or delay in making available Interconnection Facilities or Termination Service which is in compliance with specific procedures or deadlines set out in applicable provisions of Schedules to this Agreement shall not constitute Wrongful Conduct and an event of Wrongful Conduct shall not be considered to have commenced until any such procedures or deadlines have been contravened.
- (g) Notwithstanding Section 14(b), but subject to all other provisions of this Section 14, nothing in this Section 14 shall limit LEC A's liability:
  - (i) to indemnify LEC B pursuant to Section 12 of Schedule A to this Agreement; or
  - (ii) for damage to LEC B's tangible personal property or premises; or for death or personal injury, caused by the negligence or wilful act of LEC A, or its officers, directors employees, contractors or agents.
- (h) Nothing in this Section 14 shall exclude the liability of LEC A to pay any amounts due or to become due, together with any applicable interest, to LEC B pursuant to this Agreement.

## 15. INTELLECTUAL PROPERTY RIGHTS

- (a) In this Section 15, intellectual property includes trade marks, service marks, inventions, patents, designs, copyrights, know how and trade secrets and all rights and interests or licences to use any of them.
- (b) Nothing in this Agreement shall confer or be deemed to confer on either Party any rights or interests in or licences to use or to permit or cause use to be made of the intellectual property of the other Party.

**16. ASSIGNMENT**

Neither Party may assign or transfer this Agreement, or any of its rights and obligations under this Agreement, without the prior written consent of the other Party, which consent will not be unreasonably withheld, provided, however, that nothing herein shall prohibit either Party transferring or assigning this Agreement or any of its rights or obligations specified therein to an affiliate or subsidiary.

**17. APPLICABLE LAWS**

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the applicable laws of Canada.

**18. NOTICES**

Any notice, communication, request, demand or other document required or permitted to be given or sent or delivered hereunder to either of the Parties will be in writing and will be sufficiently given or sent or delivered if it is:

- (a) Delivered personally to such Party, or if such Party is a corporation, to the attention of the person indicated in Section 18(b), below;
- (b) Sent to the Party entitled or required to receive it by registered mail, postage prepaid, mailed in Canada, and addressed by such Party as follows:

- i) in the case of 2034156 ONTARIO INC.

2034156 ONTARIO INC.  
Vice President, Regulatory Matters  
Rogers Communications Inc.  
333 Bloor Street East  
9th Floor  
Toronto, ON M4W 1G9  
416-935-2525  
416-935-2524  
Attention: Ken Engelhart

- ii) in the case of CNCI

Call-Net Communications Inc.  
2235 Sheppard Avenue East  
Suite 600  
Toronto, Ontario  
M2J 5G1  
Tel: (416) 773-3421  
Fax: (416) 498-3002

Attention: Peter Lang, Manager Carrier Relations

and with a copy by facsimile to Call-Net's Legal Department at (416)  
718-6410


or to such other or additional address as the Party entitled or required to receive a notice, designation, communication, request, demand or other document has, by notice given in accordance with this Section 18, communicated to the other Party;

- (c) Sent to the Party entitled or required to receive it by facsimile transmission to its facsimile number shown in this Section 18; or
- (d) Sent to the Party entitled or required to receive it by other means provided for in Schedule G.

#### **19. RECEIPT OF NOTICES**

Any notice, designation, communication, request, demand or other document given in accordance with Section 18 shall:

- (a) If delivered in accordance with Section 18(a), be deemed to have been given and received on the day delivered;
- (b) If sent by mail in accordance with Section 18(b), be deemed to have been given and received on the fourth business day following the date of mailing unless at any time between the date of mailing and the seventh day thereafter there is a discontinuance or interruption of regular postal service, whether due to a strike or lockout or work slowdown affecting postal service at the point of dispatch or delivery or any intermediate point, in which case the same shall be deemed to have been given, sent, delivered and received in the orderly course of the mail, allowing for discontinuance or interruption of regular postal service; and

-  (c) If sent in accordance with Section 18(c) or (d), be deemed to have been given and received on the business day next following the date of transmission.

## **20. REGULATORY APPROVALS**

This Agreement shall come into force upon its Effective Date as approved by the Commission.

## **21. TIMELY APPROVAL**

Each Party will use its best efforts to obtain all necessary regulatory approvals for this Agreement in a timely fashion.

## **22. WAIVERS**

- (a) The failure of either Party to insist upon performance of any of the terms, covenants and conditions of this Agreement in any one or more instances will not be construed as a waiver or relinquishment of any such terms, covenants or conditions, but the same will be and remain in full force and effect.
- (b) No waiver or consent, expressed or implied by a Party to or of any breach or default by the other Party of any or all of its obligations under this Agreement will:
- (i) Be valid unless it is in writing and stated to be a consent or waiver pursuant to this Section 22;
  - (ii) Be relied upon as a consent or waiver to or of any other breach or default of the same or any obligations;
  - (iii) Constitute a general waiver under this Agreement; or
  - (iv) Eliminate or modify the need for a specific consent or waiver pursuant to this Section 22 in any other or subsequent instance.

**23. CUMULATIVE RIGHTS**

Nothing in this Agreement shall be interpreted so as to prevent or preclude either Party from pursuing any right or remedy that may be available to it with respect to services not provided under this Agreement.

**24. UNENFORCEABLE TERMS**

Notwithstanding anything to the contrary contained in this Agreement, if any term, covenant, or provision contained in this Agreement is void or unenforceable in whole or in part, it will not be deemed to affect or impair the validity of any other term, covenant, or provision and each of the terms, covenants and provisions hereof is declared to be separate and distinct.

**25. NO PARTNERSHIP OR JOINT VENTURE**

This Agreement does not constitute a partnership or joint venture between the Parties or constitute either Party an agent of the other Party.

**26. ENTIRE AGREEMENT**

This Agreement, including all Schedules, constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supercedes any prior understandings and agreements, whether oral or written, between the Parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed, implied or statutory, between the Parties other than as expressly set forth in this Agreement.

**27. AMENDMENTS**

No amendments or additions to this Agreement shall be valid unless in writing and signed by the proper signing officials of the Parties, provided, however, that nothing herein shall restrict either Party from modifying its tariffs subject to applicable regulatory approvals.

## **28. INTERPRETATION IN THE EVENT OF CONFLICT**

In the event of conflict between: (i) the applicable tariffs of the Parties as approved by the Commission; (ii) the provisions of this Agreement including Schedules; and (iii) the operating specifications, procedures and guidelines issued in relation to the subject matter of this Agreement, then the provisions of the applicable tariffs shall firstly prevail, secondly the provisions of this Agreement including the Schedules and thirdly, the provisions of the operating specifications, procedures or guidelines as these may be applicable.

## **29. LANGUAGE**

The Parties declare that they have requested the present Agreement to be drawn up in the English language.

Les parties conviennent qu'elles ont demandé que la présente convention soit rédigée en anglais.

## **30. NUMBER AND GENDER**

This Agreement is to be read with all changes of number and gender as required by the context.

## **31. DISPUTES**

Should a dispute or disagreement of any kind (a "Dispute") arise with respect to the interpretation or application of this Agreement, the Parties agree to the following procedures to resolve the Dispute:

### **(a) Good Faith Negotiations**

- i) Good faith negotiations will take place between the Parties with the objective of resolving the Dispute.
- ii) If such good faith negotiations have not resolved the Dispute within a period of thirty (30) days from when it is first identified, either Party may refer the Dispute to the Commission for resolution (for matters

within the jurisdiction of the Commission), or the Parties may agree to refer the Dispute to arbitration, in accordance with the process set forth below.

**(b) Early Referral to Commission or to Court of Competent Jurisdiction**

At any time prior to the end of the thirty (30) day period for good faith negotiations, if either Party reasonably believes that the matter must be dealt with on an urgent or priority basis, then that Party may refer the Dispute to the Commission (for matters within the jurisdiction of the Commission) or to a Court of competent jurisdiction for resolution.

**(c) Arbitration**

- i) If the Dispute cannot be resolved by good faith negotiations within thirty (30) days from when it is first raised, the Parties may mutually agree to refer the issue to arbitration.
- ii) The arbitration will take place in accordance with the rules agreed to by the Parties and in compliance with applicable legislation and procedural convention.

**(d) Other Matters**

- i) The Parties recognize that the Commission may establish a list of qualified arbitrators in telecommunications, and agree to refer to that list in considering a possible arbitrator.
- ii) In the absence of a reasonably perceived threat to health or safety, during the entire period of the process to resolve a Dispute under this Section 31, the Parties will continue to perform their obligations under this Agreement.
- iii) This Section 31 will survive termination or expiration of this Agreement.



**(e) Disputes Concerning Customer Transfers**

Disputes between the Parties with respect to the validity of a customer transfer shall be dealt with in accordance with the procedures established in Schedule H to this Agreement.

**32. HEADINGS**

The section headings in this Agreement are for convenience only and shall not affect the interpretation or meaning of this Agreement.

THIS AGREEMENT and everything contained herein will enure to the benefit of and be binding upon each of the Parties and their respective successors and permitted assigns as fully and as effectively as if the same had been mentioned herein.

IN WITNESS whereof the Parties have executed this Agreement.

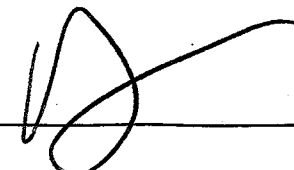
**Call-Net Communications Inc.**

**2034156 ONTARIO INC.**

Per:

  
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Per:

  
\_\_\_\_\_

Name:

Serge Babin  
\_\_\_\_\_

Print Name:

Ken Engelhart  
\_\_\_\_\_

Position:

Senior Vice-President, Chief  
Technology Officer  
\_\_\_\_\_

Position:

UP Regulatory  
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