

WESTRIDGE UTILITIES INC.

CUSTOMER SERVICE CONTRACT

TERMS AND CONDITIONS OF SERVICE:

1.0 SCOPE

The Terms and Conditions set out herein apply to all customers supplied with residential service by WESTRIDGE UTILITIES INC. (Hereinafter referred to as the company or Westridge), whereby the company agrees to supply and the customer agrees to take service of/for the supply of potable water subject to the following:

2.0 APPLICATION FOR SERVICE

The customer may apply for connection or re-connection of service at the company's office nearest the service address and, prior to such connection or reconnection of service, the customer shall be required to execute the company's standard form of contract which may be in use from time to time, and pay such charges as may be required pursuant to these terms and conditions.

2.1 Where the customer and company have not executed a contract for service, the taking of service by the customer and/or the payment by the customer of the initial account rendered by the company constitutes acceptance by the customer of these terms and conditions of service.

3.0 SERVICE SUPPLIED

The service shall, unless otherwise agreed, be provided at the customer's service address. Except as provided below, the company shall provide a supply of potable water to the customer. The company may, in order to inspect, repair, overhaul, reconstruct, test, or add to the distribution system, interrupt the supply of water. The company shall give notice to the customer of such occurrences as shall be reasonably feasible in the circumstance.

3.1 The service shall, unless otherwise agreed, be provided at the service address at the pressure available. The quality and purity of the water supplied shall comply with the requirements of the Public Health Act. The company shall not be under any liability to the customer in respect of the quality and purity of the water supplied hereunder except if it fails to satisfy the Department of Public Health as to the quality and purity thereof and it fails to take all necessary measures to remedy any impurity after receiving written notice from the said Department of the water being impure and unfit for use.

4.0 SUPPLY TO NON CUSTOMERS

No customer shall permit any person to take any water supplied to his premises by the company to any other premises for the use of any other persons. If it comes to the knowledge of the company that any customer has permitted the removal of water, the company may charge such customer for each billing period during which such removal has occurred a rate as if he were two (or more if applicable) customers with the total water consumption divided between the users.

5.0 RIGHT OF WAY

The customer shall provide, without cost to the company, on, over or under land or any buildings owned, leased or under easement by the customer, a satisfactory easement, right of way, space and location for the company's facilities required to provide service to that customer. The company shall have the right of free access to that customer's property for meter reading or the installation, maintenance or removal of its equipment.

6.0 ACCOUNTS

Accounts shall be rendered: annually, monthly, bi-monthly, quarterly or at such other intervals as the company may elect. The company reserves the right, in the event of being unable to obtain a reading of the water meter, to render its account based on an estimate without prejudice to its right to render a further bill after the meter is read. Accounts are due and payable when rendered and may be paid directly to the company or any authorized collection agent. An arrears charge at the rate of 2% per month (24% per annum) shall be payable on all accounts remaining unpaid 20 days after rendering.

7.0 COMMENCEMENT OF BILLING

The initial billing period shall commence with the supply of water, but not later than 30 days after the company has made service available at the service address.

8.0 GUARANTEE DEPOSIT

8.1 Where the customers use of the service is temporary or the customers credit rating is not satisfactory, or the customer's service has been disconnected for non-payment of account, the company shall collect from the customer a guarantee

deposit equal to the estimated regular six-month billing.

8.2 An annual review shall be made of all deposits held for two or more years. Where the customer's credit rating is satisfactory and regular payments have been made on account the security deposit without interest will be refunded.

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

9.0 CUSTOMER CONTRIBUTION

The company may collect a customer contribution comprised of any of, or the sum total of more than one of the following:

9.1 SPECIAL CONSTRUCTION

A construction contribution is the customers payment to the company to compensate it for the amount by which the revenue from the customer on standard rates will be deficient in establishing a new service.

9.2 CONSTRUCTION ADVANCE

When the company considers a new service to require special and/or additional expense due to customer requirements an advance in the amount estimated by the company may be required.

9.3 OPTIONAL FACILITIES

A charge for any facilities provided, at the customers request, over and above those that the company would provide in a standard service. A customer would be responsible for the entire cost of such facilities by a further agreement with the company which would define those costs. Ownership of all facilities shall remain with the company.

9.4 TEMPORARY FACILITIES

For facilities intended to serve for a relatively short time.

10.0 STANDARD CONSTRUCTION CONTRIBUTION

10.1 The initial payment by each customer shall be for a service connection fee calculated from time to time by the Company which shall include: the cost of a meter with remote read-out, all associated valves and appurtenances, a Water availability Charge, time for Westridge Personnel to attend the construction site and inspect any customer installations, and all cost for extending the existing system from the company right of way, main distribution system, to the new point of service.

Customer installation must provide for a meter and isolation valve to be located in a frost free environment with the remote in an accessible location. Curb stop installation must be adequately blocked and all installations must be approved by the Company.

11.0 OWNERSHIP OF FACILITIES

Notwithstanding the payment of any customer contribution by the customer, the Company shall have full title to all equipment installed and maintained by the Company up to and including: any curbstop and rising stem valve installed by the customer at the Companies point of service and the water meter together with any associated valves and appurtenances.

The customer shall at his own expense, have installed a connection for water service from the main distribution line including as required: a corporation cock, a curb stop, rising stem valve, box and line from the point of delivery to his residence, and thereafter the customer shall at his own expense maintain in good repair and order all of such connections and fittings between the point of delivery and the meter.

12.0 POINT OF DELIVERY

The point of delivery shall be the point where the service valve is located within the company R.O.W. at which point the service line would normally, but not always, exit directly onto the customer property.

13.0 DISCONNECTION

The Company may refuse to connect a service or, without any prejudice to any of its legal remedies, discontinue service without notice:

- (i) on account of non-payment within 20 days of rendering of any account with respect to which there is no bona fide dispute, or
- (ii) on account of a breach by the customer of any one of the company's terms and conditions of service.
- (iii) on account of any action or inaction by the customer that would prejudice the company's ability to supply service, or to be compensated for that service under the terms of this contract.

- (iv) on account of a new customer taking possession of a serviced residence without the Companies knowledge.

14.0 RECONNECTION

When the customer's service has been disconnected for any reason, reconnection of service shall be preceded by correction of any or all of the conditions for which service was disconnected and by payment of:

- (i) all amounts due and payable to the company, and;
- (ii) a guarantee deposit if required, and;
- (iii) a reconnection charge equal to the actual cost of; reconnecting the customer, but not less than \$200.00, and;
- (iv) the applicable service charge for each month of the first 12 months of disconnection provided that such charge shall not be payable where there has been a change of customer at the service address or the service has been disconnected for more than 18 months.
- (v) a new customer at an existing service address will execute a copy of this contract and pay a \$200.00 service charge.

15.0 METERS

The customer shall provide space, access, suitable connections, maintenance, and installation of the company's metering equipment.

16.0 METER DISPUTE

Any meter may be inspected by the company or by the customer at any time and shall, upon the written request of the customer and, within 60 days notice to the company, be tested or calibrated.

16.1 In the event the said water meter is found to be accurate within 2% either way, the expense of such a test shall be borne by the party giving such notice.

16.2 In the event that the said water meter is found to be inaccurate beyond the aforementioned limits, the bills for water supplied during the 3 calendar months preceding the test shall be corrected in proportion to the inaccuracy of the meter, 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 meter.

17.0 LIABILITY AND INDEMNITY

Excepting for damage, injury or loss occasioned by negligence of the company or its agents or employees acting within the scope of their employment, the company shall not be liable for, and the customer shall indemnify and save harmless the company against, any and all claims and demands which may be made against it as a result of any damage, injury or loss, howsoever caused, suffered by or brought onto the premises or property owned or leased by the customer. Notwithstanding anything herein contained the company shall not be held responsible for any damage, injury or loss occasioned by interruptions or outages in the supply of water resulting from occurrences, howsoever caused and neither shall the company be liable for damages resulting from loss of sale or production or throughout of the customer's facilities for any reason whatsoever.

18.0 GOVERNMENT APPROVALS

Notwithstanding anything to the contrary herein expressed or implied, the customers 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.

19.0 TERMINATION OF SERVICE

The customer shall be responsible for all service supplied, and the charges therefor, to the date of termination of service. Termination at the customers request shall be preceded by at least 7 days notice from the customer to the company's office nearest the service address.

20.0 ADDITIONAL TERMS & CONDITIONS

Notwithstanding the aforementioned terms of this contract, the parties hereto further agree to: vary, modify, add or delete such terms and conditions as per Schedule "A" attached hereto, said Schedule "A" being part of this contract by reference and dealing with: specific conditions under which a new service may be taken, or then current rates for potable water service.

In the event that the Customer, without proper notice to the Company sells, or transfers a serviced property or discontinues service for any reason, that Customer agrees to be responsible for all charges incurred at that service address until the Company is properly notified, including all legal costs of collecting such charges which may be incurred by the Company.

The above terms and conditions hereby agreed to effective this _____ day of _____, A.D. _____.

The Company:

WESTRIDGE UTILITIES INC.

Per: _____

Customer Name: _____
Please print

Mailing Address: _____
Please print

Signature: _____

WESTRIDGE UTILITIES INC.

CUSTOMER SERVICE CONTRACT

Schedule "A"

TERMS AND CONDITIONS OF NEW CUSTOMER SERVICE

Before a Customer or any person may tie in to any Westridge Distribution Main in any subdivision or legal location within which Westridge has committed to service with potable water the following conditions must be met:

1 Contract

The Customer must sign and return to the office of Westridge a copy of this Water Supply Contract, including that Customers' billing address and phone number.

Note: A Water Availability Charge is assessed against lots serviced by the Westridge System, this charge is twenty five (\$25.00) dollars per month and is charged from the time that the distribution system is extended to supply service for such lot, (date of registration of the subdivision), and continues until regular water service is taken. Payment of this charge is a fundamental condition under which Westridge has committed to service each lot, notwithstanding any change of ownership or claims or representations made by: a Vendor, Real Estate Agent, Developer or any other person in this regard, the Water Availability Charge is included in the calculation of the tie-in charge assessed against each lot, and, must be paid in full before Westridge is obligated to consider any lot for regular service.

2 Initialization of Water Service:

Each Customer must maintain at his or her cost and sole liability the individual water service line from the Westridge distribution main to the each residence. This line is and remains the property of the Customer. This line must be tested to ensure that it is water tight. Westridge may, at its sole discretion, require that this line be tested from time to time to ensure that there is no water loss or contamination due to leakage from this line.

Note: A Customer must notify Westridge for permission **prior** to; servicing, repairing, constructing or installing any water service line, especially when exposing any service connection or line which is the property of Westridge. Connections involving the property of Westridge will only be allowed to commence between the hours of 8:00 am and 12:00 noon daily from Monday to Thursday, excluding any statutory holidays. Westridge personnel will inspect this connection before the line is backfilled.

WARNING

Installation of a service line or any connection whatsoever by any Person or his Agent or contractor made to the Westridge distribution system without the knowledge of and the express permission of Westridge will be removed at their expense and liability. Payment of any costs so incurred will be charged to the Customer and

such a charge must be paid in full before water service is taken, without limiting any other remedies which Westridge may seek for damages or costs related to such unauthorized construction.

Any unauthorized operation of, or tampering with Westridge property including all valves and associated equipment, or taking of water except under the terms of this contract with the knowledge and permission of Westridge is illegal and persons involved with such activity will be prosecuted.

3 Standard Construction Contribution

The current construction contribution is a minimum of \$700.00 plus the Water Availability Charges assessed against an individual lot

4 Water Charges

The current charge for water is two (\$2.00) dollars per cubic meter. Bills are submitted quarterly and are due on the 15th day of the second month of each quarter. Meters are read monthly and there is a minimum billing of sixty (\$60.00) dollars each month regardless of water use.