

Metergy Solutions Inc. Conditions of Service (Water)

February 1, 2021

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SECTION 1 INTRODUCTION

These Conditions of Service set out the terms and conditions upon which Metergy provides water sub-metering services (which may include meter reading, billing and/or collection activities) to residential and commercial customers.

1.1 IDENTIFICATION OF METERGY

Metergy is a corporation existing under the laws of the Province of Ontario. Metergy provides water and other sub-metering services to multi-residential and commercial customers in Canada.

1.2 CONDITIONS OF SERVICE, APPLICABLE LAWS AND CUSTOMER AGREEMENTS

Metergy conducts its sub-metering operations in accordance with all Applicable Laws. In the event of a conflict between these Conditions of Service and any Applicable Laws, the stricter requirement set out in these Conditions of Service or such Applicable Laws shall prevail. In the event of a conflict between an agreement with a customer and these Conditions of Service, unless expressly stated in such customer agreement, these Conditions of Service shall prevail.

1.3 INTERPRETATION

In these Conditions of Service, unless the context otherwise requires:

- Headings, paragraph numbers, formatting and underlining are for convenience only and do not affect the interpretation of these Conditions of Service;
- Words referring to the singular include the plural and vice versa; and
- Words referring to a gender include any gender.

1.4 AMENDMENTS AND CHANGES

These Conditions of Service shall be deemed to have been automatically amended to the minimum extent necessary to achieve compliance with all Applicable Laws.

The provisions of these Conditions of Service and any amendments thereto form part of any agreement between Metergy and its customers.

In the event of changes to these Conditions of Service, Metergy will provide notice of the changes before they become effective and post the current version of the Conditions of Service on its website. Upon request, Metergy will provide a written copy of these Conditions of Service to any person requesting it.

1.5 CONTACT INFORMATION

Customers may contact Metergy using one of the following methods:

Telephone:

- Emergency Service 24 hours a day 1-866-449-4423
- Customer Inquiries, Account Information, Billing 1-866-449-4423

Facsimile: (416) 649-1969

Bill Payments by Mail:

Metergy Solutions Inc.
 C/O T10504
 PO Box 4388, Station A
 Toronto, ON M5W 3S1

Mail Correspondence:

Metergy Solutions Inc.
 Customer Care Centre
 PO Box 4638, Station "A"
 Toronto, ON M5W 5C7

Email: customercare@metergysolutions.com

SECTION 2 SECURITY DEPOSIT

2.1 SECURITY DEPOSIT REQUIREMENTS

Unless otherwise expressly agreed to in a customer agreement and except for customers who meet the security deposit waiver conditions described below, all customers are required to pay a security deposit.

Security deposits must be paid to Metergy using one of the following methods: (i) cash; (ii) cheque; (iii) money order; (iv) bank draft; (v) certified cheque (vi) an automatically renewing, irrevocable letter of credit from a bank as defined in the *Bank Act*, S.C. 1991, c. 46; or (vii) a letter of guarantee from a reputable third party (e.g., parent company).

The amount of the security deposit will not exceed the billing factor times the estimated monthly bill based on the customer's average monthly consumption during the most recent 12 consecutive months within the past two years. Where the average monthly consumption for the customer is not available or where Metergy's systems are not capable of making the above calculation, a reasonable estimate will be made using information from a similar property used for similar purposes.

The billing factors are as follows:

- 2.5 for monthly billed customers
- 1.75 for bi-monthly billed customers
- 1.5 for quarterly billed customers

2.2 PAYMENT BY INSTALLMENTS

Non-residential customers may pay security deposits in 4 equal monthly installments.

Residential customers may pay security deposits in 6 equal monthly installments, including where an existing security deposit has been applied against amounts owing, and Metergy has requested the customer to repay the amount of the applied security deposit, or where Metergy has determined that the amount of the security deposit should be increased. Metergy may require that any such repayments or additional security deposit be paid at the same time as the customer's next bill

2.3 WAIVER CONDITIONS

Security deposits will be waived if any of the following conditions are met:

a) In the case of a residential customer, if the customer has demonstrated a good payment history of 1 year, and in the case of a non-residential customer, if the customer has demonstrated a good payment history of 3 years; provided that the time period to demonstrate good payment history must be the most recent period of time and some of the time period must have occurred in the previous 24 months. A customer is deemed to have a good payment history unless, during the relevant time period: (i) more than 1 cheque or more than 1 pre-authorized payment provided to Metergy has been returned for insufficient funds; (ii) a collection trip has occurred; or (iii) Metergy has applied a security deposit against an amount owing by the customer at the time and Metergy requested the customer to repay the amount of the security so applied. A customer is also deemed to have a good payment history if the customer provides a letter from a municipal authority or utility distribution company in Canada confirming a good payment history with that authority or distributor during the relevant time period;

- b) In the case of a residential customer, if the customer participates in and meets the requirements of Metergy's pre-authorized payment plan; or
- c) The customer provides an acceptable credit reference from a recognized credit agency.

2.4 REFUND OR APPLICATION OF SECURITY DEPOSITS

Security deposits shall not constitute payment of an outstanding account, in whole or in part, and shall only be applied to amounts owing on an Metergy account when the account is closed or otherwise in accordance with Applicable Laws.

Security deposits will be refunded when the account is closed or when the customer has demonstrated a good payment history with Metergy for a minimum period of 1 year for residential customers or 3 years for non-residential customers. Upon a customer's request and provided that such request is made no earlier than 12 months after the payment of a security deposit or after the previous similar request, Metergy will review the customer's account to determine whether the security deposit will be refunded to the customer or adjusted to reflect the maximum amount of security deposit required by Metergy.

Interest shall accrue monthly on security deposits paid by cash, cheque, money order or bank draft commencing upon receipt of the total deposit required. The interest rate on such security deposits shall be at the average over the period of the prime lending rate set by the Bank of Canada less 2 percent. The interest accrued shall be paid out (including by application to the customer's account) at least every 12 months, upon a refund or application of the security deposit or upon closure of the customer's account, whichever comes first.

Upon final billing of an account, security deposits paid by cash, cheque, money order or bank draft, plus interest, will be applied to the final bill, and any remainder will be refunded to the customer. Security deposits paid other than by cash, cheque, money order or bank draft will be applied after the final bill due date, if full payment is not received from the customer.

SECTION 3 BILLING CYCLE PERIOD AND PAYMENT

3.1 BILLING CYCLE PERIOD

Metergy may, at its option, render bills to its customers on either a monthly, every two months, quarterly or annual basis. Bills for the consumption of water and sewage costs will be based on posted water rates and sewage charges of the water supply authority.

3.2 ISSUANCE OF BILLS

Bills may be sent by email, mail or made available over the internet. If the bill is sent by email, the bill is deemed to be issued on the date on which the email is sent. If the bill is sent by mail, the bill is deemed to be issued on the third day after the date on which the bill is printed. If the bill is made available over the internet, the bill is deemed to be issued on the date on which an email is sent to the customer notifying the customer that the bill is available for viewing over the internet. If the bill is sent by more than one of the above described methods, the bill is deemed to be issued on whichever date of deemed issuance occurs last.

3.3 BILLS BASED ON POSTED WATER SUPPLY AUTHORITY CHARGES

Metergy shall apply the posted water rates, sewage charges and related charges, if applicable, of the water supply authority to calculate the charges for the total water consumption by the customer. For greater certainty, in the event the posted rates of the water supply authority also include separate fixed supply charges and/or fixed administration charges, Metergy shall use commercially reasonable efforts to allocate such fixed charges to the bills sent to customers.

In addition, Metergy may apply additional rates for domestic hot water consumption by the customer to compensate for the building's costs to generate and supply hot water to each customer.

3.4 PAYMENT REQUIREMENTS

Bills rendered for water sub-metering services are provided to the customer. Bills are payable in full by the due date (i.e., no later than 20 calendar days after the bill was issued); otherwise, overdue interest charges will apply. Where a partial payment has been made by the customer on or before the due date, the interest charge will apply only to the amount of the bill outstanding at the due date.

If a bill is paid by mail, the payment is deemed to be received by Metergy three days prior to the date on which Metergy receives the payment. If a bill is paid at a financial institution or electronically, the payment is deemed to be received by Metergy on the date on which the payment is acknowledged or recorded by the customer's financial institution. If a bill is paid by credit card, the payment is deemed to be received by Metergy on the date and at the time that the charge is accepted by the financial institution issuing the credit card.

3.5 JOINT BILLING ARRANGEMENTS

Where Metergy issues a single bill to a customer for other services in addition to water sub-metering services, Metergy will allocate any payment of such bill in accordance with the terms of any relevant agreements in respect of such joint billing, subject to and Metergy Solutions Inc.

in accordance with Applicable Laws.

3.6 COLLECTION

Outstanding bills are subject to Metergy's collection process.

Customers will be required to pay additional charges for the processing of non-sufficient funds (N.S.F.) cheques or payments.

Customers may be required to pay standard service charges and deposits, on request, including (without limitation) those charges set out in Schedule A hereto.

Residential customers may qualify for an arrears payment arrangement, the details of which are available by contacting Metergy.

3.7 COLLECTION ON BEHALF OF BUILDING

In certain cases, Metergy collects payments on behalf of the owner, property manager or condominium corporation of the building, as applicable, in which case outstanding bills may also be subject to the collection process of such owner, property manager or condominium corporation, as applicable.

3.8 BILLING ERRORS

Where Metergy has under billed a customer who is not responsible for the error, Metergy may allow the customer to pay the under billed amount in installments over a period at least equal to the duration of the billing error, up to a maximum of two years.

Where Metergy has under billed a customer who is responsible for the error, whether by way of tampering, willful damage, unauthorized use or other unlawful actions, Metergy may require payment of the full under billed amount by means of a corresponding charge on the next regularly scheduled bill issued to the customer or on a separate bill to be issued to the customer responsible for the error. Metergy may charge interest on under billed amounts where the customer was responsible for the error, whether by way of tampering, willful damage, unauthorized use or other unlawful actions.

Where Metergy has over billed a customer, Metergy shall notify the customer of the over billing and credit the full over billed amount to the account in the next regularly scheduled bill issued to the customer.

If there are outstanding arrears on the customer's account, Metergy may apply the over billed amount to the arrears on the customer's account and credit the account with the remaining balance.

Where Metergy has under billed or over billed a customer, the maximum period for which Metergy is entitled to be paid or the customer is entitled to be repaid, as the case may be, is two years and 20 calendar days after the bill for the relevant water sub-metering services was issued.

The provisions of this Section 3.8 do not apply where Metergy has over billed or under billed a customer but issues a corrected bill.

SECTION 4 DISPUTE RESOLUTION

4.1 DISPUTE RESOLUTION PROCEDURE

A customer can dispute charges shown on the customer's bill or other matters by contacting and advising Metergy of the reason for the dispute in accordance with the procedures described below. Metergy will promptly investigate all disputes and advise the customer of the results.

In addition to other approaches that may be pursued to resolve disputes or other specific dispute resolution processes set out in agreements with customers, Metergy provides the following informal dispute resolution process:

Step 1 To register a complaint, a customer may (i) call Metergy's Customer Care Centre at 1-866-449-4423; (ii) e-mail Metergy's Customer Care Centre at customercare@metergysolutions.com; or (iii) write a letter to:

Metergy Solutions Inc. Customer Care Centre PO Box 4638, Station "A" Toronto, ON M5W 5C7

Step 2 If the matter is not satisfactorily resolved in Step 1, the customer may refer the matter to the Director, Customer Relations, who will address the matter in consultation with the applicable manager and/or department.

Metergy keeps a record of all complaints, whether resolved or not, including the name of the complainant, the nature of the complaint, the date resolved or referred and the result of the dispute resolution.

4.2 METER DISPUTES

Metering inaccuracy is an extremely rare occurrence.

Most billing inquiries can be resolved between the customer and Metergy without a meter accuracy test. Upon the request of a customer, Metergy will conduct a meter accuracy test. Metergy will charge the customer a meter dispute fee. If the meter is found to be inaccurate, Metergy will refund the fee and make necessary adjustments to the customer's bill.

SECTION 5 CUSTOMER AND METERGY RIGHTS AND OBLIGATIONS

5.1 CUSTOMER RIGHTS

A customer has the right to be provided with meter data information applicable to their consumption.

Customer information (including consumption information) is collected by Metergy subject to applicable privacy laws and Metergy's privacy policy. Customers and authorized representatives of customers have the right to access current and historical usage information and data.

5.2 METERGY RIGHTS

Metergy's rights include, but are not limited to, the following:

5.2.1 Access to Customer Property

Metergy shall have the right of reasonable and unimpeded access at all reasonable times to the serviced premises, and the individual units, as may be necessary to enable Metergy (including its employees, agents and sub-contractors) to provide water sub-metering services to the serviced premises.

5.2.2 Safety

The customer will comply with all aspects of Applicable Laws with respect to ensuring that a building's mechanical infrastructure and any equipment of the customer are properly identified and connected for metering and operating purposes. The customer will take whatever steps necessary to correct any deficiencies in a timely fashion.

The customer shall not build or maintain or cause to be built or maintained any structure that would or could affect the safety, reliability or efficiency of Metergy's meters and meter components.

5.2.3 Operating Control

The customer will provide a convenient and safe place, satisfactory to Metergy, for installing, maintaining and operating its equipment in, on or about the customer's premises. Metergy assumes no risk and will not be liable for damages resulting from the presence of its equipment on the customer's premises or approaches thereto, or action, omission or occurrence beyond its control, or negligence of any persons over whom Metergy has no control.

No person shall remove, replace, alter, repair, inspect or tamper with Metergy's equipment except Metergy (including its employees, agents and sub-contractors) or another person lawfully entitled to do so.

Customers will be required to pay the costs of repairs or replacement of Metergy's equipment that has been damaged or lost by the direct or indirect act or omission of the customer or its representatives.

5.2.4 Customer Equipment

The customer will be required to repair or replace any equipment owned by the customer that may affect the integrity or reliability of Metergy's meters and meter components.

5.2.5 Physical Structures

Construction, maintenance and repairs of all structures housing and/or supporting the mechanical infrastructure and Metergy's equipment are the responsibility of the customer, in respect of the unit, and the owner or condominium corporation, in respect of the applicable building, who is responsible for the maintenance and safe keeping conditions of its electrical, structural and mechanical facilities located on private property.

5.3 CUSTOMER CONTRACTS

5.3.1 Opening and Closing Accounts

A customer who wishes to open or close an account with Metergy shall contact Metergy's Customer Care Centre by phone, by written request (including requests submitted by facsimile or email), through Metergy's website or web portal, or other means acceptable to Metergy. Additionally, despite the absence of a written agreement, any customer who consumes water at the premises is deemed to be a customer with an implied contract in accordance with section 5.3.3 of these Conditions of Service. The customer shall be responsible for payment to Metergy for the consumption of water at the premises up to the date Metergy is notified of the closing of the account. When a customer requests to close an account, a final bill will be issued for the account.

5.3.2 Standard Form of Contract

Metergy requires all customers to enter into a written customer services agreement in a form acceptable to Metergy. The customer shall be responsible for updating its contact information with Metergy from time to time.

5.3.3 Implied Contract

In all cases, despite the absence of a written agreement, the consumption of water by any customer constitutes the acceptance of the terms of Metergy's Conditions of Service, as amended from time to time, and applicable charges as established by Metergy. Such acceptance and consumption of water shall be deemed, subject to Applicable Laws, to be the acceptance of a binding contract with Metergy, in the form of Metergy's applicable standard form of written customer services agreement.

5.3.4 Landlord and Tenant Agreements

If the owner of the premises rents out the premises, the owner is required to open an account with Metergy and accept responsibility for the water charges in respect of the

premises until: (i) a new tenant opens an account and agrees to accept responsibility for the water charges at the premises; or (ii) the owner advises Metergy that they are no longer responsible for the account.

If a tenant closes their account with Metergy, Metergy will adhere to the date provided by the tenant, regardless of the terms of any written or oral agreement between that tenant and the owner of the premises, and a final bill will be issued for the account. Metergy will revert the premises back to the owner's account as soon as any vacating tenant's account has been closed and the owner will be responsible for the account, and any water charges for service provided to the premises, even if the premises is vacant.

It is the owner's responsibility to ensure that Metergy is aware of any changes in contact, mailing and/or billing information.

5.4 WATER SUPPLY

5.4.1 Interruptions to Supply

Although it is Metergy's policy to minimize inconvenience to customers, it is necessary to occasionally interrupt a customer's supply to allow work on the meters or meter components. Metergy will endeavor to provide customers with reasonable notice of planned water supply interruptions. Notice may not be given where work is of an emergency nature involving the possibility of injury to persons or damage to property or equipment.

Customers requiring a higher degree of security than that of normal supply are responsible for providing their own back-up or standby facilities. Customers may require alternative water supply sources for their premises to minimize the effect of momentary water supply interruptions.

5.4.2 Equipment owned by Metergy

Where Metergy owns the metering equipment in a building, it is the responsibility of the customer, owner and/or condominium corporation of the building to provide a convenient, unobstructed and safe location for the installation of such equipment acceptable to Metergy.

5.4.2.1 **General**

No person, except those authorized by Metergy, may remove, connect, alter or otherwise interfere with meters, wires or ancillary equipment.

The customer, owner of a building and/or condominium corporation, as applicable, will be responsible for the care and safekeeping of Metergy's equipment. If any Metergy equipment is damaged, destroyed or lost, the customer, owner of a building and/or condominium corporation, as applicable, will be liable to pay Metergy for the value of such equipment, or at the option of Metergy, the cost of repairing the same.

The metering location provided shall be for the exclusive use of Metergy. No equipment, other than that provided and installed for or by Metergy may be installed in any part of such space.

The owner of a building and/or condominium corporation, as applicable, will be responsible to provide a proper power supply for all metering devices and components as per Metergy's design.

5.4.2.2 Metering Services Identification

The owner of a building and/or condominium corporation, as applicable, shall permanently and legibly identify each metered service with respect to its specific address, including unit or apartment number.

5.4.2.3 Meter Access

The customer, owner or property manager of a building and/or condominium corporation, as applicable, must provide or arrange free, safe and unobstructed access to Metergy (including its employees, agents and sub-contractors) for the purpose of meter reading, meter changing, meter installation or removal, meter inspection or meter repair.

5.4.2.4 Meter Reading

Metergy collects consumption data manually, automatically or remotely. When actual readings are not scheduled or available, Metergy reserves the right to use an estimated meter read for water consumption.

5.4.2.5 Final Meter Reading

When a service is no longer required, the customer shall provide sufficient notice of the date the service is to be discontinued so that Metergy can obtain a final meter reading as close as possible to the final reading date. The customer shall provide access to Metergy (including its employees, agents and subcontractors) for this purpose. If a final meter reading is not obtained, the customer shall pay a sum based on estimated water used since the last meter reading.

SECTION 6 TARIFFS AND CHARGES

Metergy's current standard service charges are set out in Schedule A hereto. These standard service charges are subject to change from time to time. Information about changes will also be provided to all customers in accordance with Applicable Laws.

In addition to charges for the water consumed, sewage charges and charges for Metergy's services, miscellaneous charges include, but are not limited to, those outlined in Schedule A.

SECTION 7 OTHER

7.1 NO CONSEQUENTIAL DAMAGES

Notwithstanding any other provision in these Conditions of Service, Metergy shall not be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption loss, loss of contract or loss of goodwill or for any direct, indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any of the said liabilities, losses or damages arise in contract, tort or otherwise.

7.2 FORCE MAJEURE

Neither Metergy nor any customer shall be deemed to be in default of the performance of any of its obligations or covenants to the other party during any period when such party is prevented from such performance by reason of a strike, lock-out, labour disruption, unavailability of materials, by operation of law, bankruptcy or insolvency of contractors, fire, civil insurrection, flood, epidemic, act of God, act of terrorism or any other condition which is beyond the control of such party and any period stipulated for the performance of any such obligation or covenant shall be extended accordingly. For clarity, financial inability shall not constitute a force majeure event.

SECTION 8 GLOSSARY OF TERMS

"Applicable Laws" means in respect of any person, property, transactions, event or course of conduct, all applicable laws, statutes, rules, by-laws, treaties, regulations, codes, ordinances, regulatory policies and all applicable official directives, orders, judgments and decrees of or similar requirement made or issued by a Governmental Authority having the force of law (i) applicable to or binding upon such person, property, transaction, event or course of conduct or (ii) to which that person or any of its property is subject.

"Conditions of Service" means this document, which sets out the terms and conditions upon which Metergy provides water sub-metering services to residential and commercial customers.

"Governmental Authority" means the government of Canada, any province, territory or other political subdivision thereof and any person exercising any executive, regulatory, judicial or administrative authority thereof.

"Metergy" means Metergy Solutions Inc., and its successors and assigns.

SCHEDULE A: STANDARD SERVICE CHARGES

TYPE FEE* **New Service Set-up (first commodity)** \$50.00 New Service Set-up (each additional commodity) \$22.50 **Late Payment** 1.5% of outstanding balance, monthly (19.56% annually) \$45.00 Non-Sufficient Funds (NSF)/Bank Return **Lawyer Letter** \$25.00 **Meter Dispute (where no defect found)** \$110.00 **Credit Check** \$40.00 **Duplicate Invoice/Bill Reprint** \$15.00 **Collection of Account** \$45.00 Statement of Account \$25.00 **Arrears Certificates** \$25.00 Paper Bill Service (per bill) \$2.10 **Collection Loss Recovery (per bill)** \$0.87

^{*} Fees are subject to applicable taxes and are subject to change from time to time.