

CONTRIBUTION AGREEMENT

RENEWED U-PASS BC PROGRAM – METRO VANCOUVER

THIS AGREEMENT is dated for reference 10th day of April 2017.

BETWEEN:

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

("TransLink")

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of Transportation and Infrastructure

(the "Province")

WHEREAS:

A. The Parties entered into the Current Contribution Agreement pursuant to the terms of which the Province agreed to contribute funding for the Metro Vancouver U-Pass BC Program until 30 April 2018.

B. The Parties believe that the extension of a Renewed U-Pass BC Program to, and the consistent application of a Renewed U-Pass BC Program among, all public PSIs (as defined herein) in Metro Vancouver will assist in achieving consistent transit prices for Eligible Students enrolled in PSIs in Metro Vancouver.

C. As part of and through the Compass Program, TransLink desires to gain an enhanced understanding of transit use and to plan and measure greater efficiencies in the deployment of transit operations in Metro Vancouver.

D. The Parties now wish to enter into a formal agreement regarding the terms and conditions of the Province's Financial Contribution to TransLink for the Renewed U-Pass BC Program pursuant to the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the promises and covenants contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed by the Parties), the Parties agree as follows:

ARTICLE 1 – DEFINITIONS

1.1 In this Agreement,

"Agreement" means this Contribution Agreement for the Renewed U-Pass BC Program in Metro Vancouver,

"Communications Plan" means and refers to public information materials or events that are developed by the Parties to inform the public, program stakeholders and other interested parties about the Renewed U-Pass BC Program, the role of each of the Parties in the implementation and financing of the Renewed U-Pass BC Program and the obligations of the Parties under this Agreement;

"Compass Cards" means the new long term-use Fare Media Product to be issued by TransLink in the form of an "electronic farecard", which contains information storing capabilities and which is designed to replace the current multiple-use Fare Media Product, as part of the new Compass Program;

"Compass Program" means and refers to TransLink's new Fare Media Product strategy which involves, *inter alia*, the use of a Compass Card and Compass Tickets for long-term and/or multiple transit use;

"Current Contribution Agreement" means that Contribution Agreement dated 6 April 2016 between the Parties pursuant to the terms of which the Province agreed to provide certain financial contributions until 30 April 2018 for the Current U-Pass BC Program;

"Current U-Pass BC Program" means U-Pass BC Program currently in effect which is set to expire on or about 30 April 2018;

"Current U-Pass BC Agreement(s)" means and refers to the standard form Universal Transit Pass Agreement entered into amongst TransLink, participating PSIs and their respective SA(s) as a requirement for a PSI's participation in the Current U-Pass BC Program. The Current U-Pass BC Agreements will expire on 30 April 2018;

"Eligible Student(s)" means the following students of a participating PSI in an applicable U-Pass BC Term:

(a) any student:

- (i) whose enrolment at the PSI's campuses in Metro Vancouver allows them to meet the following conditions during each month of the U-Pass BC Term:
 - (A) a full-time student enrolled in a Qualifying Educational Program or part-time student enrolled in a Specified Educational Program; and
 - (B) With a course load totalling three or more credits or whose tuition fees for the Academic Term (as defined in the applicable Renewed U-Pass BC Agreement) coinciding with the applicable U-Pass BC Term exceed the Total Fare Value set forth in the Renewed U-Pass BC Agreement; and
- (ii) Who is assessed "student society fees" as used in Section 27.1 of the *University Act*, British Columbia or Section 21 of the *College and Institute Act*, British Columbia Student Fees in respect of the SA, and students who opt-out of membership in their PSI's SA (irrespective of whether such fees are collected

and who meet all other eligibility criteria for an “Eligible Student” as set out herein); and

- (b) all students whose enrolment at the PSI’s campuses in Metro Vancouver allows them to be enrolled, for each month of the U-Pass BC Term, in any of the programs identified under the heading “Opt-In Eligibility” in Schedule A to the Renewed U-Pass BC Agreement for that particular U-Pass BC Term; and
- (c) all students who are taking twelve (12) or more instructional hours per week in the following programs:
 - (i) Adult Basic Educations (“ABE”) programs;
 - (ii) English as a Second Language (“ESL”) programs; or
 - (iii) Language Instruction for Newcomers to Canada (“LINC”),

so long as the ABE, ESL or LINC program in which the student is enrolled in is a government-sponsored program, the student is a member of the SA associated with the applicable PSI and the student is assessed student fees or the student has chosen to be exempted from membership in the PSI’s SA (irrespective of whether such fees are collected and who meet all other eligibility criteria for an “Eligible Student” as set out herein), as the case may be;

provided that a student of the PSI who meets the criteria set out both in subsections (a), (b) and (c) above is only counted as one Eligible Student and, further provided that, in the event that the PSI is operating two concurrent U-Pass BC Terms, a student of the PSI who meets the eligibility requirements set out in this section is only counted as an Eligible Student in respect of one but not both such concurrent U-Pass BC Terms, and further provided that:

- (d) notwithstanding subsection (a), (b) and (c) above, in any U-Pass BC Term, the following students of a PSI are excluded as Eligible Students for the applicable U-Pass BC Term:
 - (i) all students who:
 - (A) do not reside in Metro Vancouver; and
 - (B) are not enrolled in any classes offered by the PSI which are conducted within Metro Vancouver;
 - (ii) all students who are restricted from participation in the Renewed U-Pass BC Program pursuant to the applicable provisions in the Renewed U-Pass BC Agreement relating to program integrity (currently, Section 4.4 in the Current U-Pass BC Agreement); and
 - (iii) all students who are enrolled in any of the programs specifically identified under the heading “Opt-Out Eligibility” in Schedule A of the Renewed U-Pass BC Agreement;

“**Fare Value**” means the price of a TransLink Adult 3-zone monthly Fare Media Product as set out in the *South Coast British Columbia Transportation Authority Transit Tariff*; as such may be amended from time to time;

“**Fare Media Product**” means a product designated by TransLink from time to time to be used by TransLink customers as set out and in accordance with the *South Coast British Columbia Transportation Authority Transit Tariff*, as such may be amended from time to time;

"Financial Contribution" means and refers to the Province's funding obligations for the Renewed U-Pass BC Program as set forth in Article 5 of this Agreement;

"FOIPPA" means the Freedom of Information and Protection of Privacy Act, British Columbia;

"Parties" means and refers to TransLink and the Province collectively and

"Party" means and refers to either one of them;

"Performance Report" means the report stipulated in Section 7.1(a);

"Project Representative" means the individual, designated by the applicable Party in accordance with Section 10.1 of this Agreement, to be their representative as required pursuant to this Agreement;

"PSI" or "PSIs" means and refers to one or more of the public Post Secondary Institutions referenced in Schedule 3 attached hereto, which are recognized as "Post Secondary Institutions" by the Ministry of Advanced Education, Innovation and Technology (or its replacement Ministry from time to time), as may be amended from time to time with the written approval of the Parties;

"Qualifying Educational Program" has the meaning ascribed to that term in the *Income Tax Act, Canada*;

"Rates" means the monthly U-Pass BC Fare Media Product rates for the Renewed U-Pass BC Program which are payable by PSIs to TransLink for the Term, as set forth in Schedule 2;

"Renewed U-Pass BC Program" means the renewal of the U-Pass BC Program for the Term, as set forth in this Agreement;

"Renewed U-Pass BC Agreement" means the standard form universal transit pass agreement for the U-Pass BC, incorporating the principles set forth in Schedule 1, and other applicable terms and conditions as may be expressly identified to be incorporated therein in this Agreement, that is to be entered into amongst TransLink, PSIs participating in the Renewed U-Pass BC Program, and their respective SA(s);

"SA(s)" means and refers to a student association or associations representing students at a PSI;

"Specified Educational Program" has the meaning ascribed to that term in the *Income Tax Act, Canada*;

"Term" means the term of the Renewed U-Pass BC Program as defined in Section 3.3 of this Agreement;

"Total Fare Value" means the product of multiplying the Fare Value by the total number of months in the applicable U-Pass BC Term;

“U-Pass BC Fare Media Product” means and refers to Fare Media Product which has been designated to be used solely by U-Pass BC Students under the terms and conditions identified in the Renewed U-Pass BC Agreement;

“U-Pass BC Program” means the transit pass program offered by TransLink to PSIs and their SA(s), which provides U-Passes BC to certain Eligible Students and which receives financial contribution from the Province;

“U-Pass BC Student” means an Eligible Student who has not been exempted from participation or identified as ineligible for participation in the Renewed U-Pass BC Program or who has not been given permission to opt-out of the Renewed U-Pass BC Program in accordance with the terms of the Renewed U-Pass BC Agreement; and

“U-Pass BC Term” means the month or months (up to a maximum of four consecutive months) as identified in the Renewed U-Pass BC Agreement.

- 1.2 The schedules, that shall form an integral part of this Agreement, and are attached hereto as if set out at length in the body of this Agreement, are as follows:

Schedule 1 – Renewed U-Pass BC Agreement – Underlying Principles;

Schedule 2 – Rates;

Schedule 3 – Public Post Secondary Institutions; and

Schedule 4 – Performance Reports.

ARTICLE 2 – STUDENT ELIGIBILITY

- 2.1 The Parties acknowledge that PSIs will be responsible to ensure that appropriate processes and protocols are put in place for determining student eligibility to participate in the Renewed U-Pass BC Program and that such eligibility will be compliant and consistent with the terms and conditions set forth in the Renewed U-Pass BC Agreement. In addition, the Parties acknowledge that, in accordance with the terms and conditions of the Renewed U-Pass BC Agreement, PSIs and SAs will:

(a) be responsible to provide support as may be reasonably necessary or appropriate, which may include the development and implementation of policies, procedures, protocols and/or other support, in support of their respective roles, responsibilities and obligations under the Renewed U-Pass BC Agreement and in particular in support of matters relating to Renewed U-Pass BC Program integrity, including relating to the following:

- (i) anti-fraud measures in relation to the Renewed U-Pass BC Program or Fare Media Products issued in relation thereto;
- (ii) investigation of inappropriate use of Fare Media Products issued to U-Pass BC Students pursuant to the Renewed U-Pass BC Program; and/or
- (iii) investigation of instances of abuse of the Renewed U-Pass BC Program; and

- (b) be responsible for providing accurate and timely eligibility information to identifying Eligible Students in such a manner which does not provide personally identifiable information to TransLink, for each month of their U-Pass BC Term(s), in accordance with the terms of the

Renewed U-Pass BC Agreement, and for the PSI to be responsible for any potential delay in TransLink issuing to such PSIs Eligible Students the applicable U-Passes BC.

- 2.2 The Province agrees that it will work with PSIs regarding attendance management and other compliance measures required by the Renewed U-Pass BC Program, which may include entering into agreements with the PSIs or obtaining consents as may reasonably be required or necessary in order to comply with applicable laws to fulfill the purpose of this Section 2.2, in order that the PSIs may effectively provide the Province with information relating to the ongoing eligibility status of tuition-free students enrolled in government-sponsored ABE, ESL or LINC courses who have received a U-Pass BC Fare Media Product under the Renewed U-Pass BC Program. The Province agrees that it will provide such information to TransLink to assist TransLink in enforcing the eligibility requirements under the Renewed U-Pass BC Program.

ARTICLE 3 – RENEWED U-PASS BC PROGRAM

- 3.1 TransLink will be the Party responsible for the delivery of the Renewed U-Pass BC Program in accordance with and subject to the terms of the Renewed U-Pass BC Agreement.
- 3.2 TransLink will develop the Renewed U-Pass BC Agreement in a standard form to ensure consistency among all participating PSIs and to ensure that all participating SAs observe the same terms and conditions of the Renewed U-Pass BC Program and that all U-Pass BC Students at all PSIs pay the same Rate. Execution of the Renewed U-Pass BC Agreement by PSIs and their corresponding SA(s) will be a required condition for their participation in the Renewed U-Pass BC Program and TransLink's receipt of any portion of the Financial Contribution to be made by the Province for U-Pass BC Students at that PSI. The Parties intend that each of the PSIs participating in the Current U-Pass BC Program will have the opportunity to participate in the Renewed U-Pass BC Program and, in addition, the Justice Institute of British Columbia will be eligible to join and receive the benefits of the Renewed U-Pass BC Program when the Justice Institute is able to fulfill the terms of the Renewed U-Pass BC Agreement, including the commitment to levy mandatory student fees sufficient to cover the established Rate from each Eligible Student throughout their participation in the Renewed U-Pass BC Program.
- 3.3 The Term of the Renewed U-Pass BC Program shall be from 1 May 2018 to 31 December 2019, inclusive. It will be a condition of each PSI's participation in the Renewed U-Pass BC Program that participating PSIs agree to pay TransLink, throughout their participation in the Renewed U-Pass BC Program and in accordance with the terms of the Renewed U-Pass BC Agreement, the applicable monthly Rates for each U-Pass BC Student at their facility and any other applicable fees or amounts owing under the terms of the Renewed U-Pass BC Agreement.
- 3.4 The Parties agree that TransLink will not be required to consider requests for changes to the terms and conditions of the Renewed U-Pass BC Agreement made by PSIs or SAs who are participating in the Renewed U-Pass BC Program during the Term, unless such requests are approved through the decision protocols established by, and through, an advisory committee established to review and approve all such requests on behalf of all PSIs and their respective SA(s) involved in the Renewed U-Pass BC Program, provided that it is agreed and acknowledged that TransLink shall

have no obligation to agree to any changes or amendments to the Renewed U-Pass BC Agreement.

- 3.5 The PSIs will provide eligibility data to TransLink for Eligible Students' participation in the Renewed U-Pass BC Program in accordance with the terms of the Interface Requirements (as defined in the Renewed U-Pass BC Agreement) as provided and modified by TransLink from time to time, in accordance with the terms of the Renewed U-Pass BC Agreement.
- 3.6 TransLink will provide reasonable information to PSIs and SAs about the Renewed U-Pass BC Program and will engage in good faith consultation with PSIs and SAs to assist them in developing communication materials about the Renewed U-Pass BC Program to ensure SAs and students enrolled at PSIs are able to make informed decisions about participating in the Renewed U-Pass BC Program. It is anticipated that PSIs and their SAs will hold student referenda to consult their student body about joining the Renewed U-Pass BC Program and accepting the Rates and any other amounts which may be payable by U-Pass BC Students in relation thereto. TransLink will require SAs to provide their referenda questions in advance of such referenda and TransLink will provide its comments on any apparent inconsistencies between the proposed questions and the Renewed U-Pass BC Agreement.
- 3.7 The Parties acknowledge and agree that the Renewed U-Pass BC Program is not intended to act as a funding mechanism to be used by TransLink as financial support for an expansion of transit capacity (either in transit service hours or extension of routes) but to provide an opportunity for U-Pass BC Students to use the existing transit system, as such may be changed from time to time by TransLink.

ARTICLE 4 – COMPASS PROGRAM

- 4.1 TransLink acknowledges and agrees that, subject to the PSIs and SAs complying with their obligations under the Renewed U-Pass BC Agreement relating to the use of Compass Card fare media by U-Pass BC Students, PSIs will not be required to handle, manage or distribute U-Pass BC fare media cards, provided that PSIs and their respective SAs shall be required to:
 - (a) make reasonable efforts to support, through general campus initiatives and good faith communication strategies, appropriate U-Pass BC Student involvement in the Renewed U-Pass BC Program; and
 - (b) implement policies, procedures and protocols in support of the PSIs' and the SAs' roles, responsibilities and obligations under the Renewed U-Pass BC Agreement and in support of the goals and objectives of the Renewed U-Pass BC Program.

ARTICLE 5 – FINANCIAL CONTRIBUTION

- 5.1 Subject to the terms and conditions of this Agreement, including this Article 5, during each year of the Term the Province agrees to provide TransLink with the following financial contribution referenced in Subsection 5.1(a) below (the "**Financial Contribution**"), for the purpose of supporting the Renewed U-Pass BC Program during each of the calendar years of the Term, to

compensate TransLink for its fare revenue losses incurred as a result of the transit fare discount provided to U-Pass BC Students participating in the Renewed U-Pass BC Program:

- (a) The Financial Contribution payable to TransLink for each calendar year of the Renewed U-Pass BC Program, is as follows:

(i) In 2018, the Financial Contribution will be	\$8,000,000
Plus a potential ABE, ESL, LINC contribution, as per Section 5.2(ii), not to exceed	\$66,666
(ii) In 2019, the Financial Contribution will be	\$12,800,000
Plus a potential ABE, ESL, LINC contribution, as per Section 5.2(ii), not to exceed	<u>\$100,000</u>
MAXIMUM TOTAL	\$ 20,966,666;

- (b) If any of the PSIs specified in this Subsection 5.1(b) below withdraw from the Renewed U-Pass BC Program at any time during the Term or choose not to join the Renewed U-Pass BC Program, then the Province will reduce the Financial Contribution based on the following formula:

[Financial Contribution set out in Section 5.1(a) above]

x

[Number of months during the Term after the PSI withdrew from the Renewed U-Pass BC Program or during which the PSI did not join the Renewed U-Pass BC Program, as applicable:]

Divided by:

The total number of months during the Term]

x

[The Applicable PSI Reduction Percentage set out immediately below in this Section 5.2(b)]

PSI	PSI Reduction Percentage
Langara College	7.0%
British Columbia Institute of Technology	7.0%
Douglas College	9.0%
Emily Carr University of Art & Design	1.0%
Kwantlen Polytechnic University	10.0%
Vancouver Community College	4.5%
Nicola Valley Institute of	0.5%

Technology	
Capilano University	4.0%
Simon Fraser University	24.0%
University of British Columbia	33.0%
Justice Institute of British Columbia	0.0%

- (c) Subject to the terms and conditions of this Agreement, including Section 5.2 below, the Province will pay the Financial Contribution to TransLink, at the end of the period, within thirty (30) days of the Province's receipt of invoices from TransLink, which invoices may be issued by TransLink in accordance with the following payment schedule:

- (i) \$4,000,000 for the period from 1 May 2018 to 31 August 2018, inclusive;
- (ii) \$4,000,000 for the period from 1 September 2018 to 31 December 2018, inclusive;
- (iii) up to \$100,000 for ABE, ESL and LINC students for the period from 1 May 2018 to 30 April 2019, inclusive, as per Section 5.2(ii);
- (iv) \$3,000,000 for the period from 1 January 2019 to 31 March 2019, inclusive;
- (v) \$4,800,000 for the period from 1 April 2019 to 31 August 2019, inclusive;
- (vi) \$5,000,000 for the period from 1 September 2019 to 31 December 2019, inclusive; and
- (vii) up to \$66,666 for ABE, ESL and LINC students for the period from 1 May 2019 to 31 December 2019, inclusive, as per Section 5.2(ii).

- 5.2 The sums comprising the Financial Contribution which are to be paid by the Province pursuant to this Agreement shall not exceed the aggregate maximum amount of \$20,966,666, provided that:

- (i) TransLink acknowledges and agrees that the Province reserves the right to reduce its Financial Contribution in accordance with Section 5.1(b) should fewer PSIs than expected participate in the Renewed U-Pass BC Program or as otherwise set forth in this Agreement; and
- (ii) notwithstanding the foregoing, the Province agrees that the amount of funding set out herein (calculated between the periods 1 May 2018 and 30 April 2019 and 1 May 2019 and 31 December 2019 of the Renewed U-Pass BC Program) shall include an amount not to exceed \$166,666 for the 20 month period to compensate TransLink in the event that the number of students who are eligible U-Pass BC Students as a result of being enrolled in an ABE, ESL or LINC government-sponsored program exceeds 47,000 eligible U-Pass BC Students in

each such period. This annual contribution will be based on a rate of \$9 per eligible U-Pass BC available to eligible U-Pass BC Students enrolled in an ABE, ESL or LINC government-sponsored program in excess of 47,000 U-Passes BC in the applicable periods, provided that the total amount contributed by the Province under this Section 5.2(ii) will not exceed \$166,666 for the Term of this Agreement. Any increase in eligible U-Pass BC Students in accordance with this Section 5.2(ii) shall be calculated and paid to TransLink in accordance with the schedule for payments set out in Section 5.1 above.

TransLink further acknowledges and agrees that the Financial Contribution includes the potential participation of the Justice Institute of British Columbia in the Renewed U-Pass BC Program and no additional funds will be provided by the Province should the Justice Institute of British Columbia participate in the Renewed U-Pass BC Program.

5.3 Notwithstanding any other provision of this Agreement and in addition to any other limitation set forth in this Agreement, the payment to TransLink of the Financial Contribution in whole or in part is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, British Columbia (the "FAA"), to enable the Province in any fiscal year when any payment of money by the Ministry of Transportation and Infrastructure falls due pursuant to this Agreement, to make that payment; and
- (b) the Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subparagraph (a) of this section; and

the Province shall have no liability to TransLink or otherwise with respect to its failure to provide any portion of the Financial Contribution because of an event or happening (or failure of an event or happening) contemplated by this Section 5.3. The Province acknowledges and agrees that TransLink shall have no obligation to continue to deliver the Renewed U-Pass BC Program during the Term in the event that the Province is unable to provide any portion of the Financial Contribution it has agreed to provide hereunder because of an event or happening (or failure of an event or happening) contemplated by this Section 5.3, and in which event, TransLink may, at its sole option, terminate this Agreement upon thirty (30) days written notice to the Province.

5.4 The Province will not claim any greenhouse gas reduction credits associated with the Renewed U-Pass BC Program.

5.5 TransLink acknowledges and agrees that the Province has no responsibility or liability regarding the development of the Renewed U-Pass BC Program or the design of the Fare Media Product that will be used by U-Pass BC Students at participating PSIs, nor will the Province be a signatory to the Renewed U-Pass BC Agreement.

ARTICLE 6 – FURTHER EXTENSION OF U-PASS BC PROGRAM

6.1 The Parties will meet for the purpose of discussing the Province's involvement in supporting a U-Pass BC Program or other similar program as may be agreed by the Parties following the

expiration of the Term set forth in this Agreement, it being agreed by the Parties that, as part of those discussions, the Parties will consider the development of strategies to define and incorporate pragmatic, sustainable, long-term goals and objectives, ridership performance and cost measurement parameters. The Parties acknowledge that a continued U-Pass BC Program or other similar program may require student referenda to take place no later than the fall of 2019.

- 6.2 TransLink will, in collaboration with the Province, work to define stakeholders and responsibilities of the stakeholders to define and design a pragmatic, "sustainable" long-term U-Pass BC Program and will identify and analyze data and information that would support potential stakeholder costs and benefits as part of stakeholders' participation in a long-term U-Pass BC Program.
- 6.3 Nothing in the present Agreement or otherwise shall be interpreted as providing any guarantee, representation or warranty by the Province of any commitment to fund any future U-Pass BC Program; and nothing in this Agreement or otherwise shall be interpreted as providing any guarantee, representation or warranty by TransLink or the Province of any commitment by TransLink or the Province for a continuation of a U-Pass BC Program similar to the Renewed U-Pass BC Program at the conclusion of the Term.

ARTICLE 7 – CONVENANTS OF TRANSLINK

- 7.1 TransLink must:
- (a) provide the Province with Performance Reports in accordance with the requirements of this Agreement (including, without limitation, the requirements of Schedule 4 attached to this Agreement) within ninety (90) days of the end of each calendar year for which a Financial Contribution is made by the Province; and
 - (b) comply in all material respects with:
 - (i) all laws applicable to TransLink in carrying out its obligations in relation to the Renewed U-Pass BC Program under the Renewed U-Pass Program Agreement and TransLink's obligations under this Agreement; and
 - (ii) the provisions of this Agreement.

ARTICLE 8 – INDEMNITY

- 8.1 TransLink will indemnify and hold harmless the Province, its employees, agents, servants and representatives, from and against any claim, loss, damage, liability, cost and expense, including legal costs on a solicitor-client basis, incurred or suffered by the Province, where the same or any of them are based on or arise out of or from any breach of any of TransLink's covenants hereunder or anything done or omitted to be done by or on behalf of TransLink, its employees, agents, servants and representatives, pursuant to this Agreement.

ARTICLE 9 – COMMUNICATION AND CONFIDENTIALITY

- 9.1 The Parties agree to jointly develop the Communications Plan and all public communications about the Renewed U-Pass BC Program or this Agreement shall be undertaken in accordance with the Communications Plan. Before the Communications Plan is agreed, no public communications about the Renewed U-Pass BC Program or this Agreement will be made by either Party without the written approval of the other Party.
- 9.2 Upon request of a PSI or its SA, either the Province or TransLink may approve the use by such PSI of the Province's "U-Pass BC" logo for use by the PSI or its SA for the purpose of promoting the Renewed U-Pass BC Program.
- 9.3 Except as may be disclosed pursuant to the Communication Plan, or as may be strictly necessary to fulfill their respective obligations under this Agreement, or as required by law or judicial or legislative decree, the Parties acknowledge and agree that all information, material and documentation relating to the Renewed U-Pass BC Program and this Agreement is confidential and neither Party will disclose that information, material or documentation without the prior consent of the other Party, except in circumstances where the information can clearly be proven by documentation to have become readily available to the general public in the same form through no breach of this Agreement or except as required by law.
- 9.4 Notwithstanding the generality of Section 9.3, above, all information, material and documentation relating to the Renewed U-Pass BC Program or this Agreement that is in the custody or control of either Party is subject to FOIPPA.

ARTICLE 10 – PROJECT REPRESENTATIVES

- 10.1 The Parties will each designate a Project Representative for the purpose of administering this Agreement and for the purpose of resolving any differences that arise between the Parties pursuant to this Agreement. The current Project Representatives are set out as follows:

(a) For the Ministry of Transportation and Infrastructure:

Lindsay Kislock, Assistant Deputy Minister, Partnership Department
Email: Lindsay.Kislock@gov.bc.ca

(b) For TransLink:

Chief Financial Officer and Executive VP, Finance and Corporate Services
Email: Cathy.McLay@translink.ca

- 10.2 Either Party may change its Project Representative at any time on written notice to the other Party.

ARTICLE 11 – COMMENCEMENT AND TERMINATION

- 11.1 The term of this Agreement will commence on 1 May 2018 and terminate on 31 December 2019 unless it is terminated earlier pursuant to Sections 5.3 or 11.2 of this Agreement or unless it is extended by written agreement signed by both Parties.
- 11.2 This Agreement may be terminated by either Party if the other Party is in default of any of its obligations under this Agreement and the default has not been rectified within thirty (30) days of being notified by the first Party in writing of the default. In the event that the Province terminates this Agreement for TransLink's default and the termination takes effect prior to the end of a calendar year, the Province will only be responsible for that portion of the Financial Contribution payable (calculated on a pro rata basis, as applicable) up to the effective date of the termination.
- 11.3 Sections 5.4, 5.5, 6.1, 8.1, 9.3, 9.4, 11.3 and Article 13 will survive the expiration or earlier termination of this Agreement.

ARTICLE 12 – DISPUTE RESOLUTION AND JURISDICTION

- 12.1 If any dispute arises under this Agreement (a "Dispute") the Parties acting through their Project Representatives will attempt to resolve the Dispute within fourteen (14) calendar days of the Dispute arising (or within such other time period agreed to by the Parties) through amicable and good faith negotiations.
- 12.2 If the Dispute referenced in Section 12.1 is not resolved in the manner and within the time period specified in Section 12.1, the Parties will attempt to resolve the Dispute by referring the matter to the following representatives of the Parties for resolution or such other representatives as may be appointed by the Parties from time to time:
- (a) Assistant Deputy Minister, Partnerships Department, Ministry of Transportation and Infrastructure; and
 - (b) Chief Financial Officer and Executive VP, Finance and Corporate Services, TransLink,
- and, subject to applicable laws, the Parties will provide candid and timely disclosure to each other of the relevant facts, information and documents to facilitate the resolution of the Dispute.
- 12.3 If the Dispute referenced in Section 12.1 is not resolved under Section 12.2 within seven (7) calendar days of the Dispute being referred to the persons identified in Section 12.2, or within such other time period agreed to in writing by the Parties, a party may refer the dispute to arbitration in Victoria, British Columbia to be conducted by a sole arbitrator appointed under the *Arbitration Act* and at a location in Victoria, British Columbia agreed between the Parties.
- 12.4 The cost of the arbitration referred to in Section 12.3 will be shared equally by the Parties and the arbitration will be governed by the laws of the Province of British Columbia.

ARTICLE 13 – MISCELLANEOUS

- 13.1 Delivery of any documents or payments between the Parties in accordance with this Agreement will be effected by hand, facsimile transmission or courier to the address of the recipient specified below, such delivery to be effective only upon actual receipt:

(a) To TransLink:

South Coast British Columbia Transportation Authority
287 – 400 Nelson's Court
New Westminster, BC V3L 0E7

Attention: Cathy McLay, CFO and Executive VP, Finance and Corporate Services

(b) To the Province:

Ministry of Transportation and Infrastructure
Attention: Silas Brownsey, Executive Director, Transit and Crown Agency Programs
5th Floor – 940 Blanshard Street
Victoria, BC V8W 9T5

- 13.2 Either Party may from time to time advise the other by notice in writing of any changes to the recipient or to the address of the Party giving the notice.
- 13.3 This Agreement is binding upon and enures to the benefit of the Parties and their respective successors and permitted assigns.
- 13.4 TransLink must not assign this Agreement without the Province's prior written consent, which consent may be withheld for any reason. If the Province assigns or transfers its obligations under this Agreement, it will provide written notice to TransLink of such assignment or transfer and include the information required for delivery of documents, payments and communications.
- 13.5 This Agreement forms the entire agreement between the Parties with respect to the subject matter of this Agreement and this Agreement may not be modified except by subsequent agreement in writing.
- 13.6 The Parties will perform such further acts and execute such further documents as may be reasonably necessary to give effect to this Agreement.
- 13.7 This Agreement may be executed in counterparts and when counterparts have been executed by the Parties, each originally executed counterpart, whether a facsimile, photocopy or original, will be effective as if one original copy had been executed by the Parties.
- 13.8 Whenever the singular or the masculine form is used in this Agreement it will be construed as the plural or the feminine or neuter form, as the case may be, and vice versa where the context or the Parties so require.
- 13.9 The captions and headings contained in the Agreement are for convenience only and do not define or limit the scope of this Agreement.

- 13.10 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 13.11 Nothing in this Agreement operates as a consent, permit, approval or authorization by the Government of the Province of British Columbia or any ministry, branch or agency thereof to or for anything related to the Renewed U-Pass BC Program that by statute, TransLink is required to obtain.
- 13.12 The Parties agree that nothing in this Agreement constitutes either of them as the agent, joint venturer or partner of the other Party and nothing in this Agreement gives either Party any authority or power to bind the other Party in any way.

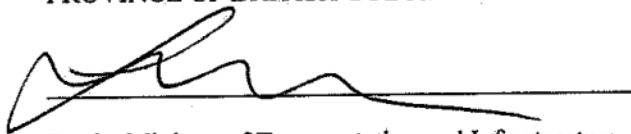
The Parties have executed this Agreement as of the date first above written.

SIGNED on behalf of
SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY by its authorized
signatory:

 (Christine Dacre)

for Chief Financial Officer and Executive VP, Finance and Corporate Services
South Coast British Columbia Transportation Authority

SIGNED on behalf of HER MAJESTY
THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA:



By the Minister of Transportation and Infrastructure
Or their authorized representative

Lindsay Kislock, ADM Partnerships Department
Ministry of Transportation and Infrastructure

SCHEDULE 1

RENEWED U-PASS BC AGREEMENT --- UNDERLYING PRINCIPLES

TransLink will ensure that the standard form of the Renewed U-Pass BC Agreement in use from time to time incorporates, *inter alia*, the following principles:

- (a) The Renewed U-Pass BC Agreement will provide for distribution of U-Pass BC Fare Media Product to U-Pass BC Students during the Renewed U-Pass BC Program, subject to the PSIs and SAs complying with their obligations under the Renewed U-Pass BC Agreement, and provided that TransLink has received accurate and timely information as required from PSIs and their SAs in compliance with the Interface Requirements (as defined in the Renewed U-Pass BC Agreement) pursuant to the Renewed U-Pass BC Agreement, and subject to and in compliance with applicable privacy laws, rules and regulations.
- (b) Each participating PSI will be responsible for administering the Renewed U-Pass BC Program at its institution and will be responsible for properly and accurately identifying to TransLink all Eligible Students and U-Pass BC Students at its institution in accordance with the data transmission requirements set out in the Renewed U-Pass BC Agreement. All costs associated with the individual PSI's and SA's administration of and participation in the Renewed U-Pass BC Program at its institution (including any costs associated with properly identifying Eligible Students and U-Pass BC Students) and complying with all of its obligations under the Renewed U-Pass BC Agreement will be the sole responsibility of the applicable PSIs and their SAs.
- (c) Each participating PSI will be responsible for properly identifying to TransLink the number of Eligible Students and U-Pass BC Students at its institution and for making any payment required of them with respect to the appropriate monthly U-Pass BC Rate for each U-Pass BC Student, but the PSI will not be required to handle or distribute the U-Pass BC Fare Media Product at their institution.
- (d) Each PSI and each SA must obtain all necessary consents and approvals to enter into the Renewed U-Pass BC Agreement and implement the Renewed U-Pass BC Program, including without limitation, passage of a student referendum on whether to join the Renewed U-Pass BC Program.
- (e) The Rates set forth in this Agreement for the Renewed U-Pass BC Program will be a mandatory assessed student fee payable by all U-Pass BC Students to ensure consistent application and availability of the Renewed U-Pass BC Program to students across Metro Vancouver and the participation of all or substantially all Eligible Students enrolled at the PSI. The criteria for determining student eligibility and exceptions will be established and fixed in the Renewed U-Pass BC Agreement for each participating PSI, and for greater certainty, in respect of student eligibility, will be as set out in the definition of "Eligible Student" in this Agreement, and in respect of any exemptions, opt-out or other exemptions, will be only as set out in the Current U-Pass BC Agreement.

- (f) TransLink will provide a consistent framework applicable to all PSIs for establishing categories of students that are entitled to opt-out of purchasing a U-Pass BC Fare Media Product, as described in subsection (e) of this Schedule 1 above. TransLink and the respective PSI must agree in writing to any changes to these definitions.
- (g) The Rates established by this Agreement will be set forth in the Renewed U-Pass BC Agreement.
- (h) The PSI and their SAs will be responsible to provide support as may be reasonably necessary or appropriate, which may include the development and implementation of policies, procedures, protocols and/or other support, in support of their respective roles, responsibilities and obligations under the Renewed U-Pass BC Agreement, and in particular in support of matters relating to Renewed U-Pass BC Program integrity, including the management of fraudulent or inappropriate use of U-Pass BC Fare Media Product distributed to U-Pass BC Students, pursuant to the Renewed U-Pass BC Agreement, and of the abuse of the Renewed U-Pass BC Program. The policies, procedures and other support to be provided by PSIs and SAs as described in this paragraph (h) of Schedule 1 may include coordinated marketing/communication amongst TransLink, the PSIs and their SAs of Renewed U-Pass BC Program goals and objectives.
- (i) TransLink, the PSI or its SA(s) will be entitled to prohibit a student from receiving a U-Pass BC Fare Media Product as a result of prior fraudulent or inappropriate use of a past U-Pass BC Fare Media Product or for abuse of the Renewed U-Pass BC Program.
- (j) TransLink delivers the Renewed U-Pass BC Program to Eligible Students in accordance with and subject to the *South Coast British Columbia Transportation Authority Act* (British Columbia), *South Coast British Columbia Transportation Authority Transit Tariff*, the Compass Card Terms and Conditions of Use, and any Compass Card Refund Policy. Accordingly, subject to the *South Coast British Columbia Transportation Authority Transit Tariff*, the Compass Card Terms and Conditions of Use, any Compass Card Refund Policy, as each may be amended from time to time, or as otherwise identified by TransLink from time to time in the Renewed U-Pass BC Program, TransLink will allow issuance of replacement U-Pass BC Fare Media Products if issued U-Pass BC Fare Media Products are lost or stolen. A replacement fee may be included in the Renewed U-Pass BC Agreement for the replacement of lost or stolen U-Pass BC Fare Media Products and TransLink will be responsible for determining the policy, procedures and fees associated with lost or stolen Compass Cards associated with the Renewed U-Pass BC Program.
- (k) TransLink may implement a fee, payable by PSIs, for U-Pass BC Fare Media Product(s) issued to persons who are not eligible to be a U-Pass BC Student, identified through reporting or audit procedures in the Renewed U-Pass BC Agreement.
- (l) PSIs will not be permitted to provide any form of subsidy or charge any additional fee which has the effect of establishing different U-Pass BC Fare Media Product rates among various participating institutions. Notwithstanding the foregoing, PSIs and SAs may, on a case-by-case basis, provide financial aid to selected U-Pass BC Students based on a claim of financial hardship.

- (m) SAs will not be permitted to charge a mandatory fee payable to their PSI to administer the Renewed U-Pass BC Program.
- (n) In addition, TransLink will consider, and may, in its sole discretion, incorporate terms and conditions in the Renewed U-Pass BC Agreement that address strategies, procedures and protocols that can be deployed to encourage or enforce appropriate use of the Compass Program to acquire critical information on the transit operational costs associated with the Renewed U-Pass BC Program as such relates to the use of U-Pass BC Compass Cards.

SCHEDULE 2

RATES

During the Term, the Rates payable per Eligible Student for a U-Pass BC Fare Media Product at participating PSIs will be as follows:

\$41.00 per month for the period commencing on 1 May 2018 and ending on 31 December 2019 (inclusive);

Neither a PSI nor its applicable SA will be permitted to charge a U-Pass BC Student any additional fee for a U-Pass BC Fare Media Product which is over and above the Rates set forth herein.

SCHEDULE 3

POST SECONDARY INSTITUTIONS

Eligible public PSIs for inclusion in the Renewed U-Pass BC Program in Metro Vancouver:

British Columbia Institute of Technology
3700 Willingdon Avenue
Burnaby, BC V5G 3H2

Kwantlen Polytechnic University
12666 72nd Ave
Surrey BC V3W 2M8

Capilano University
2055 Purcell Way
North Vancouver BC V7J 3H5

Nicola Valley Institute of Technology
4155 Belshaw St.
Merritt BC V1K 1R1

Douglas College
Box 2503
New Westminster BC V3L 5B2

Langara College
100 West 49th Ave
Vancouver BC V5Y 2Z6

Emily Carr University of Art & Design
1399 Johnston Street
Granville Island
Vancouver BC V6H 3R9

Simon Fraser University
8888 University Drive
Burnaby BC V5A 1S6

Vancouver Community College ("VCC")
1155 East Broadway
Vancouver BC V5T 4V5

University of British Columbia** ("UBC")
2329 West Mall
Vancouver BC V6T 1Z2

Justice Institute of British Columbia*
715 McBride Blvd
New Westminster BC V3L 5T4

*Eligibility of the Justice Institute of British Columbia is subject to Section 3.2 of this Agreement.

**Includes the following affiliated colleges: At UBC: Regent College, St. Mark's College and Vancouver School of Theology; and at VCC: Native Education College.

SCHEDULE 4

PERFORMANCE REPORTS

1. TransLink shall prepare and deliver the following Performance Reports to the Province, subject to applicable privacy laws, rules and regulations and provided that all data shall be reported in aggregate:
 - (a) The following student statistics:
 - i. Provide monthly statistics (as reported by each PSI) on the number of:
 - a. registered students at each PSI;
 - b. Exempted Students (as defined in the Renewed U-Pass BC Agreement) at each PSI
 - c. ABE, ESL and LINC program Eligible Students at each PSI;
 - d. students at each PSI who are excluded as Eligible Student as defined herein as a result of the provisions of each of (d)(i), (ii) and (iii) of the definition of Eligible Student; and
 - ii. Number of unique U-Pass BC Students eligible for U-Pass BC in the calendar year.
 - (b) The following Eligible Students statistics:
 - (i) Uptake of U-Pass BC Fare Media Product(s) by Eligible Students and issuance of U-Passes BC;
 - (ii) Renewed U-Pass BC Program Ridership;
 - (iii) Greenhouse gas reductions as a result of more sustainable travel;
 - (iv) Impact of fraud and fare evasion; and
 - (v) Any other performance statistics as may be mutually considered by TransLink and the Province;
 - (c) TransLink and the Province will use best efforts to confirm in writing, by no later than 1 February 2018, the detailed specifications mutually agreed by the Province and TransLink, each acting reasonably, of the structure, content and data definitions that will be contained in the reports noted in Section 1(a) and (b) of this Schedule 4 above, for information in TransLink's possession which is readily available to TransLink and which reports in any event shall include:
 - (i) The data specified in 1(a) and 1(b), plus the following information:
 - (A) Ridership data and travel patterns:
 - (1) By time of day;
 - (2) By day of week;
 - (3) Origin – Destination data; and
 - (4) Utilization statistics;
 - (B) Transit operational cost statistics, as available to TransLink:
 - (1) Level of service on Renewed U-Pass BC Program routes to PSIs; and
 - (2) Cost profile;
 - (d) Further, TransLink will collaborate with the Province to evaluate the need for, feasibility of and the responsibility to undertake additional data collection efforts, such as:
 - (i) Data collection to determine the greenhouse gas reductions attributed to changing mode choices by U-Pass BC Eligible Students;

- (ii) Data collection to measure local traffic impact at selected geographical points as a result of the Renewed U-Pass BC Program; and
 - (iii) Data collection to define the aspects of creating a "Transit Culture" that are important from a transportation policy perspective and which identify agreed performance measures of the Program in order to undertake studies to measure changes in transit culture as a result of the Renewed U-Pass BC Program; and
 - (e) Any other studies or reports as reasonably required by the Province from time to time, subject to applicable privacy laws, rules and regulations, availability of TransLink resources and availability to TransLink of data or other information under the terms and conditions of the Renewed U-Pass BC Agreements.
2. Delivery of the Reports shall be made in accordance with the following schedule:
- (a) The first report as required in Sections 1(a) and (b) of this Schedule 4 will be due on 31 March 2019 and will report on such data from January 2018 to December 2018, inclusive;
 - (b) All other reports agreed by the parties to be provided under and in accordance with Section 1(c) of this Schedule 4, based on the mutually agreed specifications and availability of information, will be for their respective calendar years after 2018 and due on 31 March of the following year; and
 - (c) The last report as required under this Schedule will be due on 31 March 2020 and will report on such data from 1 January 2019 to 31 December 2019 (inclusive), except in the event of any extension of the Renewed U-Pass BC Program beyond December 2019, in which case TransLink will provide the Province with a report with the form, content and due date set out in any agreement between the Parties applicable to a renewed U-Pass BC Program after 31 December 2019.
3. The parties agree that, in respect of any additional or other reports, studies, data or other information that may be of interest to one or both of the parties to be provided by TransLink to the Province in accordance with Sections 1(c), (d) or (e) of this Schedule 5, the parties agree to discuss the potential provision of such reports, studies, data or other information and where mutually agreed (each party acting reasonably) in respect of any particular additional reports, studies, data or other information and in advance of any such provision, TransLink shall:
- (a) Prior to incurring any additional cost or expense to prepare or create such reports, studies, data or other information, provide to the Province an estimated time line when such reports, studies, data or other information could be produced (including contractor and/or consulting fees, and internal labour costs actually and reasonably incurred by TransLink), and meet with the Province to discuss potential scope and costs associated with the data request; and
 - (b) If the Province and TransLink agree to pursue the studies and/or reports on terms mutually agreeable to both parties, the parties may negotiate and enter into an agreement regarding reimbursement of TransLink's costs to produce the studies and/or reports and cover costs identified in Section 3(a).

AMENDED AND RESTATED CONTRIBUTION AGREEMENT
NEW U-PASS BC PROGRAM – METRO VANCOUVER

THIS AGREEMENT is amended and restated as of the 14 day of February, 2011.

BETWEEN:

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY
(“TransLink”)

AND:

THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of
Transportation and Infrastructure
(the “Province”)
(collectively referred to as the “Parties”)

WHEREAS:

- A. The Parties regard the U-Pass BC Program for public post-secondary institutions (PSIs) in Metro Vancouver as a means for providing a cost-effective strategy to increase transit ridership and reduce traffic congestion while contributing to the provincial goal of reducing greenhouse gases.
- B. The Parties consider that the extension and consistent application of a new U-Pass BC Program to all public post-secondary institutions in Metro Vancouver (“PSIs”) will assist in achieving transit fare equity to students enrolled in PSIs across Metro Vancouver.
- C. The Parties agree that TransLink is to deliver the U-Pass BC Program.
- D. The Parties intend that each PSI will have the opportunity to participate in the new U-Pass BC Program.
- E. The Parties agree that the historical relationship of the University of British Columbia (“UBC”) with the affiliated colleges of Vancouver School of Theology, Regent College, and St. Mark’s College, on UBC’s Point Grey campus, qualifies these colleges for the U-Pass BC Program so long as UBC is a signatory to a U-Pass BC Agreement with TransLink and these respective students are members in good standing of UBC’s Alma Mater Society and meet the eligibility criteria of the U-Pass BC Program.

- F. The Province has requested that TransLink expand the definition of eligible U-Pass BC students to include students taking 12 or more instructional hours per week in the following programs: Adult Basic Education (“ABE”), English as a Second Language (“ESL”) and English Language Services for Adults (“ESLA”), so long as such students are assessed student fees and are members of the respective student society at the PSI where they are enrolled.
- G. The Province wishes to contribute funds to TransLink to assist with bringing consistency to the new U-Pass BC Program that is to be made available to PSIs in Metro Vancouver and to assist with introducing the new U-Pass BC Program to all PSIs.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

This Agreement supersedes and cancels the Contribution Agreement – New U-Pass Program – Metro Vancouver dated May 12, 2010 (“Earlier Document”) and the Earlier Document is void.

ARTICLE 1: ELEMENTS OF THE U-PASS BC PROGRAM

- 1.01 TransLink will develop a standard form of U-Pass BC Agreement to be entered into between TransLink and each participating PSI and its respective Student Society, so as to ensure consistency among all of the participating PSIs. Key elements of the standard form U-Pass BC Agreement are set out in Appendix 1.
- 1.02 Monthly U-Pass BC rates at participating PSIs, for the September 1, 2010 to March 31, 2013 period, are set out in Appendix 2.
- 1.03 TransLink will, as soon as practicable, cancel existing U-Pass agreements with Langara College and Capilano University and will offer to enter into the new standard U-Pass BC Agreement with such PSIs.
- 1.04 TransLink has engaged the University of British Columbia and Simon Fraser University for the purpose of entering into new standard U-Pass BC Agreement. The agreement offered by TransLink contained transitional clauses that maintained existing U-Pass rates (i.e. \$26.50 at the University of British Columbia and \$28.34 at Simon Fraser University) until August 31, 2011 and required the universities to maintain their existing levels of subsidies until August 31, 2011, so that the U-Pass prices paid by students are not affected prior to September 1, 2011.
- a. The University of British Columbia or its student body opposed the transitioning to the new standard U-Pass BC Agreement as of January 1, 2011 and as a result:
- i. TransLink will allow the existing U-Pass agreement with the University of British Columbia to continue (provided the other parties to this agreement are not in default) until August 31, 2011;
 - ii. The Province will pay to TransLink \$250,000; and
 - iii. if the University of British Columbia eliminates or reduces its existing U-Pass subsidy of \$2.75 per pass, TransLink will accept a U-Pass rate of \$23.75 (instead

of \$26.50) and the Province will pay \$650,000 to TransLink (to be pro-rated for any partial reduction in subsidy between January 1 and August 31, 2011).

- b. Simon Fraser University or its student body opposed the transitioning to the new standard U-Pass BC Agreement as of January 1, 2011 and as a result:
 - i. TransLink will allow the existing U-Pass agreement with Simon Fraser University to continue (provided the other parties to this agreement are not in default) until August 31, 2011; and
 - ii. if Simon Fraser University eliminates or reduces its existing U-Pass subsidy of \$2.25 per pass, TransLink will accept a U-Pass rate of \$26.09 (instead of \$28.34) and the Province will pay \$350,000 to TransLink (to be pro-rated for any partial reduction in subsidy between January 1 and August 31, 2011).

The amounts payable by the Province under Section 1.04 will be in addition to those set out in Article 4.

- 1.05 Each PSI will be responsible for the costs associated with the administration of the U-Pass BC Program at its campus(es) in Metro Vancouver, including meeting all obligations of each PSI as set out in the standard form U-Pass BC Agreement. The Province will contribute to TransLink an additional \$1,000,000.00 to be distributed by TransLink on the direction and authorization from the Province to selected PSIs in support of start-up administration costs. TransLink will confirm in writing to the Province that these payments have been distributed.

The Province and TransLink will meet no later than December 15th, 2011 to determine, which will be in the sole discretion of the Province, the disposition of the remainder of the \$1,000,000.00 contribution funds not yet distributed to the PSI's by TransLink.

The amounts payable by the Province under Section 1.05 will be in addition to those set out in Article 4.

- 1.06 The Province will provide \$3,200,000.00 to TransLink in order that ABE, ESL, and ELSA students, enrolled in 12 or more instructional hours per week, are identified as eligible U-Pass BC students.

The amounts payable by the Province under Section 1.06 are included in payment schedule set out in Article 4.

- 1.07 The Province will not claim any greenhouse gas reduction credits associated with the U-Pass BC Program.
- 1.08 TransLink will support student referenda at PSIs (including those currently participating in a U-Pass Program and those that may wish to participate in the new U-Pass BC Program) by providing each PSI with the information necessary for the student bodies to make an informed decision.

- 1.09 TransLink will establish the start dates on which the U-Pass BC Program will be available to PSIs, provided that such start dates are between September 1, 2010 and March 31, 2013.
- 1.10 The Province will have no responsibility for the development of the new U-Pass BC Program or the design of the fare-media that will be used at all PSIs, or be a signatory to the new U-Pass BC Agreement.
- 1.11 The Province will enter into a Unreturned U-Passes BC Risk Mitigation Agreement (RMA) with each PSI that joins the U-Pass BC Program and its Student Society to ensure, and monitor, the performance and distribution of U-Passes BC and the recovery strategies selected by the PSI and its Student Society. The objective of the RMA is to reduce the financial risk to TransLink from U-Pass BC students that drop out of school, or students that change their courses to the point where they no longer qualify for the U-Pass BC Program, and subsequently do not return not-yet-valid U-Passes BC that they have received.
- a) The Province will provide up to \$2,000,000 to TransLink to be used in consideration for each unreturned U-Pass BC that is not returned above TransLink's allocation of 2% of all U-Passes BC, as monitored by TransLink for each PSI for each of the PSI's U-Pass BC Terms (as defined in the U-Pass BC Agreement).
 - b) The Parties agree that the fee for each unreturned U-Pass BC, over the 2% allocation, will be \$54.75 per U-Pass BC.
 - c) The Parties agree that TransLink will have to approve any request from the Province to change the distribution strategy of a PSI and their Student Society prior to the Province giving consent to the PSI. TransLink will not unreasonably withhold this approval.
 - d) In consideration of the Provinces provision of \$2,000,000.00 and the implementation of the RMA, TransLink will not include any fee above the \$30 U-Pass BC Rate in the standard U-Pass BC Agreement for unreturned U-Passes BC as a result of U-Pass BC Student withdrawals.
 - e) The Province and TransLink will meet no later than February 27th, 2013 to determine, which will be in the sole discretion of the Province, the disposition of the remainder of the \$2,000,000.00 of funds not yet allocated.

The amounts payable by the Province under Section 1.10 will be in addition to those set out in Article 4.

- 1.12 TransLink will engage PSIs under the Smart Card initiative with the goal to have the U-Pass BC Program updated in conjunction with the implementation of Smart Card in 2013.
- 1.13 TransLink will, within 30 days of the end of each calendar year in which contribution payments are made to TransLink under this Agreement, provide an annual report to the Ministry of Transportation and Infrastructure that will include but not be limited to estimated U-Pass BC use, ridership, market share, and greenhouse gas reduction. The first report is due in January 2012 and will report on data from September 2010 to December 2011 inclusive, all other reports will

be for the calendar years subsequent to 2011. If the U-Pass BC Program is not extended beyond March 31, 2013, the last report will be for the period between January 1, 2013 and March 31, 2013.

- 1.14 TransLink will provide input to PSIs to facilitate the development and implementation of processes and procedures by the PSIs to address fraudulent or inappropriate use of a U-Pass BC or abuse of the U-Pass BC Program.
- 1.15 Upon request of a PSI or its student society, either the Province or TransLink may approve the use by such PSI of the Province's U-Pass BC logo for use by the PSI or its student society for the purpose of promoting the U-Pass BC Program.

ARTICLE 2: COMMUNICATION AND CONFIDENTIALITY

- 2.01 The Parties agree to develop public information materials to inform the public, stakeholders and others about U-Pass BC and the work undertaken under this Agreement.
- 2.02 All public information material is to be agreed upon by the Parties and is to reflect the contribution of the Parties unless otherwise stipulated.
- 2.03 The Parties will co-operate in organizing all communication events in relation to this Agreement and their obligations under this Agreement.
- 2.04 TransLink has advised the Province that this Agreement may contain information that would reasonably be expected to harm the financial or economic interest of TransLink. Prior to September 1, 2011, the Parties will not disclose this Agreement to any third party unless it obtains the prior written consent of the other party, except as required by law.

ARTICLE 3: GOVERNANCE

- 3.01 The Parties will each designate an executive sponsor for the purpose of administering this Agreement and for the purpose of resolving any differences that arise between the Parties.

Ministry of Transportation and Infrastructure

Name: Sandra Carroll

Position: Assistant Deputy Minister, Partnerships Department

TransLink

Name: Cathy McLay

Position: CFO and VP, Finance and Corporate Services

ARTICLE 4: FUNDING

- 4.01 Subject to the terms of this Agreement, the Province will provide an annual funding contribution to support the implementation of the new U-Pass BC Program at PSIs in Metro Vancouver to TransLink during each of the calendar years shown below specifically to compensate for revenue

losses and displacement resulting from lower fares at institutions eligible for the U-Pass BC Program. The contribution to be provided each calendar year is as follows:

2010 - \$6,960,000.00

2011 - \$6,960,000.00

2012 - \$6,960,000.00

2013 - \$2,320,000.00

- 4.02 The Province provided \$3,000,000 within 30 days of signing of the Earlier Document and TransLink will invoice the Province for a further \$3,960,000 by December 31, 2010. Subsequent payments of \$3,480,000 will be invoiced by TransLink by June 30, 2011, December 31, 2011, June 30, 2012 and December 31, 2012. The final invoice of \$2,320,000 from TransLink will be made by March 31, 2013.
- 4.03 In the event that the British Columbia Institute of Technology (BCIT) becomes one of the participating PSIs in the U-Pass BC Program pursuant to an agreement with TransLink, the Province will, subject to the terms of this Agreement, pay an additional contribution of \$1,000,000.00 to TransLink for each full calendar year that U-Passes BC are made available to students pursuant to that agreement (and if U-Passes BC are made available for only part of a calendar year, this amount will be prorated according to the number of months during which U-Passes BC are made available).
- 4.04 Subject to the conditions outlined in section 4.03 being met, the \$1,000,000.00 payment or portion thereof contemplated under section 4.03 will be made by December 31 for the years 2010, 2011 and 2012 calendar year. A final payment of \$333,333.00 will be made by March 31, 2013.
- 4.05 TransLink intends to continue to provide current levels of service to the PSIs (subject to minor service adjustments).
- 4.06 The Parties will meet, no later than May 1, 2012, for the purpose of discussing the potential for
- (a) negotiating the terms of the Province's financial contribution to the U-Pass BC Program post March 31, 2013;
 - (b) the option to no longer require the RMA if the program is extended;
 - (c) the implication of allowing other post secondary institutions access to U-Pass BC;
 - (d) TransLink's cost recovery objectives;
 - (e) a monthly U-Pass BC rate post March 31, 2013; and
 - (f) the long term goal of a sustainable U-Pass BC Program in Metro Vancouver.

It is anticipated that any such discussions will be concluded by August 31, 2012.

ARTICLE 5: GENERAL

- 5.01 The term of this Agreement will commence on May 12, 2010 and terminate on April 30, 2013 unless terminated earlier under section 5.02 or extended by written agreement (signed by both parties).
- 5.02 This Agreement may be terminated by either party if the other party is in default of any of its obligations under this Agreement and the default has not been rectified within 30 days of being notified by the first party in writing of the default. In the event that the Province terminates this Agreement for TransLink's default and the termination takes effect prior to the end of a calendar year, TransLink will on a pro-rata basis reimburse the Province for the contribution TransLink received for the balance of that calendar year.
- 5.03 Delivery of any documents or payments between the Parties in accordance with this Agreement will be effected by hand, facsimile transmission or courier to the address of the recipient specified below, such delivery to be effective only upon actual receipt:

To TransLink:

South Coast British Columbia Transportation Authority
1600 – 4720 Kingsway
Burnaby, British Columbia
V5H 4N2
Attention: Cathy McLay, CFO and VP, Finance and Corporate Services

To the Province:

Ministry of Transportation and Infrastructure
5D, 940 Blanshard Street
Victoria, British Columbia
V8W 9T5
Attention: Sandra Carroll, Assistant Deputy Minister, Partnerships Department

Either party may from time to time advise the other by notice in writing of any changes to the recipient or to the address of the party giving the notice.

- 5.04 This Agreement is binding upon and enures to the benefit of the Parties and their respective successors and permitted assigns.
- 5.05 TransLink must not assign this Agreement without the Province's prior written consent, which consent may be withheld for any reason. If the Province assigns or transfers its obligations under this Agreement, it will provide written notice to TransLink of such assignment or transfer and include the information required for delivery of documents, payments and communications.
- 5.06 This Agreement forms the entire agreement between the Parties with respect to the subject matter of this Agreement and this Agreement may not be modified except by subsequent agreement in writing.

- 5.07 The Parties will perform such further acts and execute such further documents as may be reasonably necessary to give effect to this Agreement.
- 5.08 This Agreement may be executed in counterparts and when counterparts have been executed by the Parties, each originally executed counterpart, whether a facsimile, photocopy or original, will be effective as if one original copy had been executed by the Parties.
- 5.09 Whenever the singular or the masculine form is used in this Agreement it will be construed as the plural or the feminine or neuter form, as the case may be, and vice versa where the context or the Parties so require.
- 5.10 The captions and headings contained in the Agreement are for convenience only and do not define or limit the scope of this Agreement.
- 5.11 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 5.12 Nothing in this Agreement operates as a consent, permit, approval or authorization by the Government of the Province of British Columbia or any ministry, branch or agency thereof to or for anything related to the U-Pass BC Program that by statute, TransLink is required to obtain.
- 5.13 Notwithstanding any other provision of this Agreement, the payment of money by the Province to TransLink pursuant to this Agreement is subject to:
- (a) there being sufficient monies available in an appropriation, as defined in the B.C. *Financial Administration Act* (the "FAA"), to enable the Province in any fiscal year when any payment of money by the Ministry falls due pursuant to this Agreement, to make that payment; and
 - (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subparagraph (a) of this section.

The Parties have executed this Agreement on the date first set out above.

SIGNED by the authorized signatory of

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY



Ian Jarvis

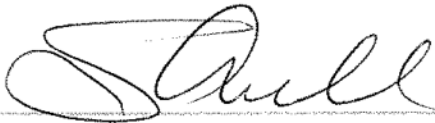
Chief Executive Officer

South Coast British Columbia Transportation Authority

Feb 10, 2011

Date

SIGNED on behalf of the **PROVINCE OF BRITISH COLUMBIA**



Sandra Carroll

Assistant Deputy Minister

Partnerships Department

Ministry of Transportation and Infrastructure

Feb 14, 2011

Date

APPENDIX 1

TransLink will ensure that the standard form of U-Pass BC Agreement in use from time to time provides for the following:

- a) Each participating PSI must administer the U-Pass BC Program at its institution and cover all associated costs (including, without limitation, distribution of passes to all students as frequently as once a month), subject to the receipt by any PSI of a portion of the \$1 million provincial contribution outlined in section 1.05 of this Agreement.
- b) Each PSI must obtain all necessary consents and approvals to enter into the U-Pass BC Agreement and implement the U-Pass BC Program, including the signing of the Unreturned U-Passes BC Risk Mitigation Agreement with the Province.
- c) Each PSI's Student Society must obtain all necessary consents and approvals to enter into the U-Pass BC Agreement and implement the U-Pass BC Program, including passage of a student referendum on whether to join the new U-Pass BC Program and the signing of the Unreturned U-Passes BC Risk Mitigation Agreement with the Province.
- d) The U-Pass BC Program is to be a mandatory requirement for all students assessed student fees, or such other criteria as determined by TransLink, to ensure consistent application and availability of the U-Pass BC Program to students across Metro Vancouver and participation in the U-Pass BC Program by all or substantially all U-Pass BC eligible students enrolled at the PSI (as determined by TransLink through discussions with the PSIs and Student Societies). The criteria for determining which students are eligible students will be established and fixed in the U-Pass BC Agreement for each PSI.
- e) TransLink will provide a consistent framework applicable to all PSIs for establishing categories of students that are entitled to opt out of purchasing a U-Pass BC. Once the eligibility and opt-out definitions have been defined in the standard U-Pass BC Agreement, TransLink and the respective PSI must agree in writing to any changes to these definitions.
- f) Monthly U-Pass BC rates will be consistent with Appendix 2.
- g) Each participating PSI must implement processes and procedures to address fraudulent or inappropriate use of a U-Pass BC or abuse of the U-Pass BC Program, including coordinated marketing/communication with their Student Society and TransLink of U-Pass BC goals and objectives. The PSIs will implement policy, processes and procedures to encourage students to comply with the terms of the U-Pass BC Agreement and the Unreturned U-Passes BC Risk Mitigation Agreement
- h) TransLink, the PSI or its Student Society will be entitled to refuse to permit a student from receiving a U-Pass BC as a result of prior fraudulent or inappropriate use of a U-Pass BC.
- i) TransLink will allow PSIs to issue replacement passes if U-Passes BC are lost or stolen based on terms and conditions established in the standard U-Pass BC Agreement. A replacement or service fee may be considered for inclusion in the U-Pass BC Agreement for the replacement of these lost or stolen U-Passes BC. TransLink may also consider

establishing a price structure that allows TransLink to manage the financial risk associated to these U-Passes BC.

- j) TransLink may implement a fee, payable by PSI's, for passes issued to persons who are not eligible students or for unaccounted for passes identified through reporting or audit procedures in the U-Pass BC Agreement between TransLink, PSI and their Student Society.

APPENDIX 2

For the September 1, 2010 to March 31, 2013 period, monthly U-Pass BC rates at participating PSIs will be as follows:

- a) The U-Pass BC rate for students at each participating PSI will be \$30 per month commencing on the date agreed to in the standard U-Pass BC Agreement and ending on March 31, 2013.
- b) Commencing September 1, 2010, the U-Pass rate at Capilano University and Langara College will be \$30 per month.
- c) Not with standing paragraph (a) above, the existing U-Pass rate of \$26.50 for the University of British Columbia (subject to Section 1.04 of the Agreement) and the existing U-Pass rate of \$28.34 for Simon Fraser University (subject to Section 1.04 of the Agreement) will be grandfathered until August 31, 2011, after which time the monthly U-Pass rate for students at these institutions will be the same as the rate applicable to all other participating PSIs.
- d) A participating PSI will not provide any form of subsidy or charge any fee after August 31, 2011 which has the effect of establishing different U-Pass BC rates for students between institutions with the exceptions of:
 - i. PSIs and Student Societies may, on an individual student bases, provide U-Pass BC financial support to selected students based on financial hardship claim, and
 - ii. Students at Capilano University have agreed to pay \$1 per month to their PSI to administer the U-Pass program at their institution. This additional charge to students at Capilano University will be allowed, subject to the conditions of the fee payment agreement between Capilano University and their Student Society. This exception will not be extended beyond March 31, 2013.

CONTRIBUTION AGREEMENT

RENEWED U-PASS BC PROGRAM – METRO VANCOUVER

THIS AGREEMENT is dated for reference as of the 10th day of January, 2013. .

BETWEEN:

**SOUTH COAST BRITISH COLUMBIA TRANSPORTATION
AUTHORITY**

(“TransLink”)

AND:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA**, as represented by the Minister of Transportation and
Infrastructure

(the “Province”)

WHEREAS:

- A. The Parties entered into the Current Contribution Agreement pursuant to the terms of which the Province agreed to contribute funding for the Metro Vancouver U-Pass BC Program until 31 March 2013.
- B. The Parties subsequently executed the Memorandum of Understanding for the development of a Renewed U-Pass BC Program to take effect after 31 March 2013.
- C. The Parties believe that the extension of a Renewed U-Pass BC Program to, and the consistent application of a Renewed U-Pass BC Program among, all public PSIs in Metro Vancouver will assist in achieving consistent transit prices for Eligible Students enrolled in PSIs in Metro Vancouver.
- D. As part of and through the Compass Program, TransLink desires to gain an enhanced understanding of transit use and to plan and measure greater efficiencies in the deployment of transit operations in Metro Vancouver.
- E. The Province wishes to make the Financial Contribution available to TransLink for the Renewed U-Pass BC Program pursuant to this Agreement.
- F. In accordance with the terms of the Memorandum of Understanding, the Parties now wish to enter into a formal agreement regarding the terms and conditions of the Province’s Financial Contribution for the Renewed U-Pass BC Program.

NOW THEREFORE, in consideration of the promises and covenants contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed by the Parties), the Parties agree as follows:

ARTICLE 1- DEFINITIONS

1.1 In this Agreement,

“Agreement” means this Contribution Agreement for the Renewed U-Pass BC Program in Metro Vancouver;

“Communications Plan” means and refers to public information materials or events that are developed by the Parties to inform the public, program stakeholders and other interested parties about the Renewed U-Pass BC Program, the role of each of the Parties in the implementation and financing of the Renewed U-Pass BC Program and the obligations of the Parties under this Agreement;

“Compass Cards” means the new long-term-use Fare Media Product to be issued by TransLink in the form of an “electronic farecard”, which contains information-storing capabilities and which is designed to replace the current multiple-use Fare Media Product, as part of the new Compass Program;

“Compass Program” means and refers to TransLink’s new Fare Media Product strategy which involves, *inter alia*, the use of a Compass Card and Compass Tickets for multiple and/or long-term transit use;

“Compass Tickets” means the new transit short-term-use Fare Media Product that will be used as part of TransLink’s new Compass Program;

“Current Contribution Agreement” means that Amended and Restated Contribution Agreement dated 14 February 2011 between the Parties pursuant to the terms of which the Province agreed to provide certain financial contributions until 31 March 2013 for the Current U-Pass BC Program;

“Current U-Pass BC Program” means U-Pass BC Program currently in effect which is set to expire on or about 31 March 2013, provided that such expiry date may be extended to April 30, 2013 as further described in Section 3.4 hereof;

“Current U-Pass BC Agreement(s)” means and refers to the standard form Universal Transit Pass Agreement entered into amongst TransLink, participating PSIs and their respective SA(s) as a requirement for a PSI’s participation in the Current U-Pass BC Program. The Current U-Pass BC Agreements will expire on 31 March 2013;

“Eligible Student(s)” means the following students of a participating PSI in an applicable U-Pass BC Term:

- (a) any student:
 - (i) whose enrolment at the PSI’s campuses in Metro Vancouver allows them to meet the following conditions during each month of the U-Pass BC Term:

- (A) a full-time student enrolled in a Qualifying Educational Program or a part-time student enrolled in a Specified Educational Program; and
- (B) with a course load totalling three or more credits or whose tuition fees for the Academic Term (as defined in the applicable Renewed U-Pass BC Agreement) coinciding with the applicable U-Pass BC Term exceed the Total Fare Value set forth in the Renewed U-Pass BC Agreement; and
- (ii) who is assessed "student society fees" as used in Section 27.1 of the *University Act*, British Columbia or Section 21 of the *College and Institute Act*, British Columbia; and
- (b) all students whose enrolment at the PSI's campuses in Metro Vancouver allows them to be enrolled, for each month of the U-Pass BC Term, in any of the programs identified under the heading "Opt-In Eligibility" in Schedule A to the Renewed U-Pass BC Agreement for that particular U-Pass BC Term; and
- (c) all students who are taking twelve (12) or more instructional hours per week in the following programs:
 - (i) Adult Basic Educations ("ABE") programs;
 - (ii) English as a Second Language ("ESL") programs; or
 - (iii) English Language Services for Adults ("ELSA"),

so long as the ABE, ESL or ELSA program in which the student is enrolled is approved and funded by the British Columbia Ministry of Advanced Education Innovation and Technology, the student is a member of the SA associated with the applicable PSI and the student is assessed student fees, provided that a student of the PSI who meets the criteria set out both in subsections (a), (b) and (c) above is only counted as one Eligible Student and, further provided that, in the event that the PSI is operating two concurrent U-Pass BC Terms, a student of the PSI who meets the eligibility requirements set out in this section is only counted as an Eligible Student in respect of one but not both such concurrent U-Pass BC Terms, and further provided that:

- (d) notwithstanding subsection (a), (b) and (c) above, in any U-Pass BC Term, the following students of a PSI are excluded as Eligible Students for the applicable U-Pass BC Term:
 - (i) all students who:
 - (A) do not reside in Metro Vancouver; and
 - (B) are not enrolled in any classes offered by the PSI which are conducted within Metro Vancouver;
 - (ii) all students who are restricted from participation in the Renewed U-Pass BC Program pursuant to the applicable provisions in the Renewed

U-Pass BC Agreement relating to program integrity (currently, Section 4.4 in the Current U-Pass BC Agreement); and

- (iii) all students who are enrolled in any of the programs specifically identified under the heading “Opt-Out Eligibility” in Schedule A of the Renewed U-Pass BC Agreement;

“Fare Value” means the price of a TransLink Adult 3-zone monthly Fare Media Product as set out in the *South Coast British Columbia Transportation Authority Transit Tariff*, as such may be amended from time to time;

“Fare Media Product” means a product designated by TransLink from time to time to be used by TransLink customers as set out and in accordance with the *South Coast British Columbia Transportation Authority Transit Tariff*, as such may be amended from time to time;

“Financial Contribution” means and refers to the Province’s funding obligations for the Renewed U-Pass BC Program as set forth in Article 5 of this Agreement;

“FOIPPA” means *The Freedom of Information and Protection of Privacy Act*, British Columbia;

“Gates Closure” means the closure by TransLink of faregates installed within the TransLink transportation network in connection with the Compass Program, after which such closure entry or exit from such faregates will require the public to utilize tap on/tap off systems which may be activated only by using a Compass Card or Compass Ticket;

“Memorandum of Understanding” means that certain memorandum of understanding entered into by the Parties dated 19 July 2012, as amended on August 30, 2012, pursuant to the terms of which the Parties agreed to develop the Renewed U-Pass BC Program;

“Parties” means and refers to TransLink and the Province collectively and **“Party”** means and refers to either one of them;

“Performance Report” means the report stipulated in Section 7.1(a);

“Phase I” has the meaning given to the term in Schedule 1 of this Agreement;

“Phase II” has the meaning given to the term in Schedule 1 of this Agreement;

“Phase III” has the meaning given to the term in Schedule 1 of this Agreement;

“Project Representative” means the individual, designated by the applicable Party in accordance with Section 10.1 of this Agreement, to be their representative as required pursuant to this Agreement;

“PSI” or **“PSIs”** means and refers to one or more of the public Post Secondary Institutions referenced in Schedule 3 attached hereto, which are recognized as “Post Secondary Institutions” by the Ministry of Advanced Education, Innovation and Technology (or its replacement Ministry from time to time) as may be amended from time to time with the written approval of the Parties;

“Qualifying Educational Program” has the meaning ascribed to that term in the *Income Tax Act*, Canada;

“Rates” means the monthly U-Pass BC Fare Media Product rates for the Renewed U-Pass BC Program which are payable by PSIs to TransLink for the Term, as set forth in Schedule 2;

“Renewed U-Pass BC Program” means the renewal of the U-Pass BC Program for the Term, as set forth in this Agreement;

“Renewed U-Pass BC Agreement” means the standard form universal transit pass agreement for the U-Pass BC, incorporating the principles set forth in Schedule 1, and other applicable terms and conditions as may be expressly identified to be incorporated therein in this Agreement, that is to be entered into amongst TransLink, PSIs participating in the Renewed U-Pass BC Program, and their respective SA(s);

“SA(s)” means and refers to a student association or associations representing students at a PSI;

“Specified Educational Program” has the meaning ascribed to that term in the *Income Tax Act*, Canada;

“Term” means the term of the Renewed U-Pass BC Program as defined in Section 3.3 of this Agreement;

“Total Fare Value” means the product of multiplying the Fare Value by the total number of months in the applicable U-Pass BC Term;

“U-Pass BC Fare Media Product” means and refers to Fare Media Product which has been designated to be used solely by U-Pass BC Students under the terms and conditions identified in the Renewed U-Pass BC Agreement;

“U-Pass BC Program” means the transit pass program offered by TransLink to PSIs and their SA(s) which provides U-Passes BC to certain Eligible Students and which receives financial contribution from the Province;

“U-Pass BC Risk Mitigation Agreement” means and refers to the agreement entered into among the Province, post secondary institutions and student societies in conjunction with the Current U-Pass BC Agreements, in which post secondary institutions incorporated certain distribution strategies to mitigate unauthorized circulation of U-Pass BC fare media products issued under the Current U-Pass BC Agreement;

“U-Pass BC Student” means an Eligible Student who has not been exempted from participation or is ineligible for participation in the Renewed U-Pass BC Program or who has not been given permission to opt-out of the Renewed U-Pass BC Program in accordance with the terms of the Renewed U-Pass BC Agreement; and

“U-Pass BC Term” means the month or months (up to a maximum of four consecutive months) as identified in the Renewed U-Pass BC Agreement.

- 1.2 The schedules, that shall form an integral part of this Agreement and are attached hereto as if set out at length in the body of this Agreement, are as follows:

Schedule 1 – Renewed U-Pass BC Agreement – Underlying Principles;

Schedule 2 – Rates;

Schedule 3 - Public Post Secondary Institutions; and

Schedule 4 – Performance Reports.

- 1.3 The present Agreement amends and replaces the Memorandum of Understanding and the Parties acknowledge and agree that the Memorandum of Understanding is of no further force or effect as of the date hereof.

ARTICLE 2– STUDENT ELIGIBILITY

- 2.1 PSIs will be responsible to ensure that appropriate processes and protocols are put in place for determining student eligibility to participate in the Renewed U-Pass BC Program and that such eligibility will be compliant and consistent with the terms and conditions set forth in the Renewed U-Pass BC Agreement. In addition, and in accordance with the terms and conditions of the Renewed U-Pass BC Agreement, PSIs and SAs will:

- (a) during Phase I and II, be responsible to develop and implement policies and procedures in support of the goals of the Renewed U-Pass BC Program and in particular relating to the following:

- (i) anti-fraud measures in relation to the Renewed U-Pass BC Program or Fare Media Products issued in relation thereto;
- (ii) investigation of inappropriate use of Fare Media Products issued to U-Pass BC Students pursuant to the Renewed U-Pass BC Program; and/or
- (iii) investigation of instances of abuse of the Renewed U-Pass BC Program; and

- (b) during Phase III, be responsible to provide support as may be reasonably necessary or appropriate, which may include the development and implementation of policies, procedures, protocols and/or other support, in support of their respective roles, responsibilities and obligations under the Renewed U-Pass BC Agreement for Phase III, and in particular in support of matters relating to Renewed U-Pass BC Program integrity, including as set out in Sections 2.1(a)(i) to (iii) above,

and during the development of such policies, procedures, protocols and/or support by the PSIs and their respective SA(s), TransLink will provide good faith, reasonable input and information to PSIs relating to the development of such policies, procedures, protocols and/or the level and type of support required by TransLink.

- 2.2 The Province agrees that it will work with PSIs regarding attendance management and other compliance measures required by the Renewed U-Pass BC Program, which may include entering into agreements with the PSIs or obtaining consents as may reasonably be required or necessary in order to comply with applicable laws to fulfill the purpose of this Section 2.2, in order that the PSIs may effectively provide the Province with information relating to the ongoing eligibility status of tuition-free students enrolled in government-sponsored ABE, ESL or ESLA courses who have received a U-Pass BC Fare Media Product under the Renewed U-Pass BC Program. The Province agrees that it will provide such information to TransLink to assist TransLink in enforcing the eligibility requirements under the Renewed U-Pass BC Program.

ARTICLE 3- RENEWED U-PASS BC PROGRAM

- 3.1 TransLink will be the Party responsible for the delivery of the Renewed U-Pass BC Program in accordance with and subject to the terms of the Renewed U-Pass BC Agreement.
- 3.2 TransLink will develop the Renewed U-Pass BC Agreement in a standard form to ensure consistency among all participating PSIs and to ensure that all participating SAs observe the same terms and conditions of the Renewed U-Pass BC Program and that all U-Pass BC Students at all PSIs pay the same Rate. Execution of the Renewed U-Pass BC Agreement by PSIs and their corresponding SA(s) will be a required condition for their participation in the Renewed U-Pass BC Program and TransLink's receipt of any portion of the Financial Contribution to be made by the Province for U-Pass BC Students at that PSI. The Parties intend that each of the PSIs participating in the Current U-Pass BC Program will have the opportunity to participate in the Renewed U-Pass BC Program and, in addition, the Justice Institute of British Columbia will be eligible to join and receive the benefits of the Renewed U-Pass BC Program when the Justice Institute is able to fulfill the terms of the Renewed U-Pass BC Agreement, including the commitment to levy mandatory student fees sufficient to cover the established Rate from each Eligible Student throughout their participation in the Renewed U-Pass BC Program.
- 3.3 The Term of the Renewed U-Pass BC Program shall be from 1 May 2013 until 30 April 2016, inclusive. It will be a condition of each PSI's participation in the Renewed U-Pass BC Program that participating PSIs agree to pay TransLink, throughout their participation in the Renewed U-Pass BC Program and in accordance with the terms of the Renewed U-Pass BC Agreement, the applicable monthly Rates for each U-Pass BC Student at their facility and any other applicable fees or amounts owing under the terms of the Renewed U-Pass BC Agreement.
- 3.4 In order that continued access to the U-Pass BC Program is not interrupted on the expiration of the Current U-Pass BC Agreements, and in order to provide the PSIs and their SAs participating in the U-Pass BC Program as of March 31, 2013 with an opportunity to ensure U-Pass BC Students receive uninterrupted access to the U-Pass BC Program, TransLink agrees that, subject to agreement in writing by the applicable

PSIs and their SAs, and further subject to the approval of any applicable student referenda, it will extend the Current U-Pass BC Agreements to each such PSI and their respective SAs for the period from 1 April 2013 until 30 April 2013, inclusive. Notwithstanding the foregoing, TransLink will not be required to provide an extension of the Current U-Pass BC Agreement to any PSI and their SA that has not committed itself to joining the Renewed U-Pass BC Program prior to March 31, 2013.

- 3.5 Notwithstanding the terms of Section 3.3, above, TransLink will allow PSIs who, with their SAs, have entered into a Renewed U-Pass BC Agreement with TransLink, to identify a limited number of U-Pass BC Students who may continue to pay the current U-Pass BC rate of \$30 per month available under the Current U-Pass BC Agreement for one or more months between May and July 2013 (inclusive) it being understood, however, that (i) no more than 8,850 U-Pass BC Students in the aggregate may continue to pay the \$30 rate in May 2013; no more than 445 U-Pass BC Students in the aggregate may continue to pay the \$30 rate in June 2013; and no more than 235 U-Pass BC Students in the aggregate may continue to pay the \$30 rate in July 2013; and (ii) that all U-Pass BC Students participating in the Renewed U-Pass BC Program must pay the full Rate identified in Schedule 2 by 1 August 2013.
- 3.6 The Parties agree that TransLink will not be required to consider requests for changes to the terms and conditions of the Renewed U-Pass BC Agreement made by PSIs or SAs during the Term who are participating in the Renewed U-Pass BC Program, unless such requests are approved through the decision protocols established by, and through, an advisory committee established to review and approve all such decisions on behalf of all PSIs and their respective SA(s) involved in the Renewed U-Pass BC Program, provided that it is agreed and acknowledged that TransLink shall have no obligation to agree to any changes or amendments to the Renewed U-Pass BC Agreement.
- 3.7 TransLink will provide reasonable information to PSIs and SAs about the Renewed U-Pass BC Program and will engage in good faith consultation with PSIs and SAs to assist them in developing communication materials about the Renewed U-Pass BC Program to ensure SAs and students enrolled at PSIs are able to make informed decisions about participating in the Renewed U-Pass BC Program. It is anticipated that PSIs and their SAs will hold student referenda to consult their student body about joining the Renewed U-Pass BC Program and accepting the Rates and any other amounts which may be payable by U-Pass BC Students in relation thereto. TransLink will ask SAs to provide their referenda questions in advance of such referenda and TransLink will provide its comments on any apparent inconsistencies between the proposed question and the Renewed U-Pass BC Agreement.
- 3.8 The Parties acknowledge and agree that the Renewed U-Pass BC Program is not intended to act as a funding mechanism to be used by TransLink as financial support for an expansion of transit capacity (either in transit service hours or extension of routes) but to provide an opportunity for U-Pass BC Students to use the existing transit system, as such may be changed from time to time by TransLink.

ARTICLE 4 – COMPASS PROGRAM

- 4.1 TransLink acknowledges and agrees that, subject to the PSIs and SAs complying with their obligations under the Renewed U-Pass BC Agreement relating to the transition and implementation of Phase III, and provided that TransLink has received information required from PSIs and their SAs pursuant to the Renewed U-Pass BC Agreement, TransLink will implement Phase III of the Renewed U-Pass BC Program in a substantially completed form no later than eight (8) months after the activation of Gates Closure within the TransLink “SkyTrain” network as part of the Compass Program. Following implementation of Phase III, PSIs will not be required to handle for distribution any Fare Media Product issued by TransLink or be required to distribute any Fare Media Product to their students. In this regard, TransLink acknowledges and agrees that any policies, procedures or protocols that may be associated with the acquisition, handling and distribution of U-Pass BC Student Compass Cards, or any rules and procedures regarding compliance with the terms and conditions of the Compass Program, shall be the sole responsibility of TransLink, and PSIs (and their respective SA(s)) shall have no other obligation for the acquisition, handling and distribution of Compass Cards in Phase III but to make reasonable efforts to support, through general campus initiatives and good faith communication strategies, appropriate U-Pass BC Student involvement in the Renewed U-Pass BC Program and by implementing policies, procedures and protocols in support of the PSIs and the SAs role, responsibilities and obligations during Phase III under the Renewed U-Pass BC Agreement and in support of the goals and objectives of Phase III.

ARTICLE 5 – FINANCIAL CONTRIBUTION

- 5.1 Subject to the terms and conditions of this Agreement, including this Article 5, during each year of the Term the Province agrees to provide TransLink with the following financial contribution referenced in Subsection 5.1(a) below (the “**Financial Contribution**”), for the purpose of supporting the Renewed U-Pass BC Program during each of the calendar years of the Term, to compensate TransLink for its fare revenue losses incurred as a result of the transit fare discount provided to U-Pass BC Students participating in the Renewed U-Pass BC Program:
- (a) The Financial Contribution payable to TransLink for each calendar year of the Renewed U-Pass BC Program, is as follows:
- | | | |
|--------------|---|----------------------|
| (i) | In 2012, the financial contribution will be | \$ 750,000; |
| (ii) | In 2013, the Financial Contribution will be | \$ 7,620,968; |
| (iii) | In 2014, the Financial Contribution will be | \$ 10,887,097; |
| (iv) | In 2015, the Financial Contribution will be | \$ 10,887,097; and |
| (v) | In 2016, the Financial Contribution will be | \$ 4,354,838 |
| TOTAL | | \$34,500,000; |
- (b) provided that the Financial Contribution payable for 2012 shall be used by TransLink solely in the development of software and web applications to be used in the support of Phase III;

- (c) provided always that if any of the PSIs specified in this Subsection 5.1(c) below choose not to join the Renewed U-Pass BC Program, or the PSI no longer qualifies to receive the benefits of the Renewed U-Pass BC Program during the Term, then the Province will reduce the Financial Contribution based on the following formula and prorated for the months of the applicable year in the Term that the PSI is not in the Renewed U-Pass BC Program, as follows:

[Applicable Annual Payment for the applicable year as set out in (5.1 (a))] x [the applicable Annual Payment Proration Percentage] x [the applicable Time Period Reduction Percentage for such PSI].

For purposes of this Section 5.1(c), the “Annual Payment Proration Percentage” will be the following:

- (i) 40% for Fall Term – September to December;
- (ii) 40% for Winter Term – January to April; and
- (iii) 20% for Summer Term – May to August; and

the Time Period Reduction Percentage in respect of each PSI shall be as follows:

PSI	Time Period Payment reduction
Langara	4%
BCIT	16.5%
Douglas College	18.5%
Emily Carr	8%
Kwantlen	14.5%
VCC	38%
Nicola Valley	0.5%
Capilano	0%
SFU	0%
UBC	0%
Justice Institute	0%

- (d) provided always that if any of the participation of any PSIs specified in Subsection 5.1(d) below in the Current U-Pass BC Program is not extended to April 30, 2013 as described in Section 3.4, then the Province will reduce the Financial Contribution based on the following formula with respect to any such PSI:

[PSI in column ‘A’ of Section 5.1 (d)] x [Amount in column ‘B’ of Section 5.1 (d)]

'A'	'B'
PSI	Existing Agreement not extended to April 2013
Langara	\$43,548
BCIT	\$179,637
Douglas College	\$201,411
Emily Carr	\$87,097
Kwantlen	\$157,863
VCC	\$413,710
Nicola Valley	\$5,444
Capilano	\$0
SFU	\$0
UBC	\$0
Justice Institute	\$0

5.2 Subject to the terms and conditions of this Agreement, the Province will pay the Financial Contribution to TransLink upon receipt of invoices in accordance with the following schedule:

- (a) Information Management and Information Technology (IM/IT) development in support of Phase III in the Renewed U-Pass BC Program which integrates the U-Pass BC Fare Media Product into the Compass Program:

The Province agrees to pay to TransLink the following sums (the "IM/IT Investment"), provided that TransLink has expensed or incurred, either prior to or after the date of this Agreement, an amount (which amount may include, subject to the reasonable approval of the Province, TransLink's reasonable out of pocket and third party service provider expenses and internal labour and administrative expenses as such correspond to labour and administrative functions which have been dedicated to IM/IT work associated with the development of Phase III) on IM/IT expenses that is at least double the amount of the applicable Provincial contribution on IM/IT expenses associated with the development of Phase III:

- (i) \$250,000..... no earlier than 1 December 2012;
- (ii) \$250,000..... no earlier than 1 January 2013; and
- (iii) \$250,000..... no earlier than 1 February 2013;

it being acknowledged and agreed by TransLink that, prior to any payment made by the Province to TransLink of any tranche of the IM/IT Investment, TransLink must provide the Province with:

- (A) an invoice;
- (B) satisfactory confirmation of which PSIs represented on the Metro Vancouver U-Pass BC Advisory Committee that TransLink has entered into a memorandum of understanding with for the development of IM/IT functionality to meet the requirements of Phase III;

- (C) a detailed strategy, acceptable to the Province and TransLink, each acting reasonably, regarding TransLink's obligation to provide regular IM/IT status reports to the Province (including the Parties' mutual agreement, each acting reasonably, as to the form of such status reports);
 - (D) a detailed strategy, acceptable to the Province and TransLink, each acting reasonably, regarding TransLink's ongoing obligation to provide status reports to the Province until successful implementation of Phase III (including the Parties' mutual agreement, each acting reasonably, as to the form of such status reports); and
 - (E) any accounting information reasonably requested and acceptable to the Province confirming that TransLink has, at a minimum, matched dollar for dollar the previous tranche of the Provincial contribution paid to TransLink under Section 5.2(a) and that it will match, dollar for dollar, any tranche of the Provincial contribution set out in Section 5.2(a) then due.
- (b) Delivery of Renewed U-Pass BC Program to participating PSIs in Metro Vancouver:
- (i) \$4,354,839 no earlier than 30 September 2013 for the period from 1 April 2013 to 30 September 2013, inclusive;
 - (ii) \$6,532,258no earlier than 31 March 2014;
 - (iii) \$4,354,839no earlier than 30 September 2014;
 - (iv) \$6,532,258no earlier than 31 March 2015;
 - (v) \$4,354,839no earlier than 30 September 2015; and
 - (vi) \$7,620,967no later than 31 March 2016 (which payment shall include TransLink's provision of the Renewed U-Pass BC Program to U-Pass BC Students up to and including the 30th of April, 2016).

5.3 The sums comprising the Financial Contribution which are to be paid by the Province pursuant to this Agreement shall not exceed the aggregate maximum amount of \$34,500,000. TransLink acknowledges and agrees that the Province reserves the right to reduce its Financial Contribution in accordance with Sections 5.1(c) and (d) should fewer PSIs than expected participate in the Renewed U-Pass BC Program or as otherwise set forth in this Agreement. TransLink further acknowledges and agrees that the Financial Contribution includes the potential participation of the Justice Institute in the Renewed U-Pass BC Program and no additional funds will be provided by the Province should the Justice Institute participate in the Renewed U-Pass BC Program.

5.4 Notwithstanding any other provision of this Agreement and in addition to any other limitation set forth in this Agreement, the payment to TransLink of the Financial Contribution in whole or in part is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, British Columbia (the "FAA"), to enable the Province in any fiscal year when any payment of money by the Ministry of

Transportation and Infrastructure falls due pursuant to this Agreement, to make that payment; and

- (b) the Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subparagraph (a) of this section; and

the Province shall have no liability to TransLink or otherwise with respect to its failure to provide any portion of the Financial Contribution because of an event or happening (or failure of an event or happening) contemplated by this Section 5.4. The Province acknowledges and agrees that TransLink shall have no obligation to continue to deliver the Renewed U-Pass BC Program during the Term in the event that the Province is unable to provide any portion of the Financial Contribution it has agreed to provide hereunder because of an event or happening (or failure of an event or happening) contemplated by this Section 5.4, and in which event, TransLink may, at its sole option, terminate this Agreement upon thirty (30) days written notice to the Province.

- 5.5 The Province will not claim any greenhouse gas reduction credits associated with the Renewed U-Pass BC Program.
- 5.6 TransLink acknowledges and agrees that, the Province has no responsibility or liability regarding the development of the Renewed U-Pass BC Program or the design of the Fare Media Product that will be used by U-Pass BC Students at participating PSIs, nor will the Province be a signatory to the Renewed U-Pass BC Agreement.

ARTICLE 6 – FURTHER EXTENSION OF U-PASS BC PROGRAM

- 6.1 The Parties will meet, no later than 1 January 2015, for the purpose of discussing the Province's involvement in supporting a U-Pass BC Program or other similar program as may be agreed by the Parties following the expiration of the Term set forth in this Agreement, it being agreed by the Parties that:
 - (a) TransLink will consider the development of a business philosophy, fare policy, and implementation strategy to incorporate pragmatic "sustainable" goals and objectives that can be applied to the U-Pass BC Program following the expiration of the Term, including:
 - (i) the implications of allowing additional post secondary institutions to join the U-Pass BC Program;
 - (ii) TransLink's cost recovery objectives;
 - (iii) a rate structure for a U-Pass BC Program for the period after 30 April 2016; and
 - (iv) the long term goal of a sustainable U-Pass BC Program in Metro Vancouver;
 - (b) nothing in the present Agreement or otherwise shall be interpreted by TransLink or any other party as providing any guarantee, representation or warranty by the Province of any commitment to fund any future U-Pass BC Program; and

- (c) nothing in this Agreement or otherwise shall be interpreted by the Parties as providing any guarantee, representation or warranty by TransLink or the Province of any commitment by TransLink or the Province for a continuation of a U-Pass BC Program similar to the Renewed U-Pass BC Program at the conclusion of the Term.

ARTICLE 7 – COVENANTS OF TRANSLINK

7.1 TransLink must:

- (a) provide the Province with Performance Reports in accordance with the requirements of this Agreement (including, without limitation, the requirements of Schedule 4 attached to this Agreement) within ninety (90) days of the end of each calendar year for which a Financial Contribution is made by the Province; and
- (b) comply in all material respects with:
 - (i) all laws applicable to TransLink in carrying out its obligations in relation to the Renewed U-Pass BC Program under the Renewed U-Pass Program Agreement and TransLink's obligations under this Agreement; and
 - (ii) the provisions of this Agreement.

ARTICLE 8- INDEMNITY

- 8.1 TransLink will indemnify and hold harmless the Province, its employees, agents, servants and representatives, from and against any claim, loss, damage, liability, cost and expense, including legal costs on a solicitor-client basis, incurred or suffered by the Province, where the same or any of them are based on or arise out of or from any breach of any of TransLink's covenants hereunder or anything done or omitted to be done by or on behalf of TransLink, its employees, agents, servants and representatives, pursuant to this Agreement.

ARTICLE 9- COMMUNICATION AND CONFIDENTIALITY

- 9.1 The Parties agree to jointly develop the Communications Plan and all public communications about the Renewed U-Pass BC Program or this Agreement shall be undertaken in accordance with the Communications Plan. Before the Communications Plan is agreed, no public communications about the Renewed U-Pass BC Program or this Agreement will be made by either Party without the written approval of the other Party.
- 9.2 Upon request of a PSI or its SA, either the Province or TransLink may approve the use by such PSI of the Province's "U-Pass BC" logo for use by the PSI or its SA for the purpose of promoting the Renewed U-Pass BC Program.
- 9.3 Except as may be disclosed pursuant to the Communications Plan, or as may be strictly necessary to fulfill their respective obligations under this Agreement, or as required by law or judicial or legislative decree, the Parties acknowledge and agree

that all information, material and documentation relating to the Renewed U-Pass BC Program and this Agreement is confidential and neither Party will disclose that information, material or documentation without the prior consent of the other Party, except in circumstances where the information can clearly be proven by documentation to have become readily available to the general public in the same form through no breach of this Agreement or except as required by law.

- 9.4 Notwithstanding the generality of Section 9.3, above, all information, material and documentation relating to the Renewed U-Pass BC Program or this Agreement that is in the custody or control of either Party is subject to *FOIPPA*.

ARTICLE 10 – PROJECT REPRESENTATIVES

- 10.1 The Parties will each designate a Project Representative for the purpose of administering this Agreement and for the purpose of resolving any differences that arise between the Parties pursuant to this Agreement. The current Project Representatives are set out as follows:

- (a) For the Ministry of Transportation and Infrastructure:

Doug Caul
Assistant to Deputy Minister - Partnerships
Tel: 250-356-6225
E-Mail: Doug.Caul@gov.bc.ca

- (b) For TransLink:

Cathy McLay
Chief Financial Officer and Executive VP, Finance and Corporate Services
Tel: 604-453-4500
E-Mail: Cathy.McLay@translink.ca

- 10.2 Either Party may change its Project Representative at any time on written notice to the other Party.

ARTICLE 11- TERMINATION

- 11.1 The term of this Agreement will commence on 1 November 2012 and terminate on 30 April 2016 unless it is terminated earlier pursuant to Sections 5.4 or 11.2 of this Agreement or unless it is extended by written agreement signed by both Parties.
- 11.2 This Agreement may be terminated by either Party if the other Party is in default of any of its obligations under this Agreement and the default has not be rectified within thirty (30) days of being notified by the first Party in writing of the default. In the event that the Province terminates this Agreement for TransLink's default and the termination takes effect prior to the end of a calendar year, the Province will only be responsible for that portion of the Financial Contribution payable (calculated on a pro rata basis, as applicable) up to the effective date of the termination.

- 11.3 Sections 5.5, 5.6, 6.1, 8.1, 9.3, 9.4, 11.3 and Article 13 will survive the expiration or earlier termination of this Agreement.

ARTICLE 12 - DISPUTE RESOLUTION AND JURISDICTION

- 12.1 If any dispute arises under this Agreement (a “**Dispute**”) the Parties acting through their Project Representatives will attempt to resolve the Dispute within fourteen (14) calendar days of the Dispute arising (or within such other time period agreed to by the Parties) through amicable and good faith negotiations.
- 12.2 If the Dispute referenced in Section 12.1 is not resolved in the manner and within the time period specified in Section 12.1, the Parties will attempt to resolve the Dispute by referring the matter to the following representatives of the Parties for resolution or such other representatives as may be appointed by the Parties from time to time:
- (a) ADM, Partnerships, Ministry of Transportation and Infrastructure;
 - (b) Cathy McLay, Chief Financial Officer and Executive VP, Finance and Corporate Services
- and, subject to Laws, the Parties will provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate the resolution of the Dispute.
- 12.3 If the Dispute referenced in Section 12.1 is not resolved under Section 12.2 within seven (7) calendar days of the Dispute being referred to the persons identified in Section 12.2, or within such other time period agreed to in writing by the parties, a Party may refer the dispute to arbitration in Victoria, British Columbia to be conducted by a sole arbitrator appointed under the *Commercial Arbitration Act* and at a location in Victoria, British Columbia agreed between the Parties.
- 12.4 The cost of the arbitration referred to in Section 12.3 will be shared equally by the Parties and the arbitration will be governed by the laws of the Province of British Columbia.

ARTICLE 13– MISCELLANEOUS

- 13.1 Delivery of any documents or payments between the Parties in accordance with this Agreement will be effected by hand, facsimile transmission or courier to the address of the recipient specified below, such delivery to be effective only upon actual receipt:
- (a) To TransLink:
South Coast British Columbia Transportation Authority
1600 – 4720 Kingsway
Burnaby, BC V5H 4N2
Attention: Cathy McLay, CFO and Executive VP, Finance and Corporate Services

(b) To the Province:

Ministry of Transportation and Infrastructure
5D, 940 Blanshard Street
Victoria, BC V8W 9T5

Attention: Doug Caul, Assistant Deputy Minister, Partnerships Department

- 13.2 Either Party may from time to time advise the other by notice in writing of any changes to the recipient or to the address of the Party giving the notice.
- 13.3 This Agreement is binding upon and enures to the benefit of the Parties and their respective successors and permitted assigns.
- 13.4 TransLink must not assign this Agreement without the Province's prior written consent, which consent may be withheld for any reason. If the Province assigns or transfers its obligations under this Agreement, it will provide written notice to TransLink of such assignment or transfer and include the information required for delivery of documents, payments and communications.
- 13.5 This Agreement forms the entire agreement between the Parties with respect to the subject matter of this Agreement and this Agreement may not be modified except by subsequent agreement in writing.
- 13.6 The Parties will perform such further acts and execute such further documents as may be reasonably necessary to give effect to this Agreement.
- 13.7 This Agreement may be executed in counterparts and when counterparts have been executed by the Parties, each originally executed counterpart, whether a facsimile, photocopy or original, will be effective as if one original copy had been executed by the Parties.
- 13.8 Whenever the singular or the masculine form is used in this Agreement it will be construed as the plural or the feminine or neuter form, as the case may be, and vice versa where the context or the Parties so require.
- 13.9 The captions and headings contained in the Agreement are for convenience only and do not define or limit the scope of this Agreement.
- 13.10 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 13.11 Nothing in this Agreement operates as a consent, permit, approval or authorization by the Government of the Province of British Columbia or any ministry, branch or agency thereof to or for anything related to the Renewed U-Pass BC Program that by statute, TransLink is required to obtain.

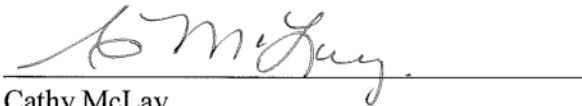
13.12 The Parties agree that nothing in this Agreement constitutes either of them as the agent, joint venturer or partner of the other Party and nothing in this Agreement gives either Party any authority or power to bind the other Party in any way.

The Parties have executed this Agreement as of the date first above written.

SIGNED on behalf of

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

by its authorized signatory



Cathy McLay

Chief Financial Officer and Executive VP, Finance and
Corporate Services

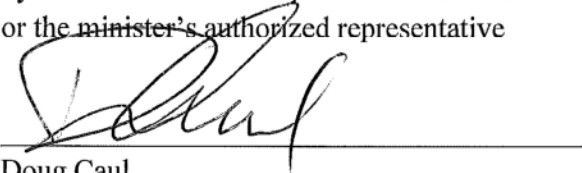
South Coast British Columbia Transportation Authority

SIGNED on behalf of **HER MAJESTY**

THE QUEEN IN RIGHT OF THE

PROVINCE OF BRITISH COLUMBIA

by the Minister of Transportation and Infrastructure
or the minister's authorized representative



Doug Caul

Assistant Deputy Minister

Partnerships Department

Ministry of Transportation and Infrastructure

SCHEDULE 1

RENEWED U-PASS BC AGREEMENT– UNDERLYING PRINCIPLES

TransLink will ensure that the standard form of the Renewed U-Pass BC Agreement in use from time to time incorporates, *inter alia*, the following principles:

- (a) The Renewed U-Pass BC Agreement will provide for the following Phases I, II and III as described below in the distribution of U-Pass BC Fare Media Product to U-Pass BC Students during the Renewed U-Pass BC Program. One or more of these Phases will be deployed according to the timing and implementation of the Compass Program by TransLink and the implementation by TransLink and the PSIs of information technology and other system procedures and protocols designed to integrate the distribution of U-Pass BC Fare Media Product to U-Pass BC Students within the Compass Program. Subject to the PSIs and SAs complying with their obligations under the Renewed U-Pass BC Agreement relating to the transition and implementation of Phase III, and provided that TransLink has received information required from PSIs and their SAs pursuant to the Renewed U-Pass BC Agreement, TransLink will implement Phase III of the Renewed U-Pass BC Program in a substantially completed form no later than eight (8) months after the activation of Gates Closure within the TransLink “SkyTrain” network as part of the Compass Program.
 - (i) In Phase I of the Renewed U-Pass BC Program (“Phase I”), the PSIs will:
 - (A) be responsible for distributing to U-Pass BC Students the U-Pass BC Fare Media Product which is the same or similar to the Fare Media Product provided to U-Pass BC Students under the Current U-Pass BC Agreement, and (B) use a distribution strategy for U-Pass BC Fare Media Product which is similar to the manner of distribution set forth in the Current U-Pass BC Agreement, using the processes and procedures for distribution which were adopted by the PSI in the Current U-Pass BC Agreement;
 - (ii) In Phase II of the Renewed U-Pass BC Program (“Phase II”), the PSIs will be responsible for distributing Compass Tickets (in replacement of the Fare Media Product provided to U-Pass BC Students under the Current U-Pass BC Agreement) to U-Pass BC Students using similar distribution procedures and protocols as used in Phase I; and
 - (iii) In Phase III of the Renewed U-Pass BC Program (“Phase III”), and subject to implementation of Phase III as described in paragraph (a) of Schedule 1 above, U-Pass BC Students will utilize Compass Cards as the sole U-Pass BC Fare Media Product, and the PSIs will not be required to receive from TransLink, or to handle or distribute any U-Pass BC Fare Media Product (including Compass Cards). Instead, U-Pass BC Students will acquire Compass Cards directly from TransLink’s authorized fare distribution channels available to the general public (which channels may include, among others, third party FareDealer vendors or service providers authorized by TransLink for such purpose). In addition, subject to

applicable laws regarding the collection and use of personal information, TransLink will offer each U-Pass BC Student the option of providing, at the U-Pass BC Student's sole option, TransLink with an email or cellular phone number to be used by TransLink to disseminate periodic messages regarding times that Compass Cards may be validated during the various terms of the Renewed U-Pass BC Program or other such messages as determined by TransLink, in its sole discretion acting reasonably, that may be useful to U-Pass BC Students. The Province will not require TransLink to support more than one U-Pass BC Fare Media Product distribution strategy when Phase III has been fully implemented, it being understood, however, that TransLink will provide information reasonably required by PSIs and their SAs to facilitate their transition from Phase I or II, as the case may be, to Phase III.

- (b) Each participating PSI will be responsible for administering the Renewed U-Pass BC Program at its institution and will be responsible for properly identifying to TransLink all Eligible Students and U-Pass BC Students at its institution. All costs associated with the individual PSI's and SA's administration of and participation in the Renewed U-Pass BC Program at its institution (including any costs associated with properly identifying Eligible Students and U-Pass BC Students) and complying with all of its obligations under the Renewed U-Pass BC Agreement will be the sole responsibility of the applicable PSI and SA.
- (c) Prior to Gates Closure, TransLink will consult with PSIs and their SA(s) to discuss whether the visually distinguishable features currently included on each Compass Card is sufficient to discourage potential misuse of a Compass Card loaded with a U-Pass BC Fare Media Product and, in the event it is mutually agreed by TransLink, the PSIs and the SAs that additional visually distinguishable features are desirable, TransLink, the PSIs and the SAs will consult to discuss and develop a mutually agreeable and commercially reasonable strategy to be implemented prior to commencement of Phase III to permit additional visually-distinguishable features to be added to a Compass Card to be identified as being potentially loaded with a U-Pass BC Fare Media Product.
- (d) In Phase III, each participating PSI will be responsible for properly identifying to TransLink the number of Eligible Students and U-Pass BC Students at its institution and for making any payment required of them with respect to the appropriate monthly U-Pass BC Rate for each U-Pass BC Student, but the PSI will not be responsible for handling or distributing the U-Pass BC Fare Media Product at their institution.
- (e) In Phase II (if this phase of the Renewed U-Pass BC Program is implemented), TransLink will conduct a test, on a date to be agreed by TransLink and the PSI's Chair of the Technical Subcommittee of the Advisory Committee, and utilizing one Fare Product distribution machine which is used by one of the PSIs participating in the Renewed U-Pass BC Program, of whether such distribution machine is mechanically (but not electronically or otherwise) able to distribute the Compass Tickets to be provided during Phase II. For greater certainty, all distribution machines utilized by the PSIs are and will continue to be owned and

operated exclusively and must be regularly maintained by the PSIs and, except for as expressly set out below, TransLink shall have no obligation, liability or responsibility relating to such distribution machines whatsoever. PSIs will also be responsible for ensuring that any lease, licence or fees required for the use of such machines during the entire period of Phase II (up to the implementation of Phase III) are secured and paid. Notwithstanding the foregoing, TransLink will have the obligation of ensuring that at least 70% of any single PSI's machines are mechanically capable of dispensing Compass Tickets, including with respect to any upgrade, alteration or replacement of such distribution machines as may be required solely to permit such machines to be mechanically capable of distributing Compass Tickets for Phase II, provided that, for greater certainty, TransLink shall be responsible only for ensuring such distribution machines are capable to mechanically distribute Compass Tickets and shall not be responsible or liable for any other functionality of such machines or for any failures, issues or malfunctions for any reason, including relating to maintenance, failure to maintain, wear and tear, aging, damage, electronic systems or other systems which may form part of such distribution machines.

- (f) TransLink will include a provision in the Renewed U-Pass BC Agreement whereby PSIs will not, and will not be required to, during Phase I and Phase II of the Renewed U-Pass BC Program, change their monthly distribution strategies of the U-Pass BC Fare Media Product from the distribution model being used in support of the Current U-Pass BC Agreement. In addition, TransLink will include a provision in the Renewed U-Pass BC Agreement requiring PSIs that distribute U-Pass BC Fare Media Product for multiple months at a time to migrate to monthly distribution in Phase III and to limit student eligibility to the Renewed U-Pass BC Program to a month-to-month basis. (This will ensure that the U-Pass BC Risk Mitigation Agreement, is no longer required by the Province as a risk management protocol as part of the Renewed U-Pass BC Program.)
- (g) Each PSI and each SA must obtain all necessary consents and approvals to enter into the Renewed U-Pass Agreement and implement the Renewed U-Pass BC Program, including without limitation, passage of a student referendum on whether to join the Renewed U-Pass BC Program.
- (h) Subject only to limited exception as set out in Section 3.5 of this Agreement, the Rates set forth in this Agreement for the Renewed U-Pass BC Program will be a mandatory assessed student fee payable by all U-Pass BC Students to ensure consistent application and availability of the Renewed U-Pass BC Program to students across Metro Vancouver and the participation of all or substantially all Eligible Students enrolled at the PSI. The criteria for determining student eligibility and exceptions will be established and fixed in the Renewed U-Pass BC Agreement for each participating PSI, and for greater certainty, in respect of student eligibility, will be as set out in the definition of "Eligible Student" in this Agreement, and in respect of any exemptions, opt-out or other exemptions, will be only as set out in the Current U-Pass BC Agreement.
- (i) TransLink will provide a consistent framework applicable to all PSIs for establishing categories of students that are entitled to opt-out of purchasing a U-

Pass BC Fare Media Product, as described in subsection (f) of this Schedule 1 above. TransLink and the respective PSI must agree in writing to any changes to these definitions.

- (j) The Rates established by this Agreement will be set forth in the Renewed U-Pass BC Agreement.
- (k) Under Phase I and Phase II, and in accordance with the terms and conditions of their Renewed U-Pass BC Agreement, each participating PSI and their SA(s) must develop and implement processes and procedures to support the goals and objectives of the Renewed U-Pass BC Agreement and to address fraudulent or inappropriate use of U-Pass BC Fare Media Product distributed to U-Pass BC Students pursuant to the Renewed U-Pass BC Agreement, and of the abuse of the Renewed U-Pass BC Program. In Phase III, the PSIs and their SA(s) will be responsible to provide support as may be reasonably necessary or appropriate, which may include the development and implementation of policies, procedures, protocols and/or other support, in support of their respective roles, responsibilities and obligations under the Renewed U-Pass BC Agreement for Phase III, and in particular in support of matters relating to Renewed U-Pass BC Program integrity, including the management of fraudulent or inappropriate use of U-Pass BC Fare Media Product distributed to U-Pass BC Students in Phase III pursuant to the Renewed U-Pass BC Agreement, and of the abuse of the Renewed U-Pass BC Program. The policies, procedures and other support to be provided by PSIs and SAs as described in this paragraph (k) of Schedule 1 may include coordinated marketing/communication amongst TransLink, the PSIs and their SA(s) of Renewed U-Pass BC Program goals and objectives.
- (l) TransLink, the PSI or its SA(s) will be entitled to prohibit a student from receiving a U-Pass BC Fare Media Product as a result of prior fraudulent or inappropriate use of a past U-Pass BC Fare Media Product or for abuse of the Renewed U-Pass BC Program.
- (m) Subject to terms and conditions to be established in the Renewed U-Pass BC Agreement and the *South Coast British Columbia Transportation Authority Transit Tariff*, any Compass Ticket Terms and Conditions of Use, any Compass Ticket Refund Policy, as each may be amended from time to time, or as otherwise identified by TransLink from time to time, in Phase I and Phase II of the Renewed U-Pass BC Program, TransLink will allow PSIs to issue replacement U-Pass BC Fare Media Products if issued U-Pass BC Fare Media Products are lost or stolen. A replacement fee may be included in the Renewed U-Pass BC Agreement for the replacement of lost or stolen U-Pass BC Fare Media Products and under Phase III, TransLink will be responsible for determining the policy, procedures and fees associated with lost or stolen Compass Cards associated with the Renewed U-Pass BC Program.
- (n) TransLink may implement a fee, payable by PSIs, for:
 - (i) U-Pass BC Fare Media Product(s) issued to persons who are not eligible to be a U-Pass BC Student; or

- (ii) under Phase I and Phase II only, for U-Pass BC Fare Media Product which is unaccounted for, identified through reporting or audit procedures in the Renewed U-Pass BC Agreement.
- (o) PSIs will not be permitted to provide any form of subsidy or charge any additional fee which has the effect of establishing different U-Pass BC Fare Media Product rates among various institutions. Notwithstanding the foregoing, PSIs and SAs may, on a case-by-case basis, provide financial aid to selected U-Pass BC Students based on a claim of financial hardship.
- (p) SAs will not be permitted to charge a mandatory fee payable to their PSI to administer the Renewed U-Pass BC Program.
- (q) In addition, TransLink will consider, and may, in its sole discretion, incorporate terms and conditions in the Renewed U-Pass BC Agreement that address strategies, procedures and protocols that can be deployed to encourage or enforce appropriate use of the Compass Program to acquire critical information on the transit operational costs associated with the Renewed U-Pass BC Program as such relates to the use of U-Pass BC Compass Cards.

SCHEDULE 2

RATES

During the Term, the Rates payable per Eligible Student for a U-Pass BC Fare Media Product at participating PSIs will be as follows:

\$35.00 per month for the period commencing on 1 May 2013 and ending on 30 April 2014 (inclusive);

\$36.75 per month for the period commencing on 1 May 2014 and ending on 30 April 2015 (inclusive); and

\$38.00 per month for the period commencing on 1 May 2015 and ending on 30 April 2016 (inclusive).

The Rates payable per U-Pass BC Student for a U-Pass BC Fare Media Product at participating PSIs during any extension of the Current U-Pass BC Agreement pursuant to Section 3.4 of the Agreement to which this Schedule is attached is \$30.00 per month from 1 April 2013 until 30 April 2013 (inclusive).

The Rate for U-Pass BC Students identified and approved by TransLink pursuant to Section 3.5 of this Agreement, for up to one or more months between 1 May 2013 and 31 August 2013 (inclusive) will be \$30 per month.

Other than potential fees and deposits to acquire a Compass Card, or to replace a lost or stolen U-Pass BC Fare Media Product, or as otherwise permitted in accordance with applicable laws, neither a PSI nor its applicable SA will be permitted to charge a U-Pass BC Student any additional fee for a U-Pass BC Fare Media Product which is over and above the Rates set forth herein.

SCHEDULE 3

POST SECONDARY INSTITUTIONS

Eligible public PSIs for inclusion in the Renewed U-Pass BC Program in Metro Vancouver:

British Columbia Institute of Technology
3700 Willingdon Avenue
Burnaby BC V7J 3H5

Kwantlen Polytechnic University
12666 72nd Ave
Surrey BC V3W 2M8

Capilano University
2055 Purcell Way
North Vancouver BC V7J 3H5

Nicola Valley Institute of Technology
4155 Belshaw St
Merritt BC V1K 1R1

Douglas College
Box 2503
New Westminster BC V3L 5B2

Langara College
100 West 49th Ave
Vancouver BC V5Y 2Z6

Emily Carr University of Art & Design
1399 Johnston Street
Granville Island
Vancouver BC V6H 3R9

Simon Fraser University
8888 University Dr
Burnaby BC V5A 1S6

Justice Institute of British Columbia*
715 McBride Blvd
New Westminster BC V3L 5T4

University of British Columbia
2329 West Mall
Vancouver BC V6T 1Z2

Vancouver Community College
1155 East Broadway
Vancouver BC V5T 4V5

*Eligibility of the Justice Institute of British Columbia is subject to Section 3.2 of this Agreement.

SCHEDULE 4

PERFORMANCE REPORTS

1. TransLink shall prepare and deliver the following Performance Reports to the Province:

- (a) For Phase I and Phase II:
 - (i) Uptake of U-Pass BC Fare Media Product(s) by Eligible Students and issuance of U-Passes BC;
 - (ii) Renewed U-Pass BC Program Ridership;
 - (iii) Greenhouse gas reductions as a result of more sustainable travel;
 - (iv) Impact of fraud and fare evasion; and
 - (v) Any other performance statistics as may be mutually considered by TransLink and the Province;
- (b) For Phase III, TransLink and the Province will confirm in writing, by no later than 30 June 2013, the detailed specifications mutually agreed by the Province and TransLink, each acting reasonably, of the structure, content and data definitions that will be contained in the Phase III implementation reports, which reports in any event shall include:
 - (i) The data specified in 1(a), plus the following information:
 - (A) Ridership data and travel patterns:
 - (1) By time of day;
 - (2) By day of week;
 - (3) Origin – Destination data; and
 - (4) Utilization statistics;
 - (B) Transit operational cost statistics:
 - (1) Level of service on Renewed U-Pass BC Program routes to PSIs; and
 - (2) Cost profile;
- (c) Further, TransLink will collaborate with the Province to evaluate the need for, feasibility of and the responsibility to undertake additional data collection efforts, such as:
 - (i) Data collection to determine the greenhouse gas reductions attributed to changing mode choices by U-Pass BC Eligible Students;
 - (ii) Data collection to measure local traffic impact at selected geographical points as a result of the Renewed U-Pass BC Program; and
 - (iii) Data collection to define the aspects of creating a “Transit Culture” that are important from a transportation policy perspective and which identify agreed performance measures of the Program in order to undertake studies to measure changes in transit culture as a result of the Renewed U-Pass BC Program; and
- (d) Any other studies or reports as reasonably required by the Province from time to time, subject to applicable privacy laws, rules and regulations and to availability to TransLink of data or other information under the terms and conditions of the Renewed U-Pass BC Agreements.

2. Delivery of the Reports shall be made in accordance with the following schedule:

- (a) The first report will be due on 31 March 2014 and will report on data from January 2013 to December 2013, inclusive;
- (b) all other reports will be for their respective calendar years after 2013 and due on 31 March of the following year; and
- (c) If the Renewed U-Pass BC Program is not extended beyond April 2016, the last report will be for the period between 1 January 2016 and 30 April 2016 (inclusive). Otherwise TransLink will provide the Province with a report by 31 March 2017 for all of the calendar year 2016.

