

**COMMON BUSINESS IDENTIFIER AND BUSINESS REGISTRATION
SASKATCHEWAN
PROGRAMS OPERATING AGREEMENT**

THIS AGREEMENT dated the 6th day of March, 2016, effective as of 12:01 on the 1st day of December, 2015

BETWEEN:

GOVERNMENT OF SASKATCHEWAN
(as represented by the Minister of Justice and Attorney General)
(the "**Province**")

- and -

INFORMATION SERVICES CORPORATION
(**"ISC"**)

- and -

ISC SASKATCHEWAN INC.
(**"SaskSub"**)

WHEREAS:

- A. The Province, ISC and SaskSub are parties to the Master Service Agreement, which contemplates the Parties entering into this Agreement and other Program Operating Agreements.
- B. *The Common Business Identifiers Act* permits the Province to establish and manage an information system for the purpose of receiving, storing, integrating, and updating information pertaining to business entities in relation to the CBI Program.
- C. The Parties have agreed on the terms of the management and operation of the CBI Program and BRS Program as provided for herein and in the Master Service Agreement.

NOW THEREFORE, for good and valuable consideration, the Parties hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Terms not Otherwise Defined

Capitalized terms used herein which are not otherwise defined in this Agreement shall have the same meaning given to such terms in the Master Service Agreement.

1.2 Definitions

The following capitalized terms used in this Agreement will have the meanings given to them as follows:

- (a) **"Agreed Services"** means, collectively, the CBI Services and the BRS Services;
- (b) **"Agreement"** or **"this Agreement"** means this Common Business Identifier and Business Registration Saskatchewan Programs Operating Agreement;
- (c) **"Annual Operating Fee"** means the annual fee described in Section 6.1 (*BRS and CBI Programs Annual Operating Fee*), which is payable in the manner set out in Section 6.1, and subject to adjustment in accordance with Sections 6.3 (*CPI Adjustments to Annual Operating Fee*) and 7.4(d);
- (d) **"BRS Customer"** means any business entity or other person that accesses the BRS Program for purposes of registration with BRS Participants;
- (e) **"BRS Services"** means the services described in Schedule "B";
- (f) **"CBI Customer"** means a business entity, as such term is defined in *The Common Business Identifiers Act*, which obtains, applies to obtain, or makes an enquiry in respect of, a Common Business Identifier, or applies for a modification or amendment of an existing Common Business Identifier through the CBI Program;
- (g) **"CBI Services"** means the services described in Schedule "A";
- (h) **"CBI Termination Plan"** means the plan to be developed and approved under Section 2.4(g);
- (i) **"Change Order Implementation Costs"** means, with respect to a particular calendar year, the total amount of all costs incurred by the Contractor in implementing all Change Orders with respect to the CBI Program, to be calculated in accordance with Schedule "E";
- (j) **"Common Business Identifier"** has the meaning given to such term in *The Common Business Identifiers Act*;
- (k) **"Corporate Registry Fees"** means those Registry Fees set out in and permitted to be charged by the Contractor pursuant to the Corporate Registry Operating Agreement;
- (l) **"CRA"** means Canada Revenue Agency;
- (m) **"CRA Breach"** has the meaning given to such term in Section 4.1(b)(iv);

- (n) **“CRA MOU”** means the Memorandum of Understanding with respect to the exchange of Business Number Information between CRA and Her Majesty the Queen in Right of Saskatchewan, a signed copy of which has been provided to the Contractor, as amended or replaced from time to time;
- (o) **“CRA Termination Event”** has the meaning given to such term in Section 4.1(b)(v);
- (p) **“Delegated Authority Performance Failure”** means:
 - (i) a willful or reckless failure by the Contractor to act in accordance with any Delegated Authority with respect to the CBI Program or any terms and conditions thereof, or
 - (ii) a willful or reckless failure by the Contractor to comply with any direction or decision in a Delegation Instrument with respect to the Corporate Registry or an applicable Registry Act;
- (q) **“Fiscal Year”** means a fiscal year of the Province for purposes of preparing the public accounts, being each twelve (12) month period commencing on April 1st in one year and ending on March 31st in the following year;
- (r) **“Integration”** has the meaning given to such term in Section 3.1(a);
- (s) **“Material Performance Failure”** means any Performance Failure that is described as a “Material Performance Failure” in Schedule “C”;
- (t) **“Master Service Agreement”** means the Master Service Agreement dated May 30, 2013 among the Province, ISC, and SaskSub as amended by Amending Agreement #1 with an effective date of August 27, 2015 and by Amending Agreement #2 dated the same date as this Agreement and effective from the CBI and BRS Effective Time, all as may be further amended or modified from time to time;
- (u) **“Performance Failure”** means a Service Level Performance Failure or a Delegated Authority Performance Failure;
- (v) **“PKI Organization Agreement”** means an agreement between ISC and the CRA or SaskSub and the CRA (as applicable) which is referred to as a “PKI Organization Agreement” in the CRA MOU, as amended, renewed or replaced from time to time;
- (w) **“Remedial Plan”** means a root cause analysis, risk assessment and plan for remedy (including any permanent correction) of a Performance Failure;
- (x) **“Service Level Performance Failure”** means a failure by the Contractor to meet a Service Level;

- (y) “**Service Levels**” means those Service Levels which are identified as "Target Service Levels" in Schedule "C";
- (z) “**Support Services**” means the services described in Schedule “D”;
- (aa) “**Term**” means the term of this Agreement as described in Section 10.1 (*Term*).

1.3 Relationship between this Agreement and Master Service Agreement

This Agreement constitutes one of the “Program Operating Agreements” referred to in the Master Service Agreement, and shall be read and interpreted as provided in Section 1.10 (*Relationship to Registry Operating Agreements and Paramountcy*) of the Master Service Agreement.

1.4 Recitals

The recitals to this Agreement are intended to be a general introduction to this Agreement and are not intended to expand the scope of the obligations of any Party under this Agreement or to alter the plain meaning of the terms and conditions of this Agreement.

1.5 Interpretation

- (a) Section 1.07 (*Interpretation*) of the Master Service Agreement shall apply also to this Agreement, provided that all references in such Section 1.07 to “this Agreement” shall, for purposes of this Agreement, mean this Agreement (instead of the Master Service Agreement).
- (b) This Agreement shall be read and interpreted together with the ISC Act and the Implementing Legislation and, where applicable, the Master Service Agreement.
- (c) Any provisions of the Master Service Agreement incorporated by reference in this Agreement are to be read with all required interpretive contextual changes to give effect to the application of the provisions to this Agreement.
- (d) The Parties acknowledge and agree as follows:
 - (i) the CBI Services are included and form part of the Program Services;
 - (ii) the BRS Services are included and form part of the Program Services;
 - (iii) the Delegated Authority for Common Business Identifier is included in and forms part of the Delegated Authority.

1.6 Schedules

The following schedules, whether attached to this Agreement or referred to only by reference, and as amended from time to time, are incorporated into this Agreement by reference and are deemed to be an integral part of this Agreement:

Schedule "A"	CBI Services
Schedule "B"	BRS Services
Schedule "C"	Service Levels, Performance Failures and Material Performance Failures
Schedule "D"	Support Services and Support Levels
Schedule "E"	Change Order Implementation Costs

2. OPERATION OF PROGRAMS

2.1 Confirmation of Appointment to Operate the Programs

The Province hereby confirms the appointment of the Contractor to continue to manage and operate the CBI Program and BRS Program on behalf of the Province and to provide the Agreed Services. The Contractor hereby confirms that it has accepted the said appointment, and hereby agrees that it will provide the Agreed Services, with effect from the CBI and BRS Effective Time for the duration the Term, subject to and in accordance with the terms and conditions contained in this Agreement, the Master Service Agreement and the Applicable Laws.

2.2 Delegated Authority for Common Business Identifier

The Contractor acknowledges that the initial Delegated Authority with respect to the CBI Program has been delivered by the Province to the Contractor. All additions and other changes to such Delegated Authority shall occur as provided in the Master Service Agreement.

2.3 Critical Assets

The Contractor shall be responsible for acquiring, developing, or otherwise providing, and where applicable installing and maintaining, all Software, Equipment, facilities and other Critical Assets and the Personnel and other resources necessary for the management and operation of the CBI Program and the BRS Program and the delivery of the Agreed Services, in accordance with this Agreement for the fees and charges set out in this Agreement.

2.4 Acknowledgments and Agreements of the Contractor relating to Deposit Materials and Other Matters

The Contractor acknowledges and agrees with the Province as follows:

- (a) the Contractor has deposited the Deposit Materials (as defined in the Shared Resources License Agreement), and such Deposit Materials include all Deposit Materials in respect of the CBI Program and the BRS Program, with the Escrow Agent (as defined in the Shared Resources License Agreement), in accordance with Section 9.2 (*Deposit of Source Code and Object Code Materials*) of the Shared Resources License and Support Agreement;
- (b) the Back-Up Site contains all current and necessary copies of the Program Data, the Program Databases, Equipment, and Registry or Program Software and other resources sufficient to provide the CBI Program and the BRS Program and the Agreed Services in the event of a Disruption Event or in the event of its use as part of a transition in accordance with the Transition Plan or other application situation, and the Contractor is in compliance with all provisions of the Master Service Agreement relating to the ability to operate the CBI Program and the BRS Program and provide the Agreed Services from the Back-up Site;
- (c) the Security Protocols contain appropriate storage and security protocols associated with the protection and safe and secure storage of the Program Data and the Program Databases for the CBI Program and the BRS Program in accordance with the requirements of Section 11.08 (*Security Protocols*) of the Master Service Agreement;
- (d) all of the provisions of the Master Service Agreement with respect to the Back-up Site, the Security Protocols and all of the provisions of the Master Service Agreement and the Shared Resources License and Support Agreement with respect to Deposit Materials and the licensing of ISC Owned IP and SaskSub Owned IP and the sublicensing of ISC Licensed IP and SaskSub Licensed IP shall continue to apply with respect to the CBI Program and the BRS Program from and after the CBI and BRS Effective Time and the execution of this Agreement;
- (e) during the next annual review of the Transition Plan following the CBI and BRS Effective Time, the Contractor shall update the Transition Plan and the Disaster Recovery Plan with respect to the CBI Program, the BRS Program, the Agreed Services, and the related Included Services, at no cost to the Province, in accordance with Section 7A.05 (*Transition Plan*) and Section 7A.06 (*Disaster Recovery Plan*) of the Master Service Agreement;
- (f) during the next annual review of the Transition Plan following the CBI and BRS Effective Time, the Contractor shall prepare and submit to the Province for Approval, updated Security Protocols associated with the CBI Program and the BRS Program in accordance with the requirements of Section 11.08 (*Security Protocols*) of the Master Service Agreement, all at no cost to the Province; and

- (g) during the next annual review of the Transition Plan following the CBI and BRS Effective Time, the Contractor will develop and deliver to the Province, for review and Approval, a CBI Termination Plan for the orderly transfer and transition of the operation of the CBI Program and the delivery of the CBI Services to a New Provider in the event this Agreement is terminated with respect to the CBI Program and the CBI Services pursuant to Section 4.1(b)(v). The following provisions apply with respect to the CBI Termination Plan:
- (A) The main objective of the CBI Termination Plan will be to minimize disruption of service and any adverse effects to the Parties, CBI Customers, CBI Participants, and CRA with respect to such transfer and transition to the New Provider.
 - (B) The CBI Termination Plan will include, to the extent applicable, those matters set out in Section 19.03 (*Minimum Contents of Transition Plan*) of the Master Service Agreement to be included in the Transition Plan and will also include the steps that are necessary to ensure that the data required to operate the CBI Program and provide the CBI Services will successfully flow between the Corporate Registry, CRA, and the New Provider.
 - (C) The CBI Termination Plan will be developed and delivered by the Contractor at its sole cost.
 - (D) The process for Approval of the CBI Termination Plan by the Province shall be the same as the process for Approval of the Transition Plan pursuant to Section 19.04 (*Approval of Transition Plan; Oversight*) of the Master Service Agreement, with any necessary modifications.
 - (E) The Contractor shall implement the CBI Termination Plan upon the termination of this Agreement with respect to the CBI Program and the CBI Services pursuant to Section 4.1(b)(v).
 - (F) The period during which the Contractor will implement the CBI Termination Plan and provide all reasonable assistance to the Province and to the New Provider for the orderly transfer and transition of the operation of the CBI Program and CBI Services will be set out in the CBI Termination Plan, provided however such period of assistance will be at least eighteen (18) months in duration unless a shorter period is Approved by the Province.
 - (G) The CBI Termination Plan will outline any specific assistance required by the Province for such orderly transfer and transition of the CBI Program and CBI Services to the New Provider.

- (H) The Contractor agrees to cooperate with the Province at all times during the period of implementation of the CBI Termination Plan to preserve the integrity of the CBI Program and to facilitate the continued operation of the CBI Program and the delivery of the CBI Services.
- (I) The Contractor will be entitled to reasonable compensation for implementing the CBI Termination Plan and providing related assistance, as may be agreed in the CBI Termination Plan, provided, however, that the Annual Operating Fee shall no longer be payable.

3. BRS PROGRAM

3.1 BRS Program Integration into Corporate Registry

- (a) The Parties acknowledge that the Contractor will manage and operate the BRS Program in substantially the same form and scope as provided prior to the CBI and BRS Effective Time until such time as the BRS Program is integrated into the Corporate Registry as part of the project for the modernization of Corporate Registry, which is expected to occur on or about July 2016 ("**Integration**").
- (b) The cost of the Integration is part of the cost of modernization of Corporate Registry, and no additional compensation is or will be payable by the Province or the Program Participants to the Contractor in connection with the Integration, notwithstanding any other provision of this Agreement.
- (c) Following completion of the Integration:
 - (i) the BRS online interface website will be decommissioned;
 - (ii) the BRS Program will only be accessible to those persons or organizations that make an initial registration or filing with Corporate Registry and that request registration with BRS Participants; and
 - (iii) the application maintenance services and other ongoing maintenance and servicing activities forming a part of the BRS Services will become part of the maintenance services provided with respect to the Corporate Registry and shall be provided by the Contractor both before and after completion of the Integration, the compensation for which is included in the Annual Operating Fee.

3.2 Future Additions to the BRS Services or of BRS Participants

Subject to Section 3.1 (*BRS Program Integration into the Corporate Registry*), if in the future, the Province, the Contractor, or a BRS Participant proposes to amend the scope of the BRS Services within the BRS Program, or to add a new BRS Participant to the BRS Program, the process for Proposed Program Changes in Section 3.11 (*Specified Program Change*) of the Master Service Agreement shall apply.

4. CBI PROGRAM

4.1 CRA MOU

- (a) The Contractor acknowledges that it has received a complete copy of the CRA MOU and that the Contractor is familiar with its terms.
- (b) The Contractor agrees that:
 - (i) it will provide the CBI Services in accordance with the policies, procedures and requirements of the CRA;
 - (ii) it shall and it shall cause its Personnel and Subcontractors, to comply with and abide by the terms of the CRA MOU as they relate to the operation of the CBI Program and the provision of CBI Services as if the Contractor:
 - (A) were a party to the CRA MOU; and
 - (B) had entered into the same covenants and obligations with the Government of Canada as the Province has done pursuant to the CRA MOU;
 - (iii) each of ISC and SaskSub shall enter into and renew from time to time a PKI Organization Agreement with CRA, as described and required by the CRA MOU, and shall comply with and perform its obligations under, the PKI Organization Agreement;
 - (iv) in the event that the Contractor or the Province receives notice from CRA, or otherwise becomes aware of:
 - (A) a breach by the Contractor of a PKI Organization Agreement;
 - (B) a breach by the Contractor of this Agreement which would cause the Province to be in breach of the CRA MOU; or
 - (C) any other circumstance which under the terms of the CRA MOU or the PKI Organization Agreement would entitle CRA to terminate the CRA MOU or the PKI Organization Agreement

(or both), to cease the flow by CRA of data to the Contractor, or to exercise any other remedies that could disrupt the provision of the CBI Services

(a “**CRA Breach**”), then the party that received the notice from the CRA or otherwise became aware of the CRA Breach shall promptly notify the other party in writing of the particulars of the CRA Breach and the Contractor shall take all reasonable steps to immediately remedy or commence remedying the CRA Breach and cooperate with the Province in doing so and in satisfying CRA that the CRA Breach has been remedied. The Contractor shall also report to the Province, as the Province may reasonably require, until the CRA Breach is remedied to the satisfaction of the Province and CRA;

(v) in the event that the Contractor or the Province receives notice from CRA, or otherwise becomes aware of, CRA having terminated or proceeding to take steps to terminate, the PKI Organization Agreement and/or the CRA MOU or ceasing the flow of data to the Contractor due to a CRA Breach (“**CRA Termination Event**”) then, notwithstanding any steps taken prior to such time under Section 4.1(b)(iv):

(A) the party that received the notice from the CRA or otherwise became aware of the CRA Termination Event shall promptly notify the other party in writing of the particulars of the CRA Termination Event;

(B) the Contractor shall provide a Remedial Plan (as if the CRA Termination Event was a Performance Failure for the purpose of the definition of “Remedial Plan” as used in this Section 4.1(b)(v) only) to the Province within two (2) Business Days from the date it receives notice of, or becomes aware of, the CRA Termination Event (either from CRA or from the Province, unless the Province and the Contractor agree in writing to a longer period) to remedy such CRA Termination Event including by either preventing termination of the CRA MOU or the PKI Organization Agreement or both, or entering into a new PKI Organization Agreement, within fifteen (15) Business Days of the Province’s Approval of the Remedial Plan (unless the Province and the Contractor agree to a longer period). The Contractor shall consult with the Province in preparing the Remedial Plan. The Remedial Plan shall include appropriate reporting requirements for reporting to the Province with respect to progress in remedying the CRA Termination Event and compliance with the Remedial Plan;

(C) the Province shall promptly review the Remedial Plan provided by the Contractor for the CRA Termination Event. The Contractor shall implement any Remedial Plan which has been Approved by the Province in accordance with its terms. The Contractor shall

report to the Province as contemplated in the Remedial Plan, and as the Province may otherwise reasonably require until the CRA Termination Event has been remedied to the Province's and CRA's satisfaction;

(D) the Province may decline to Approve the Remedial Plan if, acting reasonably, it determines that the implementation of the Remedial Plan will not cure the CRA Termination Event or will not result in CRA entering into a new PKI Organization Agreement or in the resumption or continuation of the flow of data by CRA to the Contractor (as applicable), and if the Province so determines and does not Approve the Remedial Plan provided to the Province, the Contractor shall amend the Remedial Plan and re-submit the same to the Province until the Province gives its Approval to the Remedial Plan;

(E) in the event that the CRA Termination Event is not remedied or cured within fifteen (15) Business Days from the date the Remedial Plan is Approved by the Province, and CRA terminates the PKI Organization Agreement (and does not agree to enter into a new PKI Organization Agreement with the Contractor), or terminates the CRA MOU, or ceases the flow of data to the Contractor because the CRA Termination Event has not been remedied by the Contractor to CRA's satisfaction, then the Province shall have the right to take such steps as it considers necessary to ensure the continuation of the CBI Program and the delivery of the CBI Services and the flow of data by CRA for such purpose, including without limitation:

1. by entering into a new CRA MOU and appointing a new "Contractor" within the meaning of the CRA MOU; and
2. by terminating this Agreement with respect to the CBI Program and the CBI Services upon notice in writing given to the Contractor; and

(F) upon termination of this Agreement with respect to the CBI Program and the CBI Services pursuant to Section 4.1(b)(v)(E) above:

1. the Contractor shall implement the CBI Termination Plan and provide such assistance as is set out in Section 2.4(g) and in the CBI Termination Plan; and

2. the Contractor will be entitled to a pro-rata payment of the Annual Operating Fee with respect to the period from April 1 of the current Fiscal Year to the date of termination, and thereafter will have no further right to payment of the Annual Operating Fee; and
 3. the Change Order Review Process for the CBI Program for the calendar year in which termination of this Agreement with respect to the CBI Program and the CBI Services occurs will include Change Orders relating to the CBI Program up to the date of termination of delivery of the CBI Program and the CBI Services;
- (vi) the Contractor shall not acquire any rights in any data provided by CRA in connection with the CBI Program except the rights to store and use such data to provide the CBI Services, to the extent permitted by the CRA MOU; and
 - (vii) without limiting the above provisions of this Section 4.1(b), for the purposes of Section 11.08(b)(iii) of the Master Service Agreement, the Contractor acknowledges it has been notified by the Province of the confidentiality obligations imposed by CRA under the CRA MOU relating to the retention, transmission, use, disclosure and disposal of Program Data relating to the CBI Program, and all Business Number Information (as defined in the CRA MOU) and any other information provided by or exchanged with the CRA as contemplated by the CRA MOU, and that the Contractor's Personnel and Subcontractors are obligated not to retain, transmit, use, disclose, or dispose of such Program Data or other information except as permitted under the confidentiality restrictions and other terms contained in the CRA MOU.
- (c) The Parties acknowledge that, the CRA MOU may be amended at any time by CRA and the Province. If material amendments are proposed by CRA or the Province to the CRA MOU:
- (i) the Province will provide the Contractor with advance notice of such proposed amendments and a reasonable opportunity to comment on such amendments; and
 - (ii) the Contractor will not be bound to comply with any additional obligations created under the CRA MOU unless:
 - (A) such obligations are not materially more onerous on the Contractor than those contemplated in the original CRA MOU;
 - (B) such obligations are consistent with the general nature of the obligations contemplated in the original CRA MOU; and

- (C) if and to the extent that such additional obligations result in increased costs to the Contractor in performing the CBI Services or delivering the CBI Program, such Modifications to the CBI Services shall be deemed to be a Change Order (either by virtue of having been Approved in accordance with Section 3.06(e) pursuant to the change process described in Section 3.06 (*Change Request Process*) of the Master Service Agreement, or as a Mandatory Change), and Sections 3.07 (*Implementation of Change Orders*), 3.08 (*Record of Changes*), 3.09 (*Change Order Review Process*) and Section 3.09A (*Change Order Review Process for Programs*) of the Master Service Agreement shall apply to such Change Order.
- (d) The Contractor agrees to indemnify and hold the Province harmless from any and all Damages incurred by the Province, including without limitation with respect to any and all claims of the CRA, as a result of any failure of the Contractor to comply with its obligation to comply with and abide by the terms of the CRA MOU. Any such claim by the CRA shall be treated as a Contractor Third Party Claim under the Master Service Agreement, and shall be subject in all respects to the procedures and limitations set out in the Master Service Agreement applicable to Contractor Third Party Claims.
- (e) The Province agrees to indemnify and hold the Contractor harmless from any and all Damages incurred by the Contractor, including without limitation with respect to any and all claims of the CRA, as a result of any failure of the Province to comply with and abide by the terms of the CRA MOU. Any such claim shall be treated as a Province Third Party Claim under the Master Service Agreement, and shall be subject in all respects to the procedures and limitations set out in the Master Service Agreement applicable to Province Third Party Claims.
- (f) In the event of a conflict between the obligations of the Province or the Contractor with respect to the CRA MOU pursuant to this Section 4.1 and any other provision of this Agreement or the Master Service Agreement, this Section 4.1 shall govern.

4.2 Future Additions to the CBI Services or of CBI Participants

If in the future, the Province, the Contractor, or a CBI Participant proposes to amend the scope of the CBI Services within the CBI Program, or to add a new CBI Participant to the CBI Program, the process for Specified Program Changes in Section 3.11 of the Master Service Agreement shall apply.

5. REPORTING BY THE CONTRACTOR

5.1 Reporting

The Contractor shall comply with Article 5.0 (*Reporting by the Contractor*) of the Master Service Agreement in relation to the Agreed Services. The Contractor shall also provide the reports (if any) required by Schedules "A" or "B" to this Agreement.

6. FEES and COMPENSATION

6.1 BRS and CBI Programs Annual Operating Fee

In consideration of the management and operation of the CBI Program and the BRS Program and the provision of the Agreed Services by the Contractor, the Province agrees to pay to the Contractor:

- (a) an annual operating fee in the amount of Eight Hundred and Twenty-Five Thousand (\$825,000.00) Dollars (the "**Annual Operating Fee**") beginning with the Fiscal Year commencing April 1, 2016. The Annual Operating Fee shall be paid in advance in quarterly installments payable within thirty (30) days after the beginning of each quarter of each Fiscal Year during the Term; and
- (b) a one-time fee of Two Hundred and Seventy-Five Thousand (\$275,000.00) Dollars for the period from the CBI and BRS Effective Time to March 31, 2016, which payment will be due and payable upon signing of this Agreement.

6.2 Changes in Annual Operating Fee and other Compensation

- (a) Any increases to the Annual Operating Fee shall be made only in accordance with and as provided in Sections 6.3 (*CPI Adjustments to Annual Operating Fee*) and 7.4(d).
- (b) The Annual Operating Fee shall be the only fee or other compensation payable to the Contractor by the Province for the management and operation of the CBI Program and the BRS Program and the provision of Agreed Services.
- (c) The Contractor is not entitled to charge any fees to a CBI Participant (existing at the Effective Time) or CBI Customer for any CBI Services that were offered by the Contractor as at the Effective Time (provided, for clarity, that this provision does not apply to new CBI Services or any new CBI Participant or to Specified Program Changes).
- (d) The Contractor is not entitled to charge any fees to a BRS Participant (existing at the Effective Time) or BRS Customer for any BRS Services that were offered by the Contractor as at the Effective Time, or for any adjustments or changes to BRS Services or to the BRS Program relating to, arising out of or required by the

Integration (provided, for clarity, that this provision does not apply to new BRS Services or any new BRS Participant or to Specified Program Changes).

- (e) The Contractor is entitled to determine the amount of compensation that it receives from CBI Participants, CBI Customers, BRS Participants or BRS Customers in respect of Specified Program Changes implemented pursuant to Section 3.11 (*Specified Program Changes*) of the Master Service Agreement.
- (f) Any change to the Corporate Registry Fees following the implementation of Change Orders will be determined in accordance with Section 7.4 (*CBI Change Order Review Process*) of this Agreement, and the Change Order Review Process in Section 3.09 (*Change Order Review Process*) and Section 3.09A (*Change Order Review Process for Programs*) of the Master Service Agreement.

6.3 CPI Adjustments to Annual Operating Fee

The Annual Operating Fee shall be increased or decreased not more than once per Fiscal Year during the Term to reflect the change in the annual average CPI, commencing with the 2017-2018 Fiscal Year, as follows:

- (a) the change in the annual average CPI shall be calculated in accordance with Section 20.04 (*CPI Adjustments in Registry Fees*) of the Master Service Agreement, except as otherwise provided in this Section 6.3 (with all references to “maximum Registry Fees” read for this purpose as “Annual Operating Fee”, and any other necessary modifications);
- (b) the change in the annual average CPI shall be calculated by comparing the most recent annual average CPI available (2016 in the case of the first adjustment) to the previous annual average CPI (2015 in the case of the first adjustment);
- (c) in applying the formula set out in Section 20.04 (*CPI Adjustments to Registry Fees*) of the Master Service Agreement for the purpose of calculating such adjusted Annual Operating Fee, all references in the formula to a maximum fee for a particular Core Registry Service shall be read as references to the Annual Operating Fee for the applicable year;
- (d) changes to the Annual Operating Fee to reflect the change in the annual average CPI shall take effect at the same time as the adoption of a revised schedule of maximum Registry Fees pursuant to Section 20.05 (*Effective Date of Change of Maximum Registry Fees*) of the Master Service Agreement;
- (e) the Contractor shall prepare and provide to the Province the annual calculation of the Annual Operating Fee after the CPI adjustment under Section 20.04 (*CPI Adjustments to Registry Fees*); and
- (f) any disputes to the calculation of the CPI adjustment under this Agreement will be resolved in accordance with the Dispute Resolution Process.

6.4 Support Services

The Contractor shall provide the Support Services to the Province, the compensation for which is included in the Annual Operating Fee.

7. CHANGES TO PROGRAMS AND AGREED SERVICES

7.1 Program Changes

The parties acknowledge that for the purposes of clarity, and subject to the Master Service Agreement and this Agreement, Registry or Program Changes relating to the CBI Program, the BRS Program or the Agreed Services may be initiated or implemented pursuant to:

- (a) Section 3.02 (*Change in the Ordinary Course and Reservation of Management Rights*) of the Master Service Agreement;
- (b) Section 3.03 (*Mandatory Changes by Province or Registry Officer*) of the Master Service Agreement;
- (c) Section 3.05 (*Change Request*) of the Master Service Agreement;
- (d) Section 3.12 (*General Changes to Program Services*) of the Master Service Agreement with respect to changes to the scope of the Agreed Services (including changes in the level of Support Services and Service Levels) for the general benefit of all CBI Participants or BRS Participants;
- (e) Section 4.1(c)(ii) of this Agreement, with respect to changes to the CBI Services resulting from an amendment to the CRA MOU;
- (f) any other provision of the Master Service Agreement which deems a Registry or Program Change with respect to a Program to be Change Order or permits a Change Request;
- (g) Section 3.11 (*Specified Program Changes*) of the Master Service Agreement with respect to the addition of new CBI Participants or BRS Participants or the customization CBI Services or BRS Services to existing or new CBI Participants or BRS Participants; and
- (h) Section 7.3 (*Changes to Regulations*) of this Agreement.

7.2 Registry or Program Changes Not Amounting to Change Orders

For the purposes of clarity, Registry or Program Changes relating to the CBI Program, the BRS Program, or the Agreed Services referred to in:

- (a) Section 7.1(a) (*Section 3.02 of the Master Service Agreement - Changes in the Ordinary Course and Reservation of Management Rights*);
- (b) Section 7.1(d) (*Section 3.12 of the Master Service Agreement - General Changes to Program Services*) with respect only to a change in the level of Support Services, Service Levels or in the scope of the BRS Services or BRS Program provided generally to all BRS Participants;
- (c) Section 7.1(g) (*Section 3.11 of the Master Service Agreement - Specified Program Changes*); and
- (d) Section 7.1(h) (*Section 7.3 - Changes to Regulations*)

shall not be considered Change Orders and the effect of implementing such changes will not be taken into account in the Change Order Review Process in Section 3.09 (*Change Order Review Process*) and Section 3.09A (*Change Order Review Process for Programs*) of the Master Service Agreement, and the Contractor acknowledges and agrees it has no right to compensation or basis for a Claim arising from such changes.

7.3 Changes to Regulations

If at any time the Lieutenant Governor of Saskatchewan prescribes additional regulations pursuant to subsections (c), (d), (e), (f) or (n) of Section 13 of *The Common Business Identifiers Act* that require or cause Modifications to be made to the management and operation of the CBI Program or to the delivery of the CBI Services, then notwithstanding Section 4.07 (*Changes to Applicable Laws Treated as Change Order*) of the Master Service Agreement, or any other provision of the Master Service Agreement or this Agreement, the Registry or Program Change required by such new regulations shall not be considered as a Mandatory Change or other Change Order or subject to the Change Order Review Process, but instead shall be treated as a Specified Program Change, and the Contractor acknowledges and agrees it has no right to compensation, or basis for a Claim for compensation, from the Province, arising from any such Modifications.

7.4 CBI Change Order Review Process

- (a) The first Change Order Review Process for the CBI Program will occur in respect of the calendar year ending December 31, 2018. The Change Order Review Process for the CBI Program for that calendar year and for each subsequent calendar year will occur at the same time as and in conjunction with the Change Order Review Process for the Corporate Registry.
- (b) The objective of the review under Section 3.09 (*Change Order Review Process*) and 3.09A (*Change Order Review Process for Programs*) of the Master Service Agreement in respect of Change Orders relating to the CBI Program will be to determine any adjustments to the Corporate Registry Fees, and in the circumstances set out in Section 7.4(d), any increase to the Annual Operating Fee, which leaves the Contractor in the same ongoing financial position with respect to the CBI Program as it would have been but for the cumulative impact of all

Change Order Implementation Costs implemented during the course of the previous calendar year (or since the date of the last preceding review, as the case may be), determined, to the extent they are applicable and it is reasonable to do so, using the principles in Section 3.09(b)(i) to (iv) of the Master Service Agreement.

- (c) The Contractor may at any time choose not to seek recovery of the costs of any Change Order, without affecting its right to do so with respect to a future Change Order Review Process.
- (d) If the Change Order Implementation Costs in any calendar year exceed an amount equal to three percent (3%) of the gross revenue of the Contractor derived from the Core Corporate Registry Services for such calendar year (such amount being referred to as the "**Threshold Amount**" and such excess amount of Change Order Implementation Costs being referred to as "**Excess Costs**"), then:
 - (i) in respect of all Change Order Implementation Costs up to the Threshold Amount, any adjustment will be to the Corporate Registry Fees in accordance with Section 7.4(b);
 - (ii) in respect of all Change Order Implementation Costs that are Excess Costs, any adjustment will be to the Annual Operating Fee, in accordance with Section 7.4(b), provided, however, that any increase to the Annual Operating Fee for any calendar year will not exceed that amount which is equal to ten percent (10%) of the Annual Operating Fee for the immediately preceding calendar year, except and to the extent otherwise provided in an agreement in writing between the Parties pursuant to Section 7.4(d)(iii); and
 - (iii) if any adjustment to the Annual Operating Fee pursuant to Section 7.4(d)(ii) for any calendar year would, but for the ten percent (10%) limit provided in such Section 7.4(d)(ii), result in a greater increase in the Annual Operating Fee than the increase permitted pursuant to Section 7.4(d)(ii), the Parties shall discuss how any additional adjustment to the compensation payable to the Contractor in respect of such Excess Costs may be made (whether by way of adjustment to the Corporate Registry Fees, adjustment to the said 10% limit, or otherwise), but any additional adjustment will require an agreement in writing by the Parties, and any such agreement, or lack of agreement if the Parties do not enter into any such agreement in writing, will not be subject to the Dispute Resolution Process.

The Parties acknowledge that any increase to the Annual Operating Fee pursuant to this Section 7.4(d) is subject to the Government of Saskatchewan's budgetary approval process.

- (e) In the event that the Annual Operating Fee is increased pursuant to Section 7.4(d)(ii) by the amount of the Excess Costs, such increased Annual Operating Fee shall be payable by the Province on or before April 1 of the next calendar year. For example, if the Change Review Process occurs from January until March of 2019 with respect to Change Order Implementation Costs for the calendar year 2018, resulting in an increased Annual Operating Fee becoming payable, the Province shall pay such increased Annual Operating Fee on or before April 1, 2020.
- (f) If the Change Order Review Process contemplated by this Section 7.4 would, in any year, result in an increase to the Corporate Registry Fees, the Province may, at its sole option and by giving notice to the Contractor, elect to pay an increased Annual Operating Fee the amount of which increase fully compensates the Contractor for all Change Order Implementation Costs (being Excess Costs and any costs up to the Threshold Amount, as applicable), in lieu of an increase in the Corporate Registry Fees.
- (g) Notwithstanding the foregoing, if any Change Order Implementation Costs relate to Registry or Program Changes that result in an increase in Corporate Registry Fees pursuant to the Change Order Review Process with respect to the Corporate Registry as contemplated by the Master Service Agreement, then such Change Order Implementation Costs shall be excluded in determining any increase in the Corporate Registry Fees arising from Change Orders with respect to the CBI Program or any increase in the Annual Operating Fee.

7.5 Reviews of Operation of Common Business Identifier Program

A review of the operation of the CBI Program will be undertaken during the Fiscal Year 2018-2019, for the period from the CBI and BRS Effective Time to December 31, 2018, and this initial review and all future reviews will occur at the same time as a review of the Corporate Registry as set out in Section 20.07 (*Reviews of Operation of Registries*) of the Master Service Agreement.

8. SERVICE LEVELS (PERFORMANCE STANDARDS) AND PERFORMANCE FAILURES

8.1 Service Levels

The Contractor covenants and agrees that it will operate and manage the CBI Program and BRS Program and provide the CBI Services and the BRS Services throughout the Term and any Transition Period to a standard and level of performance which meet or exceed the Service Levels, provided however that:

- (a) with respect to the CBI Services, if Schedule "C" to this Agreement does not specify a standard or level of performance for a particular service within the CBI Services, the provisions of Section 8.01 (*General Performance Standard*) of the Master Service Agreement shall apply;

- (b) with respect to the BRS Services, if Schedule "D" to the Corporate Registry Operating Agreement does not specify a standard or level of performance with respect to the BRS Program or the BRS Services, the provisions of Section 8.01 (*General Performance Standard*) of the Master Service Agreement shall apply;
- (c) notwithstanding any other provision of this Section 8.1 or any Schedule to this Agreement, the Contractor and the Province shall review and revise the Service Levels applicable to the CBI Program including the CBI Services, and the BRS Program including the BRS Services, on reasonable notice by the Contractor or the Province to the other following implementation of the modernization of the Corporate Registry, including the Integration, and any review of Service Levels with respect to the Corporate Registry shall automatically include the Service Levels applicable to the CBI Program including the CBI Services, and the BRS Program including the BRS Services; and
- (d) nothing in this Section 8.1 shall be interpreted to diminish or otherwise affect any covenant or other obligation of the Contractor under the Master Service Agreement or this Agreement.

8.2 Common Business Identifier Performance Failure

- (a) In the event of a Service Level Performance Failure relating to the provision of CBI Services or the management and operation of the CBI Program the terms of this Section 8.2 apply. The Contractor shall attempt to immediately remedy the Service Level Performance Failure. In addition the Contractor shall provide a Remedial Plan to the Province within two (2) Business Days from the date of the occurrence thereof (unless the Province and the Contractor agree to a longer period) to remedy such Service Level Performance Failure within the timeline specified in the Remedial Plan. The Contractor shall consult with the Province in preparing the Remedial Plan. The Remedial Plan shall include appropriate reporting requirements for reporting to the Province with respect to progress in remedying the Performance Failure and compliance with the Remedial Plan.
- (b) In the event of a Delegated Authority Performance Failure, the Province shall notify the Contractor in writing of any such Delegated Authority Performance Failure and the Contractor shall have five (5) Business Days (unless the Province and the Contractor agree to a longer period) to prepare a Remedial Plan, in consultation with the Province.
- (c) The Province shall promptly review the Remedial Plan provided by the Contractor for a Performance Failure. The Contractor shall continue to work towards remedying the Performance Failure during the period of time the Province is reviewing the Remedial Plan. The Contractor shall implement any Remedial Plan which has been Approved by the Province in accordance with its terms. The Contractor shall report to the Province as contemplated in the

Remedial Plan, and as the Province may otherwise reasonably require until the Performance Failure has been remedied to the Province's satisfaction.

- (d) If the Remedial Plan provided to the Province is not Approved by the Province because of deficiencies or objections reasonably identified by the Province, the Contractor shall amend the Remedial Plan and re-submit the same to the Province. If the Province does not Approve the re-submitted Remedial Plan, the Contractor may submit the dispute (a "**Performance Dispute**") for resolution in accordance with the Dispute Resolution Process. The subject matter of such Dispute Resolution Process shall be solely whether or not the Remedial Plan was or is reasonable in all the circumstances, having regard to the obligations of each of the Parties under this Agreement, and the Master Service Agreement. The exercise of the Dispute Resolution Process for a Performance Dispute by the Contractor shall not relieve the Contractor of the obligation to remedy the Performance Failure within the timeline specified in the Remedial Plan or in subsection 8.2(e) below for the Performance Failure where there is no approved Remedial Plan. Such Performance Dispute shall not affect the Province's entitlement to or the obligation of the Contractor to pay the compensation amounts payable pursuant to Sections 8.2(e), 8.2(f), 8.2(g) and 8.2(h) unless the outcome of the Dispute Resolution Process is a conclusion that the Remedial Plan presented to the Province was reasonable.
- (e) Subject to Section 8.2(f), in the event that a Performance Failure is not remedied or cured within ten (10) Business Days from the date of the occurrence thereof where there is no approved Remedial Plan, or in accordance with the timelines in an approved Remedial Plan, the Contractor will pay the sum of Five Thousand (\$5,000.00) Dollars per day to the Province for each day that the Performance Failure continues (the first such day being the "**Payment Start Date**"), as an Administrative Compensation Payment, and the Contractor agrees to pay all such amounts payable from time to time as Administrative Compensation Payments on demand by the Province.
- (f) If any Administrative Compensation Payment in respect of a Service Level Performance Failure becomes payable pursuant to Section 8.2(e), the Parties agree that the following process shall apply for the purpose of determining the amount of the Administrative Compensation Payments that are payable:
 - (i) For a period of thirty (30) days commencing on the Payment Start Date (the "**Initial Measurement Period**"), the Contractor shall measure performance of the Services that are affected by the Performance Failure (the "**Affected Services**") on a daily basis for the purpose of determining whether the Service Level for the Affected Services (the "Applicable Service Level") has been achieved (the "**Daily Service Level Measurement**"). For greater certainty, the Applicable Service Level will be measured and calculated on a daily basis (as opposed to a Monthly Basis) for the purposes of measuring performance of the Affected Services during the Initial Measurement Period (for example, in respect of incorporations processed on any day, whether such incorporations

were processed in accordance with the Target Service Levels). The Contractor shall provide all such daily measurements and calculations to the Province.

- (ii) During the Initial Measurement Period, the Contractor shall pay the sum of \$5,000.00 per day to the Province for each day that the Applicable Service Level has not been achieved. For greater certainty, during the Initial Measurement Period, the Contractor shall not be required to pay the sum of \$5,000.00 per day for each day that the Applicable Service Level has been achieved.
- (iii) On the day immediately following the expiration of the Initial Measurement Period (the "**Initial Recalculation Date**"), the Contractor shall determine whether the Applicable Service Level has been achieved for the Affected Service for the previous thirty (30) calendar days of performance for the purpose of determining whether the applicable Target Service Level identified in Schedule "C" has been achieved for that thirty (30) day period (the "**Initial Target Recalculation**"). For greater certainty, for the purpose of the Initial Target Recalculation, the Target Service Level identified in Schedule "C" will be based on the previous thirty (30) days of performance of the Affected Services rather than a full calendar month.
- (iv) As a result of the Initial Target Recalculation:
 - (A) If the Target Service Level has been achieved for the Affected Services for the said thirty (30) day period, then the Performance Failure will be deemed to be cured and remedied for the purposes of Section 8.2(e); or
 - (B) If the Target Service Level has not been achieved for the Affected Services for the said thirty (30) day period (the "**First Additional Performance Failure**"), then the Performance Failure will be deemed not to be cured and remedied for the purposes of Section 8.2(e) and the provisions of Section 8.2(g) shall apply.
- (v) The Contractor agrees to pay all amounts payable from time to time as Administrative Compensation Payments under this Section 8.2(f) on demand by the Province.
- (g) Upon the occurrence of the First Additional Performance Failure, the following process shall apply for the purpose of determining the amount of the Administrative Compensation Payments that are payable for the period specified in this Section 8.2(g), and the requirement for a new Remedial Plan:
 - (i) The Contractor shall submit a new Remedial Plan to the Province, within one (1) Business Day of the date of the First Additional Performance

Failure, to restore performance of the Affected Services to the Target Service Levels, and shall consult with the Registry Officers in preparing such Remedial Plan. If the new Remedial Plan is Approved by the Province the Contractor shall implement the new Remedial Plan in accordance with its terms. In the event that any provisions of the Remedial Plan are inconsistent with this Section 8.2(g), this Section 8.2(g) shall govern.

- (ii) For a period of thirty (30) days commencing on the date of the First Additional Performance Failure (the "**Second Measurement Period**"), the Contractor shall measure performance of the Affected Services on a daily basis for the purpose of determining whether the Applicable Service Level has been achieved for such Affected Services. The Contractor shall provide all such daily measurements and calculations to the Province.
- (iii) During the Second Measurement Period, the Contractor shall pay the sum of \$5,000.00 per day to the Province for each day that the Applicable Service Level has not been achieved as an Administrative Compensation Payment, and the Contractor agrees to pay all such amounts payable from time to time as Administrative Compensation Payments on demand by the Province. For greater certainty, during the Second Measurement Period, the Contractor shall not be required to pay the sum of \$5,000.00 per day for each day that the Applicable Service Level has been achieved.
- (iv) On the day immediately following the expiration of the Second Measurement Period (the "**Second Recalculation Date**"), the Contractor shall determine whether the Applicable Service Level has been achieved for the Affected Service for the previous thirty (30) calendar days of performance for the purpose of determining whether the applicable Target Service Level has been achieved for that thirty (30) day period (the "**Second Target Recalculation**"). For greater certainty, for the purpose of the Second Target Recalculation, the Target Service Level identified in Schedule "C" will be based on the previous thirty (30) days of performance of the Affected Services rather than a full calendar month.
- (v) As a result of the Second Target Recalculation:
 - (A) If the Target Service Level has been achieved for the Affected Services for the said thirty (30) day period, then the Performance Failure will be deemed to be cured and remedied for the purposes of Section 8.2(e); or
 - (B) If the Target Service Level has not been achieved for the Affected Services for the said thirty (30) day period (the "**Second Additional Performance Failure**"), then the Performance

Failure will be deemed not to be cured and remedied for the purposes of Section 8.2(e) and the provisions of Section 8.2(h) shall apply.

- (vi) The Contractor agrees to pay all amounts payable from time to time as Administrative Compensation Payments under this Section 8.2(g) on demand by the Province.
- (h) Upon the occurrence of the Second Additional Performance Failure, the following process shall apply for the purpose of determining the amount of the Administrative Compensation Payments that are payable for the period specified in this Section 8.2(h), and the requirement for a new Remedial Plan.
 - (i) The Contractor shall submit a new Remedial Plan to the Province within one (1) Business Day of the date of the Second Additional Performance Failure, to restore performance of the Affected Services to the Target Service Levels, and shall consult with the Registry Officers in preparing the new Remedial Plan. If the new Remedial Plan is Approved by the Province the Contractor shall implement the new Remedial Plan in accordance with its terms. In the event that any provisions of the Remedial Plan are inconsistent with this Section 8.2(h), this Section 8.2(h) shall govern.
 - (ii) For a period of thirty (30) days commencing on the date of the Second Additional Performance Failure (the "**Third Measurement Period**"), the Contractor shall measure performance of the Affected Services on a daily basis for the purpose of determining whether the Applicable Service Level has been achieved for such Affected Services. The Contractor shall provide all such daily measurements and calculations to the Province.
 - (iii) During the Third Measurement Period, the Contractor shall pay the sum of \$10,000.00 per day to the Province for each day that the Applicable Service Level has not been achieved as an Administrative Compensation Payment, and the Contractor agrees to pay all such amounts payable from time to time as Administrative Compensation Payments on demand by the Province. For greater certainty, during the Third Measurement Period, the Contractor shall not be required to pay the sum of \$10,000.00 per day for each day that the Applicable Service Level has been achieved.
 - (iv) On the day immediately following the expiration of the Third Measurement Period (the "**Third Recalculation Date**"), the Contractor shall determine whether the Applicable Service Level has been achieved for the Affected Service for the previous thirty (30) calendar days of performance for the purpose of determining whether the applicable Target Service Level has been achieved for that thirty (30) day period (the "**Third Target Recalculation**"). For greater certainty, for the purpose

of the Third Target Recalculation, the Target Service Level identified in Schedule "C" will be based on the previous thirty (30) days of performance of the Affected Services rather than a full calendar month.

- (v) As a result of the Third Target Recalculation:
 - (A) If the Target Service Level has been achieved for the Affected Services for the said thirty (30) day period, then the Performance Failure will be deemed to be cured and remedied for the purposes of Section 8.2; or
 - (B) If the Target Service Level has not been achieved for the Affected Services for the said thirty (30) day period, then the Performance Failure will be deemed not to be cured and remedied for the purposes of Section 8.2 and the Contractor shall continue to pay the sum of \$10,000.00 per day to the Province until the Performance Failure has been resolved in accordance with the new Remedial Plan.
- (vi) The Contractor agrees to pay all amounts payable from time to time as Administrative Compensation Payments under this Section 8.2(h) on demand by the Province.
- (i) Administrative Compensation Payments for any Performance Failure are payable on the basis of Business Days only.
- (j) Notwithstanding the foregoing, if a Performance Failure under this Agreement is caused by or results from a series of facts or circumstances that also causes or results in the obligation on the Contractor to pay Administrative Compensation Payments under the Corporate Registry Operating Agreement, then the Administrative Compensation Payment payable under this Agreement shall not apply with respect to any day in respect of which such Administrative Compensation Payments become due under the Corporate Registry Operating Agreement.
- (k) In addition to any Administrative Compensation Payments payable under this Section 8.2, in the event of a Contractor Non-Compliance or a Contractor Material Breach, the Province shall have all of the rights and remedies set out in the Master Service Agreement. For greater clarity, the process under Sections 8.2(f), 8.2(g), and 8.2(h) shall not alter or affect the obligations of the Contractor under this Agreement or the Master Service Agreement, except the amount of Administrative Compensation Payments payable under Section 8.2.
- (l) The per diem dollar amounts set out in Section 8.2 (each a "**Per Diem Amount**") shall be increased or decreased not more than once per year during the Term and any Transition Period to reflect the change in the annual average CPI commencing in the year 2017. The change in the annual average CPI shall

be calculated by comparing the most recent annual average CPI available (2017 in the case of the first adjustment) to the previous annual average CPI (2016 in the case of the first adjustment) and which shall be calculated for each Per Diem Amount based on the following formula:

$$P_C = P_B + \left(P_B \times \frac{CPI_B - CPI_A}{CPI_A} \right)$$

Where:

- (i) CPI for any year shall be the annual average "All-Item" CPI value published for Saskatchewan by Statistics Canada for that particular year;
- (ii) P_C is the particular Per Diem Amount for the current year (the "Current Year");
- (iii) P_B is the Per Diem Amount which was in effect at the end of the calendar year preceding the Current Year (the "Current -1 Year");
- (iv) CPI_B is the CPI value for the Current -1 Year;
- (v) CPI_A is the CPI value for the year preceding the Current -1 Year; and
- (vi) if in any year, the CPI_B value is adjusted by Statistics Canada, a proportionate adjustment must be made to the CPI_A to account for the adjustment by Statistics Canada and the applicable Per Diem Amount for the Current Year, using the adjusted CPI_B and CPI_A values, must be recalculated.

8.3 BRS Performance Failure

In the event of a Service Level Failure relating to the provision of the BRS Services or the management and operation of the BRS Program, the terms of Section 4.2 (*Performance Failure*) and Schedule "D" of the Corporate Registry Operating Agreement shall apply.

9. ALLOCATION OF RISK AND LIABILITY

9.1 Indemnities under Master Service Agreement

The indemnities under the Master Service Agreement shall apply with respect to the BRS Program and the CBI Program in the same manner and to the same extent as they apply with respect to the operation of the Registries.

10. TERM AND TERMINATION

10.1 Term

Notwithstanding the actual date of execution and delivery of this Agreement, this Agreement shall take effect at the CBI and BRS Effective Time and shall continue until expiry of the Term of the Master Service Agreement, subject to earlier termination as provided for in this Agreement.

10.2 Effect of Expiration or Termination of Master Service Agreement

- (a) The expiration or termination of the Master Service Agreement will terminate this Agreement on the same date as the Master Service Agreement. Subject to Section 4.1(b)(v)(E) and Section 4.1(b)(v)(F), upon any expiration or termination of this Agreement, all of the provisions of the Master Service Agreement with respect to the consequences of termination of the Master Service Agreement and this Agreement (including all provisions which by the terms of the Master Service Agreement survive termination thereof), shall apply to the operation of and all other matters related to the CBI Program and BRS Program, including the implementation of the Transition Plan and the provision of Termination Assistance.
- (b) If a Contractor Material Breach occurs under the Master Service Agreement, it shall be deemed to be a Contractor Material Breach under this Agreement, and if a Contractor Material Breach occurs under this Agreement it shall be deemed to be a Contractor Material Breach under the Master Service Agreement.

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11. ADDITIONAL PROVISIONS

No Third Party Benefit

Nothing in Section 20.02 (*Discretion to Set Fees and Limitations*) of the Master Service Agreement shall in any way diminish or affect the covenants and obligations of the Contractor under this Agreement or the CRA MOU.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

**GOVERNMENT OF SASKATCHEWAN
(AS REPRESENTED BY THE MINISTER
OF JUSTICE AND ATTORNEY GENERAL)**

Per: _____

INFORMATION SERVICES CORPORATION

Per: _____

Jeff Stusek, President and Chief
Executive Officer

Per: _____

Kathy E. Hillman-Weir, Vice-President,
Corporate Affairs and General Counsel

ISC SASKATCHEWAN INC.

Per: _____

Shawn Peters, Director

Per: _____

Kathy E. Hillman-Weir, Director

SCHEDULE A

CBI SERVICES

The CBI Services consist of the provision by the Contractor of:

- (a) the technical infrastructure required to deliver the CBI Program, including the data repository and message centre located in Regina, Saskatchewan that links the CRA technology with the CBI Participants and allows automated data sharing with CBI Participants ("**Common Business Identifier Hub Infrastructure**");
- (b) monitoring and maintaining the Common Business Identifier Hub Infrastructure, including servicing of development, test and production environments, data backups, data mirroring for disaster recovery and network and security capacity for connectivity to CBI Participants;
- (c) the website infrastructure, website hosting services, security, and internet connectivity requirements to deliver the website for use by the Contractor and CBI Participants to search for the Common Business Identifier and to support CBI Program operations ("**BNR Admin Console**"), including manual or one off searches of data by CBI Participants through the BNR Admin Console;
- (d) monitoring and maintaining the BNR Admin Console;
- (e) maintenance services for the CBI Program ("**CBI Application Maintenance**"), including:
 - (i) the provision of maintenance in respect of the Common Business Identifier Hub Infrastructure to achieve the Service Levels;
 - (ii) planning, testing and implementation for the two (2) operational releases per year as required by CRA; and
 - (iii) any additional CRA initiated changes that are required to maintain technical operations of the CBI Program to achieve the Service Levels;
- (f) generation, delivery, monitoring, and maintenance of all supporting systems to ensure delivery of notifications that provide information regarding the Program Account Number (as defined in *The Common Business Identifiers Act*) to CBI Customers up to the Maximum Support Level identified in Schedule "D" with respect to new CBI Customers from and after the CBI and BRS Effective Time ("**Output Management**");
- (g) reports in writing to CRA and to the Province in accordance with the reporting requirements under the CRA MOU and the Master Service Agreement;
- (h) implementation of any applicable Registry and Program Changes;

- (i) those Support Services that relate to the CBI Program; and
- (j) any other Included Services relating to the CBI Program.

SCHEDULE B

BRS SERVICES

The BRS Services consist of the provision by the Contractor of:

- (a) the on-line interface for BRS Customers completing a registration with the Corporate Registry in order to submit registration information to the BRS Participants ("**BRS Online Interfaces**");
- (b) the technical infrastructure, hosting, security, and internet connectivity required to deliver the BRS Online Interfaces (whether as part of the Corporate Registry system or as a stand-alone system), including servicing of development, test and production environments, data backups, data mirroring for disaster recovery and network and security capacity for connectivity to BRS Participants;
- (c) the technical infrastructure, web services, hosting, security, and internet connectivity necessary to provide BRS Participants access to the data collected for the BRS Participants (whether as part of the Corporate Registry system or as a stand-alone system) through the BRS Online Interfaces to the BRS Participants ("**BRS Data Services**") via secure data transfer processes;
- (d) maintenance services for the BRS Program to achieve the Service Levels;
- (e) detailed reports in writing through the Corporate Registry system to BRS Participants and the Province on a monthly basis, as the BRS Participants and the Province may require from time to time;
- (f) any other services relating to the BRS Program set out in the Corporate Registry Operating Agreement;
- (g) implementation of any applicable Registry and Program Changes;
- (h) those Support Services that relate to the BRS Program; and
- (i) any other Included Services relating to the BRS Program.

The BRS Online Interface may exist separately or may exist as part of the Corporate Registry system. There will be no additional cost to the Province if the Contractor uses the Corporate Registry system as the BRS Online Interface.

SCHEDULE C

SERVICE LEVELS - CBI PROGRAM

For the purposes of this Schedule C, the following capitalized terms have the meanings given to them as follows:

“Downtime” means the time that the services are unavailable for use by Customers provided that the following events shall be excluded from the calculation of “Downtime”:

- a) An Event of Force Majeure;
- b) Scheduled Outage Period;
- c) Problems or issues with the internet or other materials beyond reasonable the control of the Contractor;
- d) Problems or issues with the Customer’s registrations or materials; and
- e) Any downtime caused by any directions given to the Contractor in writing from the Province or the Registry Officers.

“Uptime” means [Required Time minus Downtime] divided by Required Time;

"Monthly Basis" means a calendar month.

1. Common Business Identifier Hub Infrastructure - Availability

Target Service Level – 98% Uptime calculated on an averaged Monthly Basis

Where:

“Required Time” means 8 a.m. to 5 p.m. on a Business Day

2. BNR Admin Console - Availability

Target Service Level – 98% Uptime calculated on an averaged Monthly Basis

Where:

“Required Time” means twenty-four hours (24) hours a day, seven (7) days a week, 365 days a year.

With respect to 1 and 2 above:

Performance Failure - A failure by the Contractor to meet the Target Service Level any 3 months out of a 6 month period

Material Performance Failure – A failure by the Contractor to meet the Target Service Level for 12 consecutive months

SCHEDULE D

SUPPORT SERVICES

“Support Services” means:

- (a) Program support, including:
 - (i) management of ongoing reporting and administrative issues;
 - (ii) delivery of notifications to Customers;
 - (iii) participation at regular CRA operational meetings to address outstanding issues and plan for upcoming changes;
 - (iv) development and management of all online customer support content; and
 - (v) support to the Province to fulfill its obligations under the CRA MOU and the Registry Act.
- (b) Technical support, including:
 - (i) Help desk support and escalation services for the CBI Participants and BRS Participants in substantially the same form and scope as provided prior to the Effective Time;
 - (ii) Common Business Identifier Hub Infrastructure technical support to the CBI Participants;
 - (iii) BNR Admin Console technical support to the CBI Participants;
 - (iv) BRS Online Interface technical support to the BRS Participants;
 - (v) BRS Data Services technical support to the BRS Participants; and
 - (vi) escalation assistance on Customer inquiries about the CBI Program and BRS Program.
- (c) Tier 1 Customer Support, including providing a response to standard inquiries that can be solved at first point of contact provided the Contractor can use information supplied by, and developed in consultation with CBI Participants and BRS Participants, up to the Maximum Support Level identified below. Examples include:
 - (i) CBI Participants or BRS Participants contact information;

- (ii) CBI Participants or BRS Participants hours of operation;
- (iii) standard turnaround times for each CBI Participants or BRS Participants;
and
- (iv) fee inquiries.
- (d) Tier 2 Customer Support, including providing a response to escalated inquiries that can be solved at first point of contact by a personnel with specialized CBI Program or BRS Program knowledge, up to the Maximum Support Level identified below;
- (e) Tier 3 Customer Support escalation, including escalating inquiries that cannot be solved by the Contractor to CBI Participants or BRS Participants for resolution.

SUPPORT LEVELS

Maximum Support Levels

- (a) Output Management for CBI Program – 40,000 notifications per year;
- (b) Technical Support – 100 calls per year;
- (c) Tier 1 Customer Support – 3,000 per year; and
- (d) Tier 2 Customer Support – 1,400 per year

SCHEDULE E

CHANGE ORDER IMPLEMENTATION COSTS

The calculation of Change Order Implementation Costs shall be determined used the following principles:

- (a) Any increase in the Annual Operating Fee or Corporate Registry Fees is intended to compensate the Contractor for any increase in costs resulting from the cumulative effect of implementing all Change Orders relating to the CBI Program implemented during the previous calendar year.
- (b) The Change Order Implementation Costs are to be amortized using appropriate actuarial principles.
- (c) A specified portion of the revenue received by the Contractor in the applicable year from direct annual fees or other payments paid by CBI Participants that are not ministries or agencies within the Executive Government of Saskatchewan, for participating in the CBI Program, shall be excluded from such costs. For purposes of this provision, "specified portion" means that portion of such revenue as is negotiated and agreed upon in writing by the Province and the Contractor prior to any such entity or organization that is not a ministry or agency within the Executive Government of Saskatchewan becoming a CBI Participant in the CBI Program. The Contractor agrees to initiate such negotiation with the Province by notice in writing to the Province as soon as reasonably practicable following the commencement of the Contractor's discussions with any such prospective CBI Participant.
- (d) The costs of Integration are to be excluded.
- (e) All costs associated with those Registry or Program Changes relating to the CBI Program, BRS Program and the Agreed Services that are outlined in Section 7.2 (*Registry or Program Changes Not Amounting to Change Orders*) are excluded.

Any dispute between the Province and the Contractor as to the calculation of Change Order Implementation Costs will be resolved through the Dispute Resolution Process.