

SCHEDULE 10.1

SERVICE CHARGES

This Schedule 10.1 is an appendix to the AMSA. Any capitalized terms not otherwise defined herein shall have the meaning set forth in the AMSA.

1. DEFINITIONS

1.1 Capitalized and Defined Terms.

- (a) The following terms shall have the meanings set forth below solely for purposes of this Schedule 10.1. Any capitalized terms not otherwise defined herein shall have the meaning set forth in the AMSA.
 - (i) “**ARC**” means additional resources charge;
 - (ii) “**FTE**” means annual full time equivalents, where one FTE represents 1,537 hours of capacity;
 - (iii) “**RRC**” means reduced resources charge;
 - (iv) “**Adjustment Demobilization Costs**” means the actual out-of-pocket costs reasonably incurred by ABSBC in connection with demobilization, relocation and termination of ABSBC personnel primarily dedicated to the BCH account at the time of the applicable adjustment under Section 3.1(c)(iv)(C), 3.3(c)(i), 3.3(c)(iii) or 3.5(c)(ii).
 - (v) “**TPC**” means those third party contracts described in the TPC List; and
 - (vi) “**TPC List**” means the list of third party contracts described at Attachment E to this Schedule 10.1.
- (b) Solely for the purposes of this Schedule 10.1, each of the terms set forth below has the meaning set forth in the Sections of this Schedule 10.1 set forth opposite such term in the table:

<u>Term</u>	<u>Section</u>
“ Account Charges ”	3.2(a)
“ Added Discretionary FTEs ”	3.5(c)
“ Additional Adjustment Events ”	3.8(g)
“ Annual ARC Multiplier ”	3.1(d)(i)(A)(2)
“ Annual Base Band Charge Increase ”	3.1(d)(i)(A)(2)
“ Annual Base Service Domain Element ”	3.1(a)(ii)
“ Annual Base Service Volume ”	3.1(d)(i)
“ Base ARC Rate ”	3.1(a)(iii)
“ Base RRC Rate ”	3.1(a)(iii)

<i>“Base Band ARC/RRC Volume Interval”</i>	3.1(a)(ii)
<i>“Base Band Charge”</i>	3.1(a)(i)
<i>“Base Band Midpoint Volume”</i>	3.1(a)(ii)
<i>“Base Minimum Threshold Event”</i>	3.1(e)
<i>“Base Service Charges”</i>	2.2(a)
<i>“Base Service Domain Element”</i>	3.1(a)(ii)
<i>“Baseline Volume Band”</i>	3.1(a)(ii)
[Redacted]	
[Redacted]	
<i>“Customer Account”</i>	3.2(b)(i)
<i>“Customer Care Service Charges”</i>	2.2(a)
<i>“Decreased Annual Base Service Volume”</i>	3.1(d)(ii)
<i>“Decreased Monthly Base Service Volume”</i>	3.1(c)(ii)
<i>“Discretionary Annual Charge”</i>	3.5(a)
<i>“Discretionary ARC Rate”</i>	3.5(a)
<i>“Discretionary FTE Baseline”</i>	3.5(a)
<i>“Discretionary RRC Rate”</i>	3.5(a)
<i>“Discretionary Service Charges”</i>	2.2(a)
<i>“External Westech Services”</i>	4.1(d)(ii)
<i>“Increased Annual Base Service Volume”</i>	3.1(d)(i)
<i>“Increased Monthly Base Service Volume”</i>	3.1(c)(i)
<i>“IT-AM Annual Charge”</i>	3.3(a)(i)
<i>“IT-AM Added Application”</i>	3.3(c)(ii)
<i>“IT-AM Adjusted Application”</i>	3.3(c)(i)(A)
<i>“IT-AM Application”</i>	3.3(a)(iii)
<i>“IT-AM Application Annual Charge”</i>	3.3(a)(iii)
<i>“IT-AM Application Run Estimate”</i>	3.3(a)(iv)
<i>“IT-AM Basic Application”</i>	3.3(a)(iii)
<i>“IT-AM Basic ARC Rates”</i>	3.3(a)(ii)
<i>“IT-AM Basic RRC Rates”</i>	3.3(a)(ii)
<i>“IT-AM Minimum Threshold Event”</i>	3.3(d)
<i>“IT-AM Post-Adjustment Estimate”</i>	3.3(c)(i)(A)
<i>“IT-AM Pre-Adjustment Estimate”</i>	3.3(c)(i)(A)
<i>“IT-AM Premium Application”</i>	3.3(a)(iii)
<i>“IT-AM Premium ARC Rates”</i>	3.3(a)(ii)
<i>“IT-AM Premium RRC Rates”</i>	3.3(a)(ii)
<i>“IT-AM Retired Application”</i>	3.3(c)(iii)(A)
<i>“IT-AM Service Charges”</i>	2.2(a)
<i>“IT Estimating Models”</i>	3.3(a)(iv)
<i>“Lower Baseline Threshold”</i>	3.1(a)(ii)
<i>“Master List”</i>	3.4(e)
<i>“Minimum Threshold Volume”</i>	3.1(a)(ii)
<i>“Monthly ARC Multiplier ”</i>	3.1(c)(iii)(A)(II)
<i>“Monthly Base Service Domain Element”</i>	3.1(a)(ii)
<i>“Monthly RRC Multiplier ”</i>	3.1(c)(iv)(A)(II)
[Redacted]	

“ <i>Removed Discretionary FTEs</i> ”	3.5(c)(ii)
[Redacted]	
“ <i>SSA Termination Amount</i> ”	4.1(a)(ii)
“ <i>Tempworks Rates</i> ”	3.6
“[Redacted] <i>ARC Month</i> ”	3.1(c)(iii)
“[Redacted] <i>RRC Month</i> ”	3.1(c)(iv)
“ <i>TPC Estimate</i> ”	3.4(b)(i)
“ <i>TPC Modification</i> ”	3.4(c)(i)
“ <i>TPC Modification Charge</i> ”	3.4(c)(iv)
“ <i>TPC Period</i> ”	3.4(b)(i)
“ <i>TPC Service Charges</i> ”	2.2(a)
“ <i>Transmission Accounts</i> ”	3.2(b)(iii)
“ <i>Upper Baseline Threshold</i> ”	3.1(a)(ii)
“ <i>VRC Amount</i> ”	3.7(b)
“ <i>VRC Hourly Rates</i> ”	3.7(a)
“ <i>VRC Category</i> ”	3.7(a)

1.2 *Attachments.* The following attachments form a part of this Schedule 10.1:

- (a) Attachment A (Service Charges);
- (b) Attachment B (Baseline Volume Bands and Discretionary FTE Baseline);
- (c) Attachment C (ARC Rates and RRC Rates);
- (d) Attachment D (Variable Rate Card Rates);
- (e) Attachment E (TPC List);
- (f) Attachment F (Permanent Pricing Transition Payment);
- (g) Attachment G (Applications Maintenance Portfolio);
- (h) Attachment H (IT Discretionary Service Skills);
- (i) Attachment I (IT-AM Service Charge Calculations); and
- (j) Attachment J (Substantiation of Service Charges).

2. OVERVIEW

2.1 General. This Schedule 10.1 sets forth the terms concerning (i) pricing for the Services that ABSBC will provide to BCH during the Agreement Term following the AMSA Commencement Date and (ii) the financial and payment obligations regarding certain other items in this Schedule 10.1. This Article 2 sets forth the general provisions regarding the determination and payment of Service Charges and certain other amounts. Article 3 sets forth the Permanent Pricing Methodology for the In-Scope Services.

Article 4 sets forth the financial and payment obligations for certain other items. All references in this Schedule 10.1 to “\$” and “dollar” are references to Canadian dollars.

2.2 **Service Charges.** Service Charges shall be determined as follows:

- (a) Service Charges for In-Scope Services (being Service Charges for each of the Base Services (“**Base Service Charges**”), the Customer Care Services (the “**Customer Care Service Charges**”), the IT-AM Services (the “**IT-AM Service Charges**”), the TPCs (“**TPC Service Charges**”), and the Discretionary Services (“**Discretionary Service Charges**”), and rates for the Tempworks Services, shall be determined in accordance with Article 3 of this Schedule 10.1;
- (b) Service Charges for New Services shall be determined in accordance with Section 4.4 of the AMSA
- (c) Service Charges for Termination Assistance Services shall be determined in accordance with Section 17.5 and Schedule 17.5 of the AMSA; and
- (d) Service Charges for the PE Services shall be determined in accordance with Schedule 4.4(d) of the AMSA.

3. **PRICING FOR IN-SCOPE SERVICES**

The Service Charges for the In-Scope Services provided as of the AMSA Commencement Date for each Contract Year shall be determined in accordance with the Permanent Pricing Methodology as set forth in this Section 3.

3.1 **Base Service Charges**

- (a) *General.* The Base Service Charges are based upon the volume consumption of the Base Service Domains (as defined in the AMSA), as described in this Section 3.1.
 - (i) Attachment A sets forth fixed-rate charges (“**Base Band Charges**”) applicable in each Contract Year for the Base Services, as divided into Base Service Domains.
 - (ii) Attachment B sets forth, in respect of each Base Service Domain, one or more volume bands (each a “**Base Service Domain Element**”). Each Base Service Domain Element sets forth a range of volumes that constitute a base volume band (the “**Baseline Volume Band**”) within which the actual volume for such Base Service Domain Element is expected to fall. Attachment B also sets forth in respect of each Base Service Domain Element (x) a volume that represents the upper threshold of the applicable Baseline Volume Band (the “**Upper Baseline Threshold**”) and (y) a volume that represents the lower threshold of the applicable Baseline Volume Band (the “**Lower Baseline Threshold**”), and (z) a minimum threshold volume (the “**Minimum Threshold Volume**”). The “**Base Band**”

Midpoint Volume” shall be the volume that is mid-way between the Upper Baseline Threshold and the Lower Baseline Threshold. The “**Base Band ARC/RRC Volume Interval**” shall be one half of the difference between the Upper Baseline Threshold and the Lower Baseline Threshold. As set forth in Attachment B, the Base Service Domain Elements are divided into those that have a monthly banding frequency (“**Monthly Base Service Domain Elements**”), and those that have an annual banding frequency (“**Annual Base Service Domain Elements**”).

- (iii) Attachment B-1 describes the elements that shall be included in calculating the consumption volumes in respect of each Base Service Domain.
- (iv) Attachment C sets forth annual ARCs (“**Base ARC Rates**”) and RRCs (“**Base RRC Rates**”) applicable to the Base Service Domains.

(b) *Base Service Charges.*

- (i) *Base Service Domains.* The Base Service Charge for each Base Service Domain (subject to adjustment in accordance with this Schedule 10.1) shall be calculated on a monthly basis, and shall be the applicable Base Band Charge for the applicable Contract Year, **[Redacted]**.
- (ii) *Attachment Adjustment.* In the event of an automatic adjustment to a Base Service Domain’s Base Band Charge and / or the Baseline Volume Bands of its Base Service Domain Elements pursuant to Sections 3.1(c) or (d) below, the Parties shall promptly update Attachment A and/or B to this Schedule 10.1 (as the case may be) to reflect such adjustment. The Parties shall track such adjustments through the Change Order process set forth at Section 8.12 of the AMSA.
- (iii) In the event that the Parties implement a SOW which they have agreed will increase or decrease the volume consumption of a Base Service Domain by an agreed amount for an agreed period of time, the Baseline Volume Bands for the corresponding Base Service Domain Elements shall be automatically adjusted, for the agreed period of time, by an amount equal to the agreed upon increase or decrease in volume consumption.

(c) *Adjustment for Monthly Base Service Domain Elements.*

- (i) *Monthly increase in volume.* If the utilized volume for a Monthly Base Service Domain Element falls above the Upper Baseline Threshold in any calendar month during the Agreement Term (the volume by which a utilized volume falls above the Upper Baseline Threshold in any calendar month being an “**Increased Monthly Base Service Volume**”), then ABSBC shall charge BCH for an amount equal to:

- (A) the corresponding Base Service Domain’s Base ARC Rate, divided by **[Redacted]**, multiplied by;
 - (B) the quotient (rounded up to the next integer) of (x) the Increased Monthly Base Service Volume for that calendar month, divided by (y) the Monthly Base Service Domain Element’s Base Band ARC/RRC Volume Interval.
- (ii) *Monthly decrease in volume.* If the utilized volume for a Monthly Base Service Domain Element falls below the Lower Baseline Threshold in any calendar month during the Agreement Term (the volume by which a utilized volume falls below the Lower Baseline Threshold in any calendar month being a “**Decreased Monthly Base Service Volume**”), then ABSBC shall be credit BCH for an amount equal to:
- (A) the corresponding Base Service Domain’s Base RRC Rate, divided by **[Redacted]**, multiplied by;
 - (B) the quotient (rounded up to the next integer) of (x) the Decreased Monthly Base Service Volume for that calendar month, divided by (y) the Monthly Base Service Domain Element’s Base Band ARC/RRC Volume Interval.
- (iii) **[Redacted]** *month increase in volume:* If the utilized volume for a Monthly Base Service Domain Element falls above the Upper Baseline Threshold over **[Redacted]** months during the Agreement Term (the **[Redacted]** consecutive month being the “**[Redacted] ARC Month**”), then the following shall occur:
- (A) The corresponding Base Service Domain’s Base Band Charge for each Contract Year remaining during the Agreement Term (with effect from the month immediately following the **[Redacted]** ARC Month) shall be automatically increased by an amount equal to:
 - (I) the Base Service Domain’s Base ARC Rate, multiplied by
 - (II) the quotient (rounded up to the next integer) of (x) the lowest Increased Monthly Base Service Volume of the **[Redacted]** months, divided by (y) the Monthly Base Service Domain Element’s Base Band ARC/RRC Volume Interval (the “**Monthly ARC Multiplier**”).
 - (B) The margins of the Monthly Base Service Domain Element’s Baseline Volume Band (i.e., each of the Upper Threshold Volume and the Lower Threshold Volume) shall be automatically increased (with effect from the month immediately following the **[Redacted]** ARC Month) by a volume equal to (x) the Base Band ARC/RRC Volume Interval multiplied by (y) the Monthly ARC Multiplier.

- (C) For the purposes of determining subsequent adjustments pursuant to this Section 3.1(c)(iii), the consecutive **[Redacted]** month period must begin in the period following the last **[Redacted]** ARC Month (if any).
- (iv) **[Redacted]** *month decrease in volume*: If the utilized volume for a Monthly Base Service Domain Element falls below the Lower Baseline Threshold over **[Redacted]** months during the Agreement Term (the **[Redacted]** consecutive month being the “**[Redacted]** *RRC Month*”), then the following shall occur:
- (A) The corresponding Base Service Domain’s Base Band Charge for each Contract Year remaining during the Agreement Term (with effect from the month immediately following the **[Redacted]** RRC Month) shall be automatically decreased by an amount equal to:
- (I) the corresponding Base Service Domain’s Base RRC Rate, multiplied by;
- (II) the quotient (rounded up to the next integer) of (x) the lowest Decreased Monthly Base Service Volume of the **[Redacted]** months, divided by (y) the Base Band ARC/RRC Volume Interval (the “*Monthly RRC Multiplier*”).
- (B) The margins of the Monthly Base Service Domain’s Baseline Volume Band (i.e., each of the Upper Threshold Volume and the Lower Threshold Volume) shall be automatically decreased (with effect from the month immediately following the **[Redacted]** RRC Month) by a volume equal to (x) the Base Band ARC/ RRC Volume Interval multiplied by (y) the Monthly RRC Multiplier.
- (C) BCH shall compensate ABSBC for any Adjustment Demobilization Costs incurred by ABSBC directly as a result of the Baseline Volume Band reduction (if any) described in Section 3.1(c)(iv)(B) above, *provided that* ABSBC shall make reasonable commercial efforts to mitigate the incursion of Adjustment Demobilization Costs.
- (D) For the purposes of determining subsequent adjustments pursuant to this Section 3.1(c)(iv), the **[Redacted]** month period must begin in the period following the last **[Redacted]** RRC Month (if any).
- (d) *Adjustment for Annual Base Service Domain Elements.*
- (i) *Annual increase in volume.* If, in any month during a Contract Year, the utilized volume in that Contract Year for an Annual Base Service Domain Element (the “*Annual Base Service Volume*”) falls above the Upper

Baseline Threshold (the amount by which the Annual Base Service Volume then exceeds the Upper Baseline Threshold being the “**Increased Annual Base Service Volume**”), then the following shall occur:

(A) The corresponding Base Service Domain’s Base Band Charge for that Contract Year only shall be automatically increased by an amount equal to:

- (1) the Base Service Domain’s Base ARC Rate, multiplied by;
- (2) the quotient (rounded up to the next integer) of (x) the Increased Annual Base Service Volume, divided by (y) the Annual Base Service Domain Element’s Base Band ARC / RRC Volume Interval (the “**Annual ARC Multiplier**”);

(the “**Annual Base Band Charge Increase**”),

and the Annual Base Band Charge Increase shall be credited to ABSBC as follows: (x) a single payment equal to the Annual Base Band Charge Increase divided by twelve, multiplied by the number of months then elapsed in that Contract Year (due promptly following the month in which the Annual Base Service Volume fell above the Upper Baseline Threshold), and (y) the balance of the Annual Base Band Charge Increase pro-rated over the months (if any) remaining in that Contract Year.

(B) The margins of the Annual Base Service Domain’s Baseline Volume Band (i.e., each of the Upper Threshold Volume and the Lower Threshold Volume) for that Contract Year only shall be automatically increased by a volume equal to (x) the Base Band ARC/RRC Volume Interval multiplied by (y) the Annual ARC Multiplier.

(ii) *Annual decrease in volume.* If either Party (acting reasonably) anticipates that the Annual Base Service Volume for any Annual Base Service Domain Element will fall below the applicable Lower Baseline Threshold in any Contract Year, it shall promptly notify the other Party. If the Annual Base Service Volume has fallen below the Lower Baseline Threshold in any Contract Year (the amount by which the Annual Base Service Volume is less than the Lower Baseline Threshold being the “**Decreased Annual Base Service Volume**”), the corresponding Base Service Domain’s Base Band Charge for that Contract Year only shall be automatically decreased by an amount equal to:

- (A) the Base Service Domain’s Base RRC Rate, multiplied by;
- (B) the quotient (rounded up to the next integer) of (x) the Decreased Annual Base Service Volume , divided by (y) the Annual Base

Service Domain Element's Base Band ARC / RRC Volume Interval.

- (iii) Promptly following the conclusion of that Contract Year, the Parties shall discuss in good faith the adjustment (if any) to be made for the following Contract Year or Contract Years to the Baseline Volume Band for such Annual Base Service Domain Element and/or the Base Band Charge for the corresponding Base Service Domain.
- (iv) Notwithstanding the foregoing, in the event that an Annual Base Service Domain Element's Annual Base Service Volume in any Contract Year is less than such Annual Base Service Domain Element's Minimum Threshold Volume, such Minimum Threshold Volume shall be deemed to be the Annual Base Service Volume in such Contract Year for the purposes of this Section 3.1(d).
- (e) *Base Minimum Threshold Event*: If in any calendar month during the Agreement Term the utilized volume of a Monthly Base Service Domain Element or Annual Base Service Domain Element falls below the applicable Minimum Threshold Volume, (a "*Base Minimum Threshold Event*"), Section 17.2.5 of the AMSA shall apply.

3.2 Customer Care Service Charges

- (a) *General*. The Customer Care Service Charges are based upon variable volume consumption of the Customer Care Services as divided into Customer Care Service Domains (being the Customer Care Domain, the Meter Reading Domain and the Transmission Domain), as described in this Section 3.2. Attachment A sets forth account charges ("*Account Charges*") applicable in each Contract Year for each Customer Care Service Domain.
- (b) *Customer Care Service Charges*.
 - (i) *Customer Care Domain*. With respect to the Customer Care Domain, the Customer Care Service Charges in any calendar month during a Contract Year shall be the product of (x) the applicable Account Charge divided by twelve, multiplied by (y) the number of Customer Accounts in that month, where "*Customer Accounts*" means those installation premise as defined in the customer care billing system per the billing REVSTATS report.
 - (ii) *Meter Reading Domain*. With respect to the Meter Reading Domain, the Customer Care Service Charges in any calendar month during a Contract Year shall be the product of (x) the applicable Account Charge divided by **[Redacted]**, multiplied by (y) the number of Customer Accounts in that month.
 - (iii) *Transmission Domain*. With respect to the Transmission Domain, the Customer Care Service Charges in any calendar month during a Contract

Year shall be the product of (x) the applicable Account Charge divided by **[Redacted]**, multiplied by (y) the number of Transmission Accounts in that month, where “*Transmission Accounts*” means those accounts supported by the Lodestar billing system.

- (c) *Customer Care Learning and Knowledge group.* BCH may request, and if requested ABSBC shall provide, ad hoc Services from the Customer Care Learning and Knowledge group on a time and material basis, and any time expended in providing such Services shall be payable on a VRC Hourly Rate basis as provided at Section 3.7 below.

3.3 IT-AM Service Charges

- (a) *General.* The IT-AM Service Charges are based upon the consumption of the IT-AM Services, as described in this Section 3.3.
 - (i) Attachment A sets forth a fixed rate charge (the “*IT-AM Annual Charge*”) applicable in each Contract Year for the IT-AM Services.
 - (ii) Attachment C sets forth, in respect of the IT-AM Services, (x) premium ARCs (“*IT-AM Premium ARC Rates*”) and RRCs (“*IT-AM Premium RRC Rates*”) and (y) basic ARCs (“*IT-AM Basic ARC Rates*”) and RRCs (“*IT-AM Basic RRC Rates*”).
 - (iii) Attachment G sets forth a list of BCH software applications to which the IT-AM Services apply (each, an “*IT-AM Application*”), and the component of the portion of the IT-AM Annual Charge (if any) associated with each IT-AM Application, or group of IT-AM Applications (in each case, the “*IT-AM Application Annual Charge*”). Those IT-AM Applications that the Parties have agreed are critical (identified as “CSL” in the “AML” column of Attachment G) are “*IT-AM Premium Applications*”, and all other IT-AM Applications are “*IT-AM Basic Applications*”.
 - (iv) Attachment I sets forth illustrative examples of the calculation of, and adjustments to, the IT-AM Service Charge pursuant to this Section 3.3.
 - (v) For the purposes of calculating adjustments to the IT-AM Service Charge arising from an adjustment to, or the addition or deletion of, any IT-AM Application pursuant to Section 3.3(c) below, and unless otherwise agreed in writing by the Parties, the Parties shall apply the standard estimating models described in Section 3 of Appendix B.3.1 to Schedule 4.2 of the AMSA (the “*IT Estimating Models*”) to obtain an annual hourly run estimate with respect to such IT-AM Application (the “*IT-AM Application Run Estimate*”), which IT-AM Application Run Estimate (as calculated by the standard estimating models) shall be final, and not otherwise subject to validation, adjustment, negotiation or approval.

(b) *IT-AM Service Charges*

- (i) *General:* The IT-AM Service Charge (subject to adjustment in accordance with this Schedule 10.1) shall be calculated on a monthly basis, and shall be the IT-AM Annual Charge for the applicable Contract Year, divided by twelve.
- (ii) *Attachment Adjustments.* In the event of an adjustment to the IT-AM Annual Charge and/or the IT-AM Applications pursuant to Section 3.3(c) below, the Parties shall promptly update Attachments A and G (as the case may be) to reflect such adjustment.

(c) *Adjustment of IT-AM Applications*

- (i) In the event that IT-AM Applications have been adjusted pursuant to the agreement of the Parties during a Contract Year:
 - (A) With respect to each of such adjusted IT-AM Application that has not been retired as at the conclusion of that Contract Year (the “*IT-AM Adjusted Applications*”), promptly following the conclusion of that Contract Year the Parties shall aggregate all IT-AM Application Run Estimates conducted in respect of that IT-AM Adjustment Application (an “*IT-AM Adjustment Estimate*”).
 - (B) The IT-AM Annual Charge for each Contract Year remaining during the Agreement Term shall be automatically decreased or increased (as the case may be) by the amount “*Z*” in the equation below:

[Redacted]

Where:

- (I) **A** = The aggregate IT-AM Adjustment Estimates for those IT-AM Adjusted Applications that are IT-AM Premium Applications.
- (II) **B** = The aggregate IT-AM Adjustment Estimates for those IT-AM Adjusted Applications that are IT-AM Basic Applications.
- (III) **C** = (i) if A is negative, the IT-AM Premium RRC Rate, and (ii) if A is positive, the IT-AM Premium ARC Rate.
- (IV) **D** = (i) if B is negative, the IT-AM Basic RRC Rate, and (ii) if B is positive, the IT-AM Basic ARC Rate.

- (C) If Z is negative, BCH shall compensate ABSBC for any Adjustment Demobilization Costs incurred by ABSBC directly as a result of adjustments to the IT-AM Adjusted Applications, *provided that* ABSBC shall make reasonable commercial efforts to mitigate the incursion of Adjustment Demobilization Costs.
- (D) The IT-AM Application Annual Charge for each IT-AM Adjusted Application shall be automatically increased or decreased (as the case may be) by the amount “W” in the equation below:

[Redacted]

Where:

- (I) **J** = the IT-AM Adjustment Estimate for the IT-AM Adjusted Application
 - (II) **K** = (i) if J is positive and the IT-AM AM Adjusted Application is an IT-AM Premium Application, the IT-AM Premium ARC Rate, (ii) if J is negative and the IT-AM Adjusted Application is an IT-AM Premium Application, the IT-AM Premium RRC Rate, (iii) if J is positive and the IT-AM Adjusted Application is an IT-AM Basic Application, the IT-AM Basic ARC Rate, and (iv) if J is negative and the IT-AM Adjusted Application is an IT-AM Basic Application, the IT-AM Basic RRC Rate.
- (ii) *Addition of IT-AM Applications.* In the event that the Parties agree to add a software application to the IT-AM Applications (an “***IT-AM Added Application***”) in any Contract Year:
- (A) The Parties shall promptly obtain an IT-AM Application Run Estimate with respect to the IT-AM Added Application.
 - (B) The IT-AM Annual Charge for each Contract Year remaining during the Contract Year (with effect from the month immediately following the installation of the IT-AM Added Application) shall be automatically increased by the amount “Y” in the equation below:

[Redacted]

Where:

- (I) **G** = The IT-AM Application Run Estimate for the IT-AM Added Application.

- (II) **H** = (i) if the Parties have agreed that the IT-AM Added Application is an IT-AM Premium Application, the IT-AM Premium ARC Rate, and (ii) if the Parties have agreed that the IT-AM Added Application is an IT-AM Basic Application, the IT-AM Basic ARC Rate.
- (iii) *Deletion of IT-AM Applications.* In the event that the Parties agree to retire an IT-AM Application (an “**IT-AM Retired Application**”) in any Contract Year:
 - (A) The IT-AM Annual Charge for each Contract Year remaining during the Agreement Term (with effect from the month immediately following the retirement of the IT-AM Retired Application) shall be automatically decreased by an amount equal to the IT-AM Application Annual Charge associated with such IT-AM Retired Application (if any), *provided that* if the IT-AM Retired Application forms a part of a group of IT-AM Applications with which a single IT-AM Application Annual Charge is associated, the IT-AM Annual Charge shall be reduced by that fraction of such IT-AM Application Annual Charge as the Parties agree in writing.
 - (B) The IT-AM Application Annual Charge (or fraction thereof, as the case may be) for the IT-AM Retired Application shall be automatically deleted from Attachment G.
 - (C) **[Redacted]**, *provided that* ABSBC shall make reasonable commercial efforts to mitigate the incursion of Adjustment Demobilization Costs.
- (d) *IT-AM Minimum Threshold Event.* If at the conclusion of any Contract Year during the Agreement Term, the IT-AM Annual Charge for that Contract Year (as adjusted pursuant to this Section 3.3) is less than **[Redacted]** (an “**IT-AM Minimum Threshold Event**”), Section 17.2.5 shall apply.

3.4 TPC Service Charges

- (a) *General.* The TPC Service Charges in any given Contract Year during the Agreement Term shall be the aggregate costs for the TPCs in such Contract Year, as conveyed on a cost pass through basis by ABSBC, all as described in this Section 3.4. It is understood by the Parties that further revision and clarification to Attachment E is expected to be completed by the Parties as part of the AMSA Transition Plan prior to the AMSA Commencement Date to further describe the TPCs contained within the TPC List.

(b) *TPC Service Charges.*

- (i) *TPC Estimate.* No later than **[Redacted]** of each Contract Year, the Parties shall agree upon the estimated aggregate TPC Service Charges (in each case, a “*TPC Estimate*”) that the Parties anticipate shall accrue during the following Contract Year (in each case, the “*TPC Period*”). The Parties shall agree upon the TPC Estimate for the Contract Year commencing from the AMSA Commencement Date as part of the AMSA Transition Plan. The TPC Estimate shall be pro-rated on an equal monthly basis over the TPC Period, with each monthly pro-rated amount being added to the regular monthly invoice rendered by ABSBC to BCH during the TPC Period. In the event that either Party (acting reasonably and in good faith) subsequently determines that the TPC Estimate has been incorrectly determined such that an adjustment in excess of **[Redacted]** is required, such Party shall advise the other Party in writing, and the Parties shall promptly engage in good faith discussions to appropriately revise the TPC Estimate.
- (ii) *TPC Adjustment.* ABSBC shall pro-actively monitor the actual TPC Service Charges incurred in each TPC Period relative to the TPC Estimate, and in respect of each TPC Period:
 - (A) in the invoice rendered to BCH in the first month following such TPC Period shall either credit or debit (as the case may be) BCH for the difference between the TPC Estimate applicable to such TPC Period and the aggregate TPC Service Charges that actually accrued during such TPC Period; and
 - (B) no later than **[Redacted]** business days following the TPC Period, ABSBC shall provide BCH with true-up information in respect of such credit or debit (as the case may be).
- (iii) *TPC Audit.* BCH shall have the right to audit ABSBC to confirm the TPC Estimate in respect of any TPC Period, and to verify the actual aggregate TPC Service Charges that accrue during any TPC Period. Article XIV of the AMSA shall apply to audits performed under this Section 3.4(b)(iii).

(c) *Modifications to TPCs.*

- (i) Notwithstanding ABSBC’s management and administration responsibilities in respect of the TPCs as set forth in the AMSA and Limited Partnership Agreement, the prior written consent of BCH (which consent shall not be unreasonably withheld or delayed) shall be required in connection with any proposed amendment, modification, renewal or termination of a TPC, any addition of a third party contract to the TPC List, or any proposed substitution of a supplier engaged pursuant to a TPC (collectively, “*TPC Modifications*”).

- (ii) On a regular basis during the Agreement Term, ABSBC shall provide BCH with updates concerning all expected or proposed amendments, modifications, renewals, price increases, performance issues, defaults and any other material developments in relation to the TPCs.
- (iii) Either Party may propose a TPC Modification by submitting a Change Order Request pursuant to the Change Order procedures set out at Section 8.12 to the AMSA, *provided that*:
 - (A) the submitting Party must attach to any such Change Order updated versions of Attachment E to this Schedule 10.1 and the Schedules that comprise the Master List (as defined below at Section 3.4(e)) reflecting proposed revisions to the TPC List (if any), which updated versions (as may be revised in the course of the Change Order procedures) shall automatically replace the then existing versions of such Attachment and Schedules upon finalization of the Change Order; and
 - (B) with respect to each TPC Modification that constitutes an addition of a third party contract to the TPC List, and where the costs associated with such contract are reasonably expected be less than **[Redacted]** in each Contract Year, BCH may elect (in its sole discretion) that such contract not be added to the TPC List, and the costs associated with such contract be added to the Base Service Charges.
- (iv) If a TPC Modification has been approved, and the Parties have agreed that the cost associated with such TPC Modification is to be included in the TPC Service Charges on a cost-pass through basis in the then current TPC Period (in each case, a “***TPC Modification Charge***”), such cost shall be charged to BCH as follows:
 - (A) if the TPC Modification Charge to be incurred in that TPC Period is equal to or less than **[Redacted]**, it shall be recovered by ABSBC at the conclusion of the TPC Period pursuant to Section 3.4(b)(ii) above; and
 - (B) if the TPC Modification Charge to be incurred in that TPC Period is greater than **[Redacted]**, it shall be added to the TPC Estimate, and the monthly amounts owing by BCH in respect of the TPC Estimate shall be adjusted on a pro-rated monthly basis for the balance of the TPC Period to account for such addition to the TPC Estimate,
- (v) For the avoidance of doubt, ABSBC shall not pass through to BCH, and BCH shall not otherwise be responsible for, any costs associated with any

TPC Modification if ABSBC has failed to comply with its obligations with respect to such TPC Modification under this Section 3.4(c).

- (d) *Charges for non-TPC third party contracts.* ABSBC shall not pass-through to BCH any costs associated with any third party contract that is not listed in the TPC List, unless BCH has given its prior written consent.
- (e) *Master List.* ABSBC shall continue to be responsible for the administration and operation of, and to be financially responsible for, all third party contracts held by Newco or BCH for the exclusive purpose of supporting the performance of the Services, as listed in Schedule 6.1(c) of the AMSA and Schedule 17.1(a) of the Limited Partnership Agreement (as such Schedules may be updated or amended) (collectively, the “*Master List*”).
- (f) *Schedule Adjustments:* In the event of a TPC Modification, the Parties shall promptly update the Schedules that constitute the Master List, and Attachment E to this Schedule 10.1, as necessary to reflect the TPC Modification. The Parties shall record the TPC Modifications through the adoption of a Change Order described at Schedule 8.12(d) of the AMSA.

3.5 Discretionary Service Charges

- (a) *General.* The Discretionary Service Charges are based upon the consumption, **[Redacted]**, of FTEs associated with Discretionary Service Domains, as described in this Section 3.5. Attachment A sets forth **[Redacted]** charges (each, a “*Discretionary Annual Charge*”) applicable in each Contract Year for each Discretionary Service Domain. Attachment B sets forth a baseline number of FTEs (the “*Discretionary FTE Baseline*”) for each Discretionary Service Domain. Attachment C sets forth annual ARCs (“*Discretionary ARC Rates*”) and RRCs (“*Discretionary RRC Rates*”) applicable to each Discretionary Service Domain.
- (b) *Discretionary Service Charges.*
 - (i) The monthly Discretionary Service Charge for a Discretionary Service Domain (subject to adjustment in accordance with the terms and conditions of this Schedule 10.1) shall be the applicable Discretionary Annual Charge for the applicable Contract Year divided by **[Redacted]**.
 - (ii) In the event of an adjustment to a Discretionary Service Domain’s Discretionary FTE Baseline and Discretionary Annual Charge pursuant to Sections 3.5(c) below:
 - (A) the Parties shall promptly update Attachments A and B to this Schedule 10.1 to reflect such adjustment; and
 - (B) the consequent adjustment to the applicable Discretionary Service Charge shall apply from the calendar month in which BCH

required FTEs to be added or removed (as the case may be) from the Discretionary FTE Baseline.

(c) *Adjustments to Discretionary FTE Baseline.*

(i) *Increase in Discretionary FTE Baseline.* If BCH requires FTEs to be added to the Discretionary FTE Baseline for any Discretionary Service Domain pursuant to Section 4.2.2 of the AMSA (such added FTEs being the “**Added Discretionary FTEs**”), then:

(A) the Discretionary FTE Baseline shall be increased by the number of Added Discretionary FTEs; and

(B) the applicable Discretionary Annual Charge shall be increased by an amount equal to **[Redacted]**.

(ii) *Decrease in Discretionary FTE Baseline.* If BCH requires FTEs to be removed from the Discretionary FTE Baseline for any Discretionary Service Domain pursuant to Section 4.2.2 of the AMSA (the removed FTEs being the “**Removed Discretionary FTEs**”), then:

(A) the Discretionary FTE Baseline shall be reduced by the number of Removed Discretionary FTEs; and

(B) the applicable Discretionary Annual Charge shall be decreased by an amount equal to **[Redacted]**.

provided that ABSBC may charge BCH for Adjustment Demobilization Costs arising directly as a consequence of the decrease in the Discretionary FTE Baseline contemplated in this paragraph 3.5(c)(ii). ABSBC shall make reasonable commercial efforts to mitigate the incursion of Adjustment Demobilization Costs.

3.6 TempWorks

From time to time, as BCH requires the use of TempWorks resources to perform certain Aligned Services, ABSBC shall reflect in each applicable invoice the amounts payable in respect of the TempWorks resources used by BCH in the prior month. ABSBC shall bill such amounts based on the TempWorks rates set forth at Attachment A to this Schedule 10.1 (the “**TempWorks Rates**”).

3.7 VRC Hourly Rates

(a) *General.* Attachment D sets forth hourly rates (“**VRC Hourly Rates**”) applicable to various categories of ABSBC personnel (“**VRC Categories**”). As contemplated at Section 4.5(b) of the AMSA, BCH (in its sole discretion) may request that ABSBC perform, and ABSBC shall perform, Aligned Services, and the labour

required to perform such Aligned Services shall be priced in accordance with the VRC Hourly Rates.

- (b) If, during any calendar month during the Agreement Term, BCH obtains Aligned Services which the Parties have agreed shall be payable on a VRC Hourly Rate basis, the Service Charge payable in respect of such Services shall be an amount equal to the sum of the VRC Amounts of all VRC Categories, where “**VRC Amount**” means, for each VRC Category:
 - (i) (x) the total hours (if any) that ABSBC personnel categorized under that VRC Category worked during that month in providing the Services, multiplied by (y) the applicable VRC Hourly Rate; plus
 - (ii) travel expenses and **[Redacted]** (if any) incurred by such ABSBC personnel directly as a result of providing the Services.
- (c) Notwithstanding the foregoing, the Parties agree and acknowledge that BCH may not utilize more than **[Redacted]** of the “Customer Care Emergency” VRC Category in any given month during a Contract Year.

3.8 Adjustments to Service Charges for In-Scope Services.

- (a) *Actual Service Charges.* On each anniversary of the AMSA Commencement Date, the Base Service Charges, the Customer Care Service Charges, the IT-AM Service Charges and the Discretionary Service Charges shall be set at the lower of the following, as applicable:
 - (i) the predetermined annual price pursuant to Attachment A (as adjusted in accordance with this Schedule 10.1);
 - (ii) the benchmarked rates determined in accordance with subsection (c) below; or
 - (iii) the **[Redacted]** determined in accordance with subsection (d) below.
- (b) *Cost of Living Adjustments.* On the AMSA Commencement Date, and thereafter on each anniversary of the AMSA Commencement Date, the Base Service Charges, the Discretionary Service Charges, the Customer Care Service Charges, the IT-AM Service Charges, the Base ARC Rates, Base RRC Rates, Discretionary ARC Rates, Discretionary RRC Rates and Tempworks Rates (but not, for the avoidance of doubt, the TPC Service Charges, Service Charges arising from the PE Services or the VRC Hourly Rates) shall be adjusted for increases in inflation in accordance with Section 10.5 of the AMSA.
- (c) *Benchmarking.* In any Contract Year, the Service Charges for the In-Scope Services shall be the lesser of (x) the Service Charges for the In-Scope Services determined pursuant to Section 3.1 of this Schedule 10.1 or (y) the Service

Charges for the In-Scope Services determined pursuant to the Benchmarking Process set forth in Section 5.3 of the AMSA.

- (d) **[Redacted]**
- (e) *ARC Rates and RRC Rates.* Except as provided at Section 3.8(b) above, the Base ARC Rates, Base RRC Rates, Discretionary ARC Rates and Discretionary RRC Rates shall not be subject to adjustment, and shall be valid for the duration of the Agreement Term.
- (f) *Adjustments to VRC Hourly Rates.* The VRC Hourly Rates shall be adjusted at the beginning of each Contract Year to reflect required changes to the VRC Hourly Rates' skill mix, and the tracking of such adjustment shall be initiated and implemented in accordance with the Change Order protocol set forth in Section 8.12 of the AMSA; *provided that* in any event all VRC Hourly Rates shall be provided at a **[Redacted]** rate **[Redacted]**.
- (g) *Additional Adjustments.* Additional adjustments to the pricing for the Service Charges for the In-Scope Services may occur as a result of a Service Discontinuance pursuant to Section 4.6 of the AMSA (all such events being "*Additional Adjustment Events*"). Such pricing adjustments shall be effected in accordance with Section 4.6 of the AMSA for any Service Discontinuance.

3.9 COR Pricing Principles.

- (a) *General.* In the event that a Change Order as described in Section 8.12(d) to the AMSA requires an adjustment to Service pricing (including Service Charges) under the AMSA, such pricing shall be adjusted pursuant to the terms and conditions set forth in Article 3 of this Schedule 10.1.

3.10 Substantiation of Service Charges. Concurrently with the delivery of each BCH invoice (as described at Section 10.7 of the AMSA), ABSBC shall provide BCH (in electronic format compatible with BCH's financial computer systems) with a substantiation of the calculation of the invoiced Service Charges as set forth in this Schedule 10.1, in the form set forth at Attachment J.

4. OTHER PAYMENTS

4.1 Other Payments. In respect of those items set forth in this Section 4.1, ABSBC shall charge and invoice BCH or BCH shall charge and invoice ABSBC, as applicable, for certain amounts related to the provision of Services but not included among the Service Charges, as follows:

- (a) *Support Services Agreement.*
 - (i) On each invoice, ABSBC shall reflect amounts invoiced by BCH to ABSBC pursuant to Section 5.2 of the Support Services Agreement. It being understood by the Parties that all amounts invoiced under such

Support Services Agreement are to be on a pass-through or net basis to ABSBC.

- (ii) At any time that ABSBC discontinues the use (for any reason) of any Licensed Site or of any SSA Service, or in the case of the termination of the entire Support Services Agreement, the Parties shall establish by mutual agreement the applicable “*SSA Termination Amount*” in the manner set forth in the Support Services Agreement. Thereafter, on each invoice after such discontinuance or termination during the Agreement Term, ABSBC shall reflect as a charge on the invoice an amount equal to the aggregate of all such SSA Termination Amounts. The SSA Termination Amount shall be payable by BCH notwithstanding the expiration or termination of the Support Services Agreement.
- (iii) Additionally, if any discontinuance or termination occurs, BCH shall be responsible for certain on-going incremental costs related to such discontinuance or termination in accordance with Sections 9.3(a)(i)(B) and 9.3(a)(ii)(B) of the Support Services Agreement. All such amounts shall be reflected on invoices hereunder.

(b) *Marketing Assistance.* **[Redacted]**

(c) **[Redacted]**

(d) *Westech External Services.*

- (i) The terms and conditions set forth in this Section 4.1(d) apply solely to events, acts or omissions occurring prior to the AMSA Commencement Date, and have no further effect with respect to events, acts or omissions following the AMSA Commencement Date.
- (ii) The Parties acknowledge that there are some Services to be provided to parties other than BCH by ABSBC or their Affiliates (collectively, the “*External Westech Services*”) which will be performed after the Service Commencement Date by ABSBC personnel (and which were performed prior to the Service Commencement Date by Westech personnel). **[Redacted]**.

(iii) **[Redacted]**

(iv) **[Redacted]**

(v) **[Redacted]**

(e) *BC Gas Meter Reading.*

(i) **[Redacted]**

(ii) [Redacted]

(iii) [Redacted]

4.2 Net Amounts Invoiced. In the event that the net amount on any monthly invoice to BCH under this AMSA (taking into account all amounts reflected on such invoice, including, without limitation, applicable amounts under Section 4.1 (including all applicable taxes) of this Schedule 10.1) indicates that an amount is payable by ABSBC to BCH, then such amount shall be due and payable on the last business day of the calendar month in which such invoice is delivered to BCH.

Service Charges

[Redacted]

Baseline Volume Bands and Discretionary FTE Baselines

[Redacted]

ARC Rates and RRC Rates

[Redacted]

VRC Rates

[Redacted]

TPC List

[Redacted]

Permanent Pricing Transition Payment

[Redacted]

Application Maintenance Portfolio

[Redacted]

IT Discretionary Service Skills

[Redacted]

IT-AM Service Charge Calculations

[Redacted]

Substantiation of Service Charges

[Redacted]