



**Rideau Transit Group**  
805 Belfast Road  
Ottawa, ON K1G 0Z4

16 March 2021

**City of Ottawa**  
110 Laurier Avenue West  
Ottawa, ON K1P 1J1

Our Reference:	RTG-OTT-00-0-LET-1109
Project Agreement Reference:	N/A

**Attention: Michael Morgan**  
Director, Rail Construction Program

**Subject: Term Sheet - Temporary Service Level Decrease**

Dear Mr. Morgan:

Please find attached the signed term sheet dated as of March 10, 2021 documenting the agreement between the Rideau Transit Group General Partnership ("RTG") and the City of Ottawa (the "City") with respect to a Variation pursuant to the Project Agreement dated February 12, 2013 between the City and RTG as amended, restated or varied from time to time, in respect of a Temporary Service Level Decrease.

Should you have any questions, concerns, or require additional information please do not hesitate to contact us.

Regards,

**Nicolas Truchon, CFA, MBA**  
CEO  
*Rideau Transit Group General Partnership*

Attachments: Reduced Service Term Sheet

cc.: City: Lorne Gray, Troy Charter  
RTG: Ayman Ghaffar

## March / April 2021 Adjusted Service Plan Term Sheet

### Term Sheet regarding Variation for a Temporary Service Level Decrease

#### Purpose and Background

The purpose of this term sheet dated as of March 10, 2021 (“**Term Sheet**”) is to document the agreement between the Rideau Transit Group General Partnership (“**RTG**”) and the City of Ottawa (the “**City**”) with respect to a Variation pursuant to the Project Agreement dated February 12, 2013 between the City and RTG as amended, restated or varied from time to time (the “**Project Agreement**”) in respect of a Temporary Service Level Decrease (as defined below) for the March 2021 and April 2021 Contract Months. This Temporary Service Level Decrease is being implemented to take advantage of the period of low ridership and in order to improve reliability of the System.

In consideration of the mutual promises and agreements in this Term Sheet and other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party, the Parties agree as follows:

Heading	Terms
<b>Title</b>	Term Sheet regarding Variation for Temporary Service Level Decrease for the Contract Months of March 2021 and April 2021.
<b>Parties</b>	<p>(1) City of Ottawa</p> <p>(2) Rideau Transit Group General Partnership, by its Partners ACS RTG Partner Inc., SNC RTG Partner Inc. and EllisDon RTG Partner Inc.</p> <p>(individually a “<b>Party</b>” and collectively the “<b>Parties</b>”).</p>
<b>Binding Nature of Term Sheet/Duty of Collaboration between the Parties</b>	The Parties intend to append this Term Sheet to a Variation Confirmation (the “ <b>Variation Confirmation</b> ”) to be issued by the City within ten (10) Business Days after the execution of this Term Sheet. The Parties acknowledge that this Term Sheet is an enforceable agreement which, until the execution of the Variation Confirmation, is binding on the Parties. If no Variation Confirmation is executed, this Term Sheet shall remain binding on the Parties.
<b>Definitions</b>	Capitalized terms not defined in this Term Sheet shall have the meaning given to them in the Project Agreement.

Heading	Terms
<p><b>Temporary Service Level Decrease</b></p>	<ol style="list-style-type: none"> <li data-bbox="553 317 1399 600">1. The Parties mutually agree that RTG shall implement the following temporary service level decrease (the “<b>Temporary Service Level Decrease</b>”) on March 1, 2021 (the “<b>Commencement Date</b>”) until April 30, 2021 or such other date as may apply pursuant to Section 4 below (the “<b>Cessation Date</b>” being the day before either of the Resumption Date or the Early Resumption Date, each defined below, as the case may be): <ol style="list-style-type: none"> <li data-bbox="646 621 1399 726">a. RTG will put into service eleven (11) double car trains during the weekday morning Peak Period and afternoon Peak Period service; and</li> <li data-bbox="646 747 1399 989">b. There will be no change to weekends, holiday, or off-Peak Period Service Levels. For greater clarity, current launch and reduction times, as well as train counts for early morning, mid-day, early and late evening and night will remain unaltered. Peak Period train counts for both the morning Peak Period and afternoon Peak Periods will be eleven (11) trains.</li> </ol> </li> <li data-bbox="553 1010 1399 1146">2. The Parties agree that this Temporary Service Level Decrease constitutes a Minor Service Change and as a result, does not result in any adjustment to the Annual Service Payment or other compensation to RTG except as expressly set out herein.</li> </ol>

Heading	Terms
<p><b>Return to Prior Service Level</b></p>	<p>3. Unless notice is received under Section 4 below, RTG shall resume Service Level 1 on May 1, 2021 (the "<b>Resumption Date</b>"). For greater clarity, effective Monday May 3, 2021 (unless notice is received and the Service Level is increased earlier pursuant Section 4 below), train service will return to the fifteen (15) AM peak period and thirteen (13) PM peak period service plan.</p> <p>4. Should either Party elect to resume Service Level 1 prior to the Resumption Date, such Party shall provide 7 calendar days written notice (the "<b>Notice Period</b>") to the other Party, and the Parties shall, following the Notice Period, resume service at Service Level 1, or such other Service Level as agreed by the Parties, acting reasonably (the "<b>Early Resumption Date</b>").</p> <p>5. The Parties agree that the 30 day booking period set out under Schedule 15-3, Appendix A, Article 3 shall not apply to the resumption of Service Level 1 as described in Sections 3 and 4 above.</p> <p>6. The Parties agree that the resumption of Service Level 1 as described in Sections 3 and 4 above constitutes a Minor Service Change and as a result does not result in any adjustment to the Annual Service Payment that currently applies.</p>
<p><b>Additional Reporting</b></p>	<p>7. Within seven (7) days of the Resumption Date or the Early Resumption Date, as applicable, RTG will provide the City with a detailed in person (or virtual as necessary) briefing outlining all of the maintenance work that was commenced or completed by RTG and the Project Co Parties during the period of this Term Sheet.</p>
<p><b>Monthly Service Payments and Deductions</b></p>	<p>8. RTG acknowledges and agrees that until the Resumption Date or the Early Resumption Date, as applicable, the Monthly Service Payment to RTG will be reduced by \$100,000 per Contract Month, which amount shall be in addition to any Volume Payment reduction (the "<b>Reduced Service Payment Reduction</b>"). If an Early Resumption Date applies, the Reduced Service Payment Reduction shall be applied pro rata to the portion of the Contract Month for which the Temporary Service Level Decrease was applicable.</p> <p>9. For certainty, RTG's performance metrics in the Project Agreement will be measured against the Temporary Service Level Decrease.</p>

Heading	Terms
<b>No Waiver of Right</b>	<p>10. Other than as expressly set out herein, neither Party waives any rights that it may have under the Project Agreement or at law.</p> <p>11. No reference to this Term Sheet or the related Variation Confirmation shall be made by either Party in any dispute proceeding except that either Party shall be permitted to reference the fact that the Temporary Service Level Decrease was in place between the Commencement Date and the Cessation Date.</p>
<b>No Additional Costs or Relief from other obligations</b>	<p>12. Other than as expressly set out herein, neither Party is entitled to any additional costs as the result of the execution of this Term Sheet and any corresponding Variation Confirmation, and each Party expressly waives its right to claim such costs during the period of the Term Sheet.</p> <p>13. The Parties further acknowledge and agree that this Term Sheet does not relieve either Party from any of their respective obligations under the Project Agreement except as set out expressly herein.</p>
<b>Disputes</b>	<p>14. This Term Sheet is without prejudice to any claims or Disputes that the City or Project Co has or may have against the other party under the Project Agreement.</p>

IN WITNESS WHEREOF the Parties have executed this Term Sheet as of the date first above written.

**CITY OF OTTAWA**

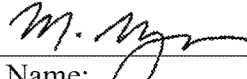
Per:



Name: Troy Charter  
Title: Director, Transit operations

**CITY OF OTTAWA**

Per:



Name: Michael Morgan, Director, RCP  
Title: Michael Morgan, Director, RCP

**RIDEAU TRANSIT GROUP GENERAL PARTNERSHIP, by its partners, ACS RTG PARTNER INC., SNC RTG PARTNER INC. and ELLISDON RTG PARTNER INC.**

**ACS RTG PARTNER INC.**

Per:



Name: Ramon Villaamil  
Title: Director

I have authority to bind the corporation.

**SNC RTG PARTNER INC.**

Per:

Name:  
Title:

Per:

Name:  
Title:

I/We have authority to bind the corporation.

**ELLISDON RTG PARTNER INC.**

Per:

Name:

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**CITY OF OTTAWA**

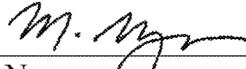
Per:



Name: Troy Charter  
Title: Director, Transit operations

**CITY OF OTTAWA**

Per:



Name: Michael Morgan, Director, RCP  
Title: Michael Morgan, Director, RCP

**RIDEAU TRANSIT GROUP GENERAL PARTNERSHIP, by its partners, ACS RTG PARTNER INC., SNC RTG PARTNER INC. and ELLISDON RTG PARTNER INC.**

**ACS RTG PARTNER INC.**

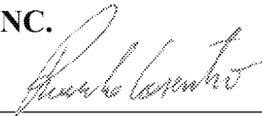
Per:

Name:  
Title:

I have authority to bind the corporation.

**SNC RTG PARTNER INC.**

Per:



Name: Riccardo Cosentino  
Title: Vice President

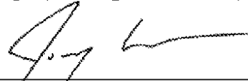
Per:

Name:  
Title:

I/We have authority to bind the corporation.

**ELLISDON RTG PARTNER INC.**

Per:



Name: Joey Comeau  
Title: Chief Operating Officer & Exec. Vice President

I have authority to bind the corporation.