

SHAW DIRECT TERMS OF SERVICE – RESIDENTIAL CUSTOMER AGREEMENT

You (the “Customer”) acknowledge and agree that by paying for any of the Services offered by Shaw Direct, you agree that the following terms and conditions (“Terms of Service”) apply to the provision of the Services. If there is any part of the Terms of Service you do not understand or you wish to clarify, please contact our Customer Care Centre at 1.888.554.7827.

1. **Definitions.** In this document, the following words have the meaning set out beside them:

“**Equipment**” means any or all of the Receiver(s), the Satellite Dish and any ancillary equipment necessary to receive the Services;

“**Receiver**” means the integrated receiver decoder/set top box that is connected to your television in order to decode the programming;

“**Satellite Dish**” means the dish antenna and related components that are installed on the outside of your home;

“**Service(s)**” means, as the context permits, any or all of the services that Shaw Direct provides to you from time to time, including without limitation, programming to one or more Receivers;

“**Shaw Direct**”, “**we**”, “**our**” means Star Choice Television Network Incorporated, Shaw Satellite G.P. and any corporation that either of them controls, is controlled by or is under common control, together with their respective officers, directors, employees and authorized agents.

2. **General.** The Terms of Service set out below reflect the manner in which Shaw Direct provides the Services to you. We may find it necessary to change the Terms of Service from time to time and will notify you of any material change in these Terms of Service. The notice may be provided to you with or on your monthly statement or by separate notice. Non-material changes to these Terms of Service will appear on the Shaw Direct website at www.Shawdirect.ca by way of updated versions of these Terms of Service. If you do not agree with any changes we make to the Terms of Service, you may cancel the Services by calling our Customer Care Centre.

3. **Phone Connection.** Unless Shaw Direct otherwise agrees prior to activation, Shaw Direct requires that each Receiver, excluding DSR 205 and DSR 207, or any other Digital Satellite Receiver (DSR) that does not contain a modem, associated with your account must always be directly connected to an operating land-based telephone line in Canada. Telephone connectivity allows Customer to take full advantage of the services that Shaw Direct offers, including features such as IPPV (described in Section 23), caller I.D., and when available, Interactive Television Service. You agree that you will not directly or indirectly use a single account in connection with more than two (2) residences, and no more than two (2) phone lines will be associated with your account. You will keep Shaw Direct advised of each residential address and phone number associated with your account at all times. In addition, no more than six (6) Receivers will be authorized to receive Services on your account, and all such Receivers must be located within the residence(s) listed on your account and connected to phone lines registered to these residences. If we determine that you have failed to maintain such a direct phone connection, or if the Receivers are not all located within the residence(s) listed on your account and connected to phone lines registered to these residences, we may, in our discretion, disconnect some or all of the Services and/or charge you for Services that have been received by the non-authorized Receiver(s).

4. **Fees and Charges for Services.** You agree to pay in full all amounts billed for Services, including all applicable taxes. All amounts are due on the due date set out in the monthly statement. We will bill you each month in advance for the Services, unless otherwise indicated on the statement. Amounts not paid by the due date are subject to interest and other charges as more particularly described below and in section 5.a . As a Simple Satellite™ Customer, your monthly bill includes all charges related to the Satellite Dish, see section 11. b. for additional information concerning the Simple Satellite™ Customer Warranty. Customers who have amounts outstanding more than forty (40) days past the due date may be subject to a downgrade in Service, restrictions from ordering Pay-Per-View programming or from adding new Services. Customers who have amounts outstanding more than seventy (70) days past the due date may be subject to disconnection of Service. Upon reconnection you will be charged a \$30

reconnection fee. Customers may not upgrade any programming or remove Equipment while any amount is outstanding. Some promotions or offers may require payment of a disconnect fee in the event Customer disconnects Services before a specified time.

5. Other Charges. In addition to the monthly amounts due and payable for Services, you agree to pay any installation charges and the following charges, where applicable:

a. Interest: In the event that payment is not received by Shaw Direct by the due date, you will be charged interest on all overdue amounts at the compound rate of two percent (2%) per month (26.8% per annum) until paid in full.

b. Deposit: Where programming has been deactivated, Shaw Direct may require that the Customer pay a deposit prior to reactivation of the programming. Amounts deposited will appear on the Customer's statement as credits, and any fees payable will be deducted each billing cycle from the deposit amount. Deposits will not accrue interest.

c. Processing Fee: If your account remains unpaid for sixty (60) days you agree to pay a processing fee of \$20.00 for services relating to down-grading or terminating your Service.

d. Satellite Dish Non-Return Fee: For pre-2003 Simple Satellite™ Customers, upon any disconnection of Service, other than a seasonal disconnect, failure by Customer to permit Shaw Direct to de-install the Shaw Direct-owned Satellite Dish will result in a \$150.00 charge to Customer.

e. Returned Payment Fee: In the event that the bank or other institution on which the Customer's payment is drawn refuses to pay Shaw Direct for any reason and the cheque, money order, credit card payment, or other instrument is returned to Shaw Direct without payment, the Customer agrees to pay Shaw Direct a returned payment fee of not more than \$25.00.

f. Pay-Per-View Order Fee: When you order Pay-Per-View movies or events by talking to a Shaw Direct agent using the Pay-Per-View ordering system, you will be charged a service fee of \$3.00 per movie/event ordered. When you order by using the automatic phone ordering system, you will be charged a service fee of \$1.00 per movie/event ordered.

g. Single-Receiver Warranty Fee (optional): Customer's purchasing the Single-Receiver Warranty described in section 11 will be charged a monthly fee of \$2.49.

h. Multi-Receiver Warranty Fee: Customers who own two or more Receivers will be subject to a monthly fee of \$4.99 to receive the warranty protection described in section 11. Customers subscribing to certain programming packages may be exempt from this fee.

i. Receiver Non-Return Fee: If you deactivate services prior to twelve (12) months from the activation date and/or if Shaw Direct deactivates services in accordance with these Terms of Services you are required to return your receiver(s) and remote control(s) to Shaw Direct in good working condition, or you will be charged a Receiver Non-Return Fee of \$200 plus applicable taxes. The length of any seasonal or vacation disconnect periods taken within the first twelve (12) months of service will be added to the above noted twelve (12) months in determining whether a Receiver Non-Return Fee may apply.

6. Seasonal Break Disconnect. You are permitted to disconnect and reconnect Services for periods of not less than fourteen (14) consecutive days and not more than one hundred eighty (180) consecutive days; provided that in each twelve (12) month period you may only disconnect the Services for a total of one hundred eighty (180) days. If you wish to schedule a vacation stop disconnect or reconnect; you must give us instructions for reconnection on a date that is within one hundred and eighty (180) days from the date you request the disconnection. If you do not provide us with a reconnection date or the date of reconnection is greater than one hundred and eighty (180) days, then at the time of reconnection, you will be charged a \$30.00

reconnection fee. To arrange a Season Break without charge, visit www.shawdirect.ca's self-service section or use Shaw Direct automated telephone system.

7. Changes to Fees and Charges. Shaw Direct reserves the right to change the amount of any of the fees or charges billed for Services and to impose additional fees and charges for Services, at any time. Shaw Direct will give you notice of any such changed or additional fees and charges, which notice may be contained with or on your monthly statement or by separate notice and will constitute an amendment to these Terms of Service. YOUR NON-TERMINATION OR CONTINUED USE OF THE SERVICES AFTER YOU ARE NOTIFIED OF THE CHANGES CONSTITUTES YOUR ACCEPTANCE OF THIS AGREEMENT AS MODIFIED BY SUCH CHANGES OR ADDITIONS.

8. Changes to Services. Shaw Direct reserves the right to change the Services at any time, which could include, without limitation, changing the composition or arrangement or any other aspect of the programming. For any changes to the Services, except changes to programming, Shaw Direct will notify you of the change, which notice may be contained with or on your monthly statement or by separate notice and will constitute an amendment to these Terms of Service. Under no circumstances will Shaw Direct be obligated to refund you any amount because of any change to the Services, nor will Shaw Direct be required to replace or supplement any Service changed. YOUR NON-TERMINATION OR CONTINUED USE OF THE SERVICES AFTER YOU ARE NOTIFIED OF THE CHANGES CONSTITUTES YOUR ACCEPTANCE OF THIS AGREEMENT AS MODIFIED BY SUCH CHANGES.

9. Termination and Default.

By Customer. You may terminate any part or all of our Services for any reason at any time by providing us with not less than thirty (30) days advance notice by notifying our Customer Care Centre. You will be responsible for all of the Services charges until the thirty (30) days notice period has lapsed or until the Services has been canceled or disconnected, whichever is later. You will still be responsible for payment of all outstanding amounts accrued up to the date of termination.

By Shaw Direct. We may deactivate the Services at any time upon the occurrence of any of the following: (1) you fail to make any payment owing to Shaw Direct within seventy (70) days of its due date; (2) a material breach by you of any of these Terms of Service not capable of being cured; (3) you fail to cure any other breach or default of any of these Terms of Service within 10 days after you receive written notice of such default; (4) you transfer, encumber or relocate any or all of the Services or any Shaw Direct-owned Equipment; (5) you assign or attempt to assign any of your rights, duties or obligations under these Terms of Service; or (6) any act of bankruptcy on your part or the commencement of bankruptcy proceedings against you.

10. Ownership. If you are a pre-2003 Shaw Direct Simple Satellite™ Customer, you acknowledge and agree that all of the Equipment (excluding any Receivers owned by you) are and shall remain the exclusive property of Shaw Direct, you will not sell, transfer, lease, encumber or assign all or part thereof, and that the Satellite Dish is rented to you as part of your monthly charges. If you are a pre-2003 Shaw Direct Simple Satellite™ Customer and rent your Receiver(s), you acknowledge that you have no right to purchase any of the rented Receivers or other Equipment at any time.

11. Warranty.

a. Receiver(s): If you own your Receiver(s), you will receive the manufacturer's standard limited warranty applicable for a specified period of time after the date of purchase. In addition, Customers that own no more than one (1) Receiver may purchase from Shaw Direct, for a period no less than one (1) year, optional limited warranty coverage for their Receiver. Customers that own two or more Receivers will automatically receive additional warranty coverage on each of their Receivers.

b. Simple Satellite™ Customer Warranty: Simple Satellite™ is the easiest way to experience everything satellite TV has to offer. As a part of this plan Shaw Direct will provide:

i. Professional installation included – a \$150 value which includes:

1. Initial Customer contact by installer confirming the installation date and time.
2. Satellite Dish assembly and mounting to your home (single family structure.)
3. Placement and connection of hardware from Satellite Dish/LNB to one (1) Receiver.
4. Testing of entire Customer drop for continuity, including measuring and recording signal levels.
5. Placement of ground attachment.
6. Consultation concerning the options to connect the Phone Connection, as required under section 3.
7. Contact Shaw Direct Customer Care Centre for system activation.
8. Demonstration of receiver operation to Customer.
9. Sealing of all entry holes plus installation of proper wall plates.
10. Any costs over and above a basic installation must be paid by the Customer directly to the installer.

ii. Satellite Dish and installation if you move at no additional cost. In the event that you move, Shaw Direct will provide you with a Satellite Dish and installation at no additional cost at your new residence (Note: this offer is only valid to you: a) if you have been a Shaw Direct customer for more than a twelve (12) month period; b) if your account is in good standing; and c) for one (1) move per twelve (12) month period). Customers who move into an apartment or other rental property must have obtained the consent of the owner or landlord to attach the equipment to the building prior to arranging installation. Customers who move into a condominium or strata unit are required to have valid authorization (from the by-laws or otherwise from the governing body) to attach the equipment to the building prior to arranging installation.

iii. Limited lifetime warranty on all exterior equipment. The Satellite Dish warranty for Simple Satellite™ covers all outside equipment, including replacement and labour costs for the Satellite Dish, LNB, and outside wiring. Items that are not covered by the Simple Satellite™ Warranty include:

1. Equipment damage or loss of signal as a result of tampering with the Satellite Dish and outside equipment.
2. DSR satellite receiver and remote control.
3. Replacement and labour costs arising from self installations.
4. Satellite Dish Upgrades

12. **No Waiver.** No failure to exercise and no delay in exercising, on the part of Shaw Direct, any right, power or privilege hereunder will operate as a waiver hereof.

13. **Questions about Billing.** In the event that there is a perceived error in any bill or statement, the Customer may contact Shaw Direct via telephone at 1.888.554.7827, or in writing at Suite 100, 2400 – 32nd Avenue NE., Calgary, Alberta T2E 9A7. Any contact in writing should include:

- i. the Customer name and account number;
- ii. an explanation of the suspected error; and

iii. any suggestions you may have as to why the problem occurred and how it may be solved. You must contact Shaw Direct within twenty (20) days of receipt of the bill or statement that contains the alleged error. Any undisputed amounts must be paid by the payment due date to avoid any administrative late charges.

14. Collections. In the event that Shaw Direct chooses to use a collection agency or legal counsel to collect any amounts owing by the Customer or to assert any other right Shaw Direct may have against the Customer by virtue of these Terms of Service, the Customer agrees to pay the reasonable costs of collection or other action including, but not limited to the costs of the collection agency, reasonable legal fees, and applicable court costs. Customer acknowledges that, in the event of Customer's failure to pay amounts owing to Shaw Direct, Shaw Direct may notify credit and/or collection agencies of Customer's non-payment, which may have an adverse effect on the Customer's ability to obtain credit.

15. No Warranties. Shaw Direct shall have no liability with respect to the content of the programming provided to the Customer.

16. Liability for Unauthorized Use. In the event that any of the Equipment is stolen or otherwise removed from your premises, you must notify our Customer Care Centre immediately, but in no event more than five (5) days after such removal. In the event Shaw Direct is not notified accordingly, you shall be liable for unauthorized use of the Equipment until such time as Shaw Direct is notified.

17. Compliance with Laws by Customer. It is Customer's responsibility to ensure compliance with all applicable building codes, zoning ordinances, covenants, conditions and restrictions (collectively "Laws") related to the installation of the Equipment provided under this Agreement, to pay any fees or other charges, and obtain any permits or other authorizations necessary for installation of Equipment and reception of the Services. You are solely responsible for any fines or similar charges for installation or service in violation of any Laws. Removal of any of the Equipment due to failure to comply with any Laws will not alter or relieve your obligations under these Terms of Service. If you do not own the Equipment location, you represent that the installation of the Equipment has been approved by, and that Shaw Direct's interest in the Equipment will not be encumbered by any conflicting interest of, any and all owners and encumbrances of the real property, and you will indemnify us if this is not true. The Equipment shall not be removed from your current residence without our consent.

18. No Transfer. Neither the Services nor any of the Equipment may be assigned or transferred by you without the prior consent of Shaw Direct.

19. Viewing. You acknowledge that the Services are to be viewed only in your residence and under no circumstances shall they be exhibited in any common or public area or for any public viewing purposes. Any exhibition other than as set forth above shall constitute a material breach by you and will result in deactivation of the Services. The programming may not be rebroadcast, reproduced, transmitted or performed except as in accordance with these Terms of Service, nor may an admission fee be charged for program viewing.

20. Blackouts. Some of the services contained in the programming, including some subscription services, sports events, and/or broadcast network services, may be blacked out from time to time in your local reception area. Any circumvention of, or attempt to circumvent any such blackout shall constitute a material breach and may also result in legal action against you.

21. Warning Against Piracy. It is against the law to receive the programming or any portion thereof, without the applicable payment to Shaw Direct. Any Customer who willfully causes Equipment modification for the purposes of receiving the programming or any portion thereof without the applicable payment is an accessory to an offence and may be punished accordingly.

22. Assignment of Account. Shaw Direct may sell, assign, or transfer the Customer's account to a third party without notice to the Customer. In the absence of notice of the transfer, the Customer shall continue to remit all payments to the address listed on the Shaw Direct billing statement.

23. **Pay-Per-View.** There are two ways a Customer can order Pay-Per-View movies and events from Shaw Direct.

a. One way is to call our Pay-Per-View phone ordering system at 1.866.782.7778 ahead of time to order your movies and events and order either through an agent or via the automated phone system. The movies and events will be billed to your account upon viewing. See section 5.e for applicable order fees.

b. The other way is to arrange for Instant Pay-Per-View (IPPV) which will allow you to order movies and events using your remote control. To activate IPPV, your Receiver(s) must be continuously connected to a phone line to ensure your account with us remains up-to-date. This service is not available to Receivers that do not contain a modem, such as the DSR 205 and DSR 207. It is your responsibility to ensure your Receivers (excluding DSR 205 and DSR 207) are always connected to a phone line so we can update your account status.

24. **Applicable Law/Entire Agreement.** These Terms of Service shall be governed by the laws of the Province where the Customer's residence is located, and the laws of Canada, including the applicable rules and regulations of the Canadian Radio-television and Telecommunications Commission. The within terms and conditions are subject to amendment, modification, or deletion if required by, or found to be in conflict with, applicable law or regulation, without affecting the validity or enforceability of the remaining terms and conditions. These Terms of Service constitute the entire agreement between the parties with respect to the subject matter hereof and supersede and replace any and all prior agreements. In the event of inconsistency between this version of the Terms of Service and the version online at www.Shawdirect.ca, the online version will prevail.

25. **Satellite Facilities.** The Customer acknowledges that the satellite facilities used by Shaw Direct in the provision of the programming may change from time to time. The Customer understands that each time there is a change in the satellite facilities, realignment or relocation of the Satellite Dish may be required.

26. **Change of Information.** You agree to notify us promptly of any change in your name, billing address, residential address or telephone number by calling our Customer Care Centre.

27. **Rights and Remedies.** The rights and remedies available to Shaw Direct in these Terms of Service are cumulative and are in addition to any other right or remedy available to Shaw Direct at law or in equity.

28. **DISCLAIMER OF CERTAIN LIABILITIES.** IN NO EVENT SHALL SHAW DIRECT BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROGRAMMING, LOSS OF USE OF EQUIPMENT OR ANY OTHER DAMAGES RESULTING FROM THE BREAKDOWN OR FAILURE OF EQUIPMENT, DELAYS IN SERVICING OR THE INABILITY TO SERVICE ANY EQUIPMENT (OR ANY COMPONENT THEREOF) COVERED BY ANY SERVICE WARRANTY PROVIDED BY SHAW DIRECT OR OTHERWISE, WHETHER BASED ON NEGLIGENCE OR OTHERWISE. WE MAKE NO EXPRESS WARRANTIES REGARDING THE SERVICES PROVIDED TO YOU, AND ALL IMPLIED AND STATUTORY WARRANTIES, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY EXPRESSLY DISCLAIMED, EXCEPT IN PROVINCES WHERE IMPLIED OR STATUTORY WARRANTIES CANNOT BE DISCLAIMED, WAIVED OR LIMITED (IN WHICH CASE THE FOREGOING EXCLUSION MAY NOT APPLY TO YOU). NO WARRANTY IS PROVIDED WHATSOEVER FOR THE QUALITY OR CONTINUOUS TRANSMISSION. IN NO EVENT SHALL SHAW DIRECT'S LIABILITY TO YOU EXCEED THE TOTAL AMOUNT PAID TO SHAW DIRECT BY YOU FOR SERVICES.

29. **Arbitration / No Class Action.** Any claim or dispute (whether in contract or tort) arising out of or relating to these Terms of Service, the Services, or any oral or written statements or representations relating to the Services or these Terms of Service (collectively a "Claim") will be referred to and determined by a sole arbitrator (to the exclusion of the courts) whose decision

will be final and binding. Unless prohibited by law, Customer agrees to waive any right Customer may have to commence or participate in any class action suit or proceeding against Shaw Direct arising out of or relating to any Claim and you also agree to opt out of any class proceedings against us. If you have a Claim you will give written notice to us at the address specified in Section 11, with a copy to VP, Law, Suite 900, 630 - 3rd Avenue S.W., Calgary, Alberta, T2P 4L4. If we have a Claim we will give you notice to arbitrate at your billing address. Any arbitration of a Claim will be pursuant to such rules as you and we agree and failing agreement will be conducted by a single arbitrator pursuant to the laws and rules relating to commercial arbitration in the province in which you reside that are in effect on the date of the notice to arbitrate.

Simple Satellite™ Customer Warranty

Welcome to Shaw Direct. We're committed to bringing you the ultimate TV experience and we're confident you'll enjoy all that Shaw Direct has to offer. The following information outlines the benefits of Simple Satellite™ and provides complete details of what is included in your warranty.

What is Simple Satellite™?

Simple Satellite™ is the easiest way to experience everything satellite TV has to offer! As part of this plan Shaw Direct will provide you with the following:

- Professional installation included - \$150 value*
- Satellite Dish and installation, at no additional cost, if you move**

SIMPLE SATELLITE™ DETAILS

Professional Installation

Your Shaw Direct satellite system will be professionally installed. Our Shaw Direct certified installers adhere to rigid standards to ensure a quality installation every time.

Basic Installation

Simple Satellite covers the cost of basic installation – a \$150 value. Which includes:

- Initial customer contact by installer confirming the installation date and time
- Satellite Dish assembly and mounting to your home (single family structure)
- Placement and connection of hardware from Satellite Dish/LNB to one (1) receiver
- Testing of entire customer drop for continuity, including measuring and recording signal levels
- Placement of ground attachment
- Consultation concerning the options to connect the phone connection, as required by the Shaw Direct Terms of Service
- Contact Shaw Direct Customer Care Centre for system activation
- Demonstration of receiver operation to customer
- Sealing of all entry holes plus installation of proper wall plates

Costs over and above a basic installation must be paid by the customer to the installer.

Move Policy

In the event that you move, Shaw Direct will provide you with a Satellite Dish and installation, at no additional cost, at your new residence. Customers are eligible for a maximum of 1 move, at no additional cost per year (this offer is only valid for one (1) move per twelve (12) month period). Customers who move into an apartment, condo or other rental property must get written permission from their landlord prior to arranging for installation.

Satellite Dish Warranty

The Satellite Dish warranty for Simple Satellite™ covers all outside equipment, including replacement and labour costs for the Satellite Dish, LNB and outside wiring up to the point of entry into the house. As a Simple Satellite Customer, your monthly bill includes all charges related to the Satellite Dish. Items that are not covered by the Simple Satellite™ Warranty include:

- Equipment damage or loss of signal as a result of tampering with the Satellite Dish and outside equipment
- Equipment damage or loss of signal as a result of performing home renovations
- Receiver, remote control and inside wiring (covered under regular Service & Warranty agreement)
- Replacement and labour costs arising from self-installations
- Satellite Dish Upgrades

For further details regarding Simple Satellite™ please visit our web site at shawdirect.ca

*Installation included as part of the Simple Satellite Customer Warranty, which is sold as part of the Satellite System.

** Applicable for no more than one (1) move per year.