

SCHEDULE MM - REVENUE COMMITMENT

The Revenue Commitment will be subject to the following terms and conditions:

1. *Revenue Commitment.* The GPS Group acknowledges and confirms that the Revenue Commitment as of the Effective Date is equal to \$83,296,290. The Revenue Commitment will: (a) be used to determine whether Termination Fees are payable as result of a Termination by a GPS Entity under section 31.6 of the main body of this Agreement and to determine (as expressly provided herein) when other obligations under this Agreement no longer apply; and (b) operate as set forth in section 16.6 and this Schedule MM.
2. *Adjustments to Revenue Commitment:*
 - (a) The Revenue Commitment will be subject to the following adjustments:
 - (i) on the first day of each Calendar Year starting in the third Calendar Year and ending in the eleventh Calendar Year, the Revenue Commitment will be automatically increased as follows:
 - A. on the first day of the third Calendar Year, by \$1,249,444;
 - B. on the first day of the fourth, fifth, six, seventh, eighth, ninth and tenth Calendar Years, by \$2,498,889; and
 - C. on the first day of the eleventh Calendar Year, by \$1,249,444 (which, for clarity, will be added to the pro-rated Revenue Commitment amount for such partial Calendar Year);

The parties agree that the adjustments above are based on the Revenue Commitment increasing by an amount equal to 3% of the initial Revenue Commitment in each of Contract Years 3 through 10, prorated to align to Calendar Years. For clarity, any adjustments to the Revenue Commitments contemplated under this Agreement will not adjust the fixed numbers set forth above. For illustrative purposes only, set out in the table in Exhibit MM-1 attached to this Schedule is the Revenue Commitment for the Term, by Calendar Year, without taking into account any adjustments to the Revenue Commitment except under this Section 2. In the event of and to the extent of any inconsistency between the table in Exhibit MM-1 and the other provisions of this Schedule, the other provisions of this Schedule will prevail over and supersede such table in all respects.

- (ii) the Revenue Commitment will be automatically reduced by the Annual Value of any Services that are Cancelled by a GPS Entity for cause or no fault (e.g. Event of Default or No Fault Trigger) or any other reason under this Agreement that contemplates a reduction in the Revenue Commitment;
- (iii) where a GPS Entity has paid TELUS a Termination Fee pursuant to section 31.6 of the main body of this Agreement, the Revenue

Commitment will be reduced by the Annual Value of the Cancelled Service (including circuits, if applicable) as of the Termination Date for such Cancellation;

(iv)

(v)

- (vi) If TELUS has not fulfilled its Cellular Build Target (as defined in the Connecting BC Agreement) pursuant to and in accordance with the Connecting BC Agreement by the 5th anniversary of the Effective Date, the Revenue Commitment will be reduced effective as of the 5th anniversary of the Effective Date by the Annual RC Reduction Amount (as defined in the Connecting BC Agreement) provided, however, that if by the 7th anniversary of the Effective Date TELUS has fulfilled the Cellular Build Target pursuant to and in accordance with the Connecting BC Agreement, the Annual RC Reduction Amount will be added back to the Revenue Commitment effective as of the 7th anniversary of the Effective Date;
- (vii) During the six month period after the transition of cellular subscribers to new rate plans is completed in accordance with the applicable Transition Plans as part of the Transition, the parties will track and report the Eligible Spend on Cellular Services to determine an annualized Eligible Spend amount that is normalized to the volumes of spend used to determine the portion of initial Revenue Commitment that relates to Cellular Services and otherwise calculated in a manner consistent with the agreed methodology used by the parties to calculate the amount of the initial Revenue Commitment (the “**Post Transition Annualized Cellular Spend Amount**”) (with any Dispute with respect to the calculation of such amount being resolved in accordance with the Dispute Resolution

Process). If such amount is less or greater than the portion of the initial Revenue Commitment amount that relates to Cellular Services, then the Revenue Commitment will be adjusted at such time as follows:

- A. where the Post Transition Annualized Cellular Spend Amount is less than the portion of the initial Revenue Commitment amount that relates to Cellular Services, the Revenue Commitment will be decreased by the difference between such amounts; or
 - B. where the Post Transition Annualized Cellular Spend Amount is greater than the portion of the initial Revenue Commitment amount that relates to Cellular Services, the Revenue Commitment will be increased by the difference between such amounts; and
- (viii) Where a party identifies within 12 months of the Effective Date an error in the calculation of the initial Revenue Commitment (e.g. due to a billing rate or volume error) that resulted in the amount of the initial Revenue Commitment being larger or smaller than it should have been based on the agreed methodology used by the parties to calculate the amount of the initial Revenue Commitment, such party may refer the matter to the Strategic Management Committee for a determination by the Strategic Management Committee of whether the initial Revenue Commitment should be adjusted as a result of such error and, if the Strategic Management Committee determines that an adjustment should be made to the initial Revenue Commitment, then the parties agree to execute a Change Order or amendment to adjust the initial Revenue Commitment amount as directed by the Strategic Management Committee.
- (b) For clarity, once an adjustment is made to the Revenue Commitment in a particular Calendar Year during the Term under this section 2(a), other than section 2(a)(i), such adjustment will carry forward and be reflected in the Revenue Commitment for each subsequent Calendar Year (subject to further adjustments made to the Revenue Commitment). For clarity, if an adjustment under section 2(a)(vii) or 2(a)(viii) is required, the initial Revenue Commitment including the amounts specified under section 2(a)(i) will be re-calculated.
- (c) For clarity and by way of example, the Revenue Commitment will not be adjusted to reflect:
- (i) growth in Services consumption by the GPS Group;
 - (ii) additional spend arising from the on-boarding of BPS Entities or the roll-in of contracts between TELUS and any GPS Entities or BPS Entities after the Effective Date;
 - (iii) Cancellation of a Service for convenience under section 31.6 of the main body of this Agreement where the GPS Entity has not paid any Termination Fees to TELUS as a result of such Cancellation;

- (iv) the provision by TELUS to any GPS Entity of any Services not provided by TELUS to such GPS Entity as of the Effective Date (including the provision of any network management services added to the Available Services, as contemplated under section 1.6.2. of the main body of this Agreement and Schedule JJ), whether or not such Services were added to the Services after the Effective Date;
 - (v) any reduction or increase in pricing of a Service as a result of a price review pursuant to section 16.3 (Enhanced Price Review) or section 16.4 (Cellular Price Review) of the main body of this Agreement;
 - (vi) any reduction in pricing pursuant to section 16.5 (BC Public Sector Pricing Protection) of the main body of this Agreement;
 - (vii) any scheduled pricing reductions set out in the Price Book;
 - (viii) reductions or increases in Service volumes arising from Service substitution;
 - (ix) reductions in Service volumes as a result of service optimization; and
 - (x) reductions or increases in Data Services spend by the GPS Group associated with the CE Transition.
- (d) Where new services are added to the Available Services pursuant to the Change Process, the parties will determine the treatment of such Available Services including, subject to section 3(a)(ii) below, whether the Available Service is treated as Eligible Spend and whether the Revenue Commitment will be increased in connection with the addition of such services.

3. *Definition of Eligible Spend:*

- (a) The Fees incurred or other spend (“**Eligible Spend**”) that will count toward satisfying the Revenue Commitment will be the following spend by the GPS Group with TELUS:
 - (i) subject to section 2(d), spend (in any manner) for Core Services, other than Hosted IVR Services, Security Services and professional services, including all increases of such Core Services (i.e., increases in volumes/bandwidth of such existing Core Services and net new units/circuits) and any upgrades of Services;
 - (ii) spend associated with substitute or replacement services (e.g. SIP trunking; VoIP/UC Services) for such Core Services;
 - (iii) SIF dollars used by the GPS Group to fund fees for such Core Services in accordance with the Strategic Relationship Agreement;
 - (iv) Fees for any new services added to the Services, including any network management services added to the Available Services, as contemplated under section 1.6.2. of the main body of this Agreement and Schedule JJ;

- (v) any Recoverable Costs paid by any of the GPS Entities;
 - (vi) spend of BC Hydro and Power Authority and British Columbia Lottery Corporation under their respective cellular services agreements with TELUS existing as of the Effective Date, as described in section 7.1.2 of the main body of this Agreement, other than spend under such agreements with respect to cellular service plans associated with specific data plans as identified in section 10.2.4.4 of attachment H9-A; and
 - (vii) any other spend as agreed by the parties.
- (b) For clarity, except as provided in section 3(a)(iii) above, Eligible Spend will be net of any Service Level Credits and Transition Credits, and will take into consideration any other credits or price reductions associated with the Progressive Data Discount provided by TELUS to the GPS Group under this Agreement.
- (c) For clarity, the payment of any administration fee described in section 11 of Attachment C9-A by a GPS Entity to TELUS will not be included in Eligible Spend.

4. *Tracking of Revenue Commitment.*

- (a) TELUS will calculate and report to the Administrator on the aggregate Eligible Spend of the GPS Group as of June 30 and December 31 each Calendar Year and at the end of the tenth Contract Year during the Term, calculated over the prior twenty-four months and divided by two (the “**Twelve Month Spend**”), provided, however that:
- (i) the Twelve Month Spend will be deemed to be \$83,296,290 as of the Effective Date;
 - (ii) on December 31, 2011, the Twelve Month Spend will be calculated over the period from the Effective Date to and including December 31, 2011 and increased proportionately to reflect a 12 month period;
 - (iii) on June 30, 2012, the Twelve Month Spend will be calculated over the period from the Effective Date to and including June 30, 2012 and adjusted proportionately to reflect a 12 month period;
 - (iv) on December 31, 2012, the Twelve Month Spend will be calculated over the period from the Effective Date to and including December 31, 2012 and adjusted proportionately to reflect a 12 month period; and
 - (v) on the final day of the tenth Contract Year, the Twelve Month Spend will be calculated over the prior twenty-four months and divided by two and then proportionately reduced to reflect the length of the eleventh Calendar Year of the Term.
- (b) Where, at a particular time specified in section 4(a), the Twelve Month Spend is calculated to be at or above an amount equal to the then applicable Revenue

Commitment, any GPS Entity will be entitled to Cancel a Service (including any circuit provided as part of a Service) for any reason (including to go to a TELUS competitor) during the following six month period, and no Termination Fees will be payable by such GPS Entity in connection with such Cancellation.

- (c) Where, at a particular time specified in section 4(a), the Twelve Month Spend is calculated to be less than the then applicable Revenue Commitment (an “**RC Spend Deficiency**”) and a GPS Entity Cancels a Service (including any circuit provided as part of a Service) during the following six month period, TELUS will have the right to charge such GPS Entity a Termination Fee in accordance with section 31.6 of the main body of this Agreement.
 - (d) At the end of each Calendar Year and at the end of the tenth Contract Year the parties will conduct a true-up of the Twelve Month Spend calculated (at the times specified in section 4(a)) during such Calendar Year or partial Calendar Year ending at the end of the tenth Contract Year, as applicable, to the Actual Aggregate Spend during such Calendar Year for the purposes of confirming whether any Termination Fees should have been payable by GPS Entities during such Calendar Year based on the Actual Aggregate Spend during such Calendar Year rather than the calculations of Twelve Month Spend during such Calendar Year. If any such true-up determines that Termination Fees that were paid during such Calendar Year should not have been payable during such period, TELUS will immediately issue a credit against Fees to the GPS Group, as allocated to GPS Entities as directed by the Administrator, to offset any such Termination Fees paid by GPS Entities. If any such true-up determines that Termination Fees should have been payable by any GPS Entities during such Calendar Year but were not, TELUS will immediately be entitled to charge such Termination Fees to the applicable GPS Entities.
 - (e) For clarity, the parties acknowledge and agree that the Revenue Commitment is not intended as a ceiling or cap on Fees which may be payable by the GPS Group to TELUS for Services in a particular Calendar Year. The Fees payable by a GPS Entity in a Calendar Year will be determined in accordance with the Price Book.
5. *Revenue Commitment Top-Up:* Where there is a RC Spend Deficiency or an anticipated RC Spend Deficiency, the GPS Group will have the option to make semi-annual one-time SIF contributions up to an amount such that the RC Spend Deficiency equals zero (the “**RC Top-Up**”), provided, however, that the second of any semi-annual payments must be paid on or before March 31 following the Calendar Year in which there was the Spend Deficiency. The RC Top-Up will be in the form of a cash payment to TELUS which TELUS will allocate to the SIF in accordance with the Strategic Relationship Agreement. The amount of the RC Top-Up (up to the maximum amount contemplated above) will be deemed to be Eligible Spend (and Actual Aggregate Spend) and will be taken into account for the purposes of determining whether the GPS Group had an RC Spend Deficiency for the applicable period. An RC Top-Up will be on a dollar for dollar basis (i.e., one dollar of RC Top-Up will generate one SIF dollar).
6. *Early Satisfaction of Aggregate Contract Revenue Commitment:* Notwithstanding section 4(d) of this Schedule MM, for purposes of this section 6, any Eligible Spend by the GPS Group in a particular Calendar Year including any Eligible Spend that is in excess of the Revenue Commitment for such Calendar Year (which is determined at the end of such Calendar Year) will count towards the GPS Group satisfying the aggregate Revenue

Commitment over the Term. For purposes of this section 6, such aggregate Revenue Commitment over the Term will be calculated as \$922,922,894. as adjusted to reflect the net adjustments to the Revenue Commitment that have been made in accordance with this Schedule MM, other than under section 2(a)(i), as applied to the Revenue Commitment for each Calendar Year of the Term for as long as the Revenue Commitment continues to apply (the “**Aggregate Contract RC**”). By way of example, if the Revenue Commitment is reduced by \$2,000,000 at the end of Contract Year 5, the Aggregate Contract RC would be adjusted down by \$10,000,000. Notwithstanding any other provision of this Schedule MM, upon satisfying the Aggregate Contract RC by incurring Eligible Spend during the Term that is, in the aggregate, equal to or greater than the Aggregate Contract RC, the GPS Group will no longer be required to meet the Revenue Commitment for subsequent Calendar Years and for clarity, the Termination Fees described in section 31.6.2 of the main body of this Agreement, the remedies set forth in section 4 of this Schedule MM and all other obligations with respect to the Revenue Commitment will no longer apply.

EXHIBIT MM-1
ILLUSTRATIVE EXAMPLE OF ADJUSTMENT TO THE REVENUE COMMITMENT UNDER
SECTION 2(a)(i) OF SCHEDULE MM

Calendar Year	Revenue Commitment (as adjusted under Section 2(a)(i) of Schedule MM only)
1 (stub period)	\$41,648,145
2	\$83,296,290
3	\$84,545,734
4	\$87,044,623
5	\$89,543,512
6	\$92,042,401
7	\$94,541,289
8	\$97,040,178
9	\$99,539,067
10	\$102,037,955
11 (stub period)	\$51,643,700
Total for Term	\$922,922,894