Memorandum of Agreement

The Parties:

The Regional Municipality of Waterloo (the “Region”) Owner
and operator of Grand River Transit (“GRT”)

and

Federation of Students, University of Waterloo (the “Federation”)

and

University of Waterloo (UW)

Beginning in the Fall of 2007, the undergraduate student body at the University of
Waterloo will pay an increased Federation of Students fee to cover the services provided
under the Universal Bus Pass agreement between the Region and the Federation dated
August 15th, 2007 (the “UPass Agreement”). In order to prevent fraudulent use of the
service, the Parties have agreed on a number of parameters for the use of the UW ID Card
(the WatCard) to validate users of the service. These parameters will be reviewed prior to
the end of each UW academic term. Following the review, the parameters may be
changed upon mutual agreement of the Parties.

1. Attempted usage by UW Staff / Grad Students / Part Time Students / Faculty – In
cases where a member of any of these groups attempts to board the bus using their
WatCard, they will be denied access to the bus unless they pay a fare. Under no
circumstances will any of their WatCards be confiscated.

2. Fraudulent Use of Undergraduate Student WatCards

GRT reserves the right to verify the identity of a person presenting a WatCard to
ride the bus. In the event that a student presents an expired WatCard, the WatCard
will not be confiscated and the student will be required to pay a fare in order to
ride the bus. In the event that a GRT bus driver suspects that a WatCard is fake or
altered/defaced, the WatCard will be confiscated and the holder will be required
to pay a fare in order to ride the bus. In the event that a GRT bus driver
reasonably suspects that a WatCard does not belong to the card holder, the holder
will be required to provide the bus driver with a second piece of photo
identification in order to ride. If the holder cannot supply such further
identification, the WatCard will be confiscated and the holder will be required to
pay a fare in order to ride the bus.

3. Returning WatCards

   a. Confiscated cards will be returned by the GRT to the WatCard office
      within 24 hours, Fridays and Saturdays excluded. Cards confiscated on
Friday or Saturday will be returned to the WatCard office by 9:00 AM Monday. If the WatCard Office is closed as a result of statutory or UW holidays, confiscated cards will be returned to the WatCard office at the corresponding time on the next business day following the holiday. Cards will be delivered to specified representative(s) of UW where a photo copy of the returned cards will be signed, dated and time stamped.

b. The UW WatCard Office will levy a processing charge of $50 to GRT for any valid WatCard confiscated and/or any confiscated WatCard not returned as provided in 3a. above.

As part of the Bus Pass Working Group, both The Federation of Students and GRT will make best efforts to address concerns regarding rider authentication.

This agreement is in effect from September 1, 2007 to August 31, 2008. Unless as further agreed or renegotiated by the Parties, this agreement will terminate on August 31, 2008.

DATED the 6th day of September, 2007.

THE REGIONAL MUNICIPALITY OF WATERLOO
(Grand River Transit)
Per: [Signature]
Ken Seiling, Regional Chair
Per: [Signature]
Kris Fletcher, Regional Clerk

I have authority to bind the Corporation

FEDERATION OF STUDENTS, UNIVERSITY OF WATERLOO
Per: [Signature] Sept. 6, 2007
Name: Kevin Royal
Title: President

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UNIVERSITY OF WATERLOO

Per: [Signature] Sept 06/07
Name: [Signature] S. D. Walker
Title: [Signature] Director, University Business Operations

Per: [Signature] Sept 6/07
Name: [Signature] Dennis Heber
Title: [Signature] VP, Administration & Finance

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