



IBI GROUP
7th Floor – 55 St. Clair Avenue West
Toronto ON M4V 2Y7 Canada
tel 416 596 1930 fax 416 596 0644
ibigroup.com

August 5, 2015

Mr. Marc Laurin
Fusion Radio
University of Toronto - Scarborough (UTSC)
1265 Military Trail
Scarborough, ON M1C 1A4

Dear Mr. Laurin:

LOW POWER FM RADIO SYSTEM - PROFESSIONAL SERVICES PROPOSAL

Thank you for reconnecting with IBI Group as you look to move forward with a campus-wide FM broadcast deployment. Further to our discussions, the following is our proposal to provide Fusion Radio with professional services from this point until Fusion Radio is on the air.

Work Plan

The following is an overview of the work plan discussed.

1. **Review availability of FM frequencies in conformance with the CRTC and Industry Canada guidelines, and review the licensing costs and anticipated timeframe for obtaining the license**

The first major step in the process is to determine and confirm if a technically suitable frequency can be identified for your use. It is estimated that this will take approximately ten working days. This task will be conducted in conformance with the CRTC and Industry Canada guidelines and regulations, as applicable to a low power FM radio station.

Further, as part of this task, we will also conduct preliminary interference analysis for the potential frequencies to validate the CRTC and Industry Canada requirements.

During this task we would like to request product information for the FM broadcast equipment previously purchased, including FM transmitter radio and antenna. This will help us confirm our findings during the research and analysis work of this phase.

In parallel with the first portion of this task, we can confirm CRTC and Industry Canada costs to have an FM broadcast station deployed at your location. To confirm, the process for obtaining an FM broadcast license runs in two roughly parallel streams. One is with the CRTC, which looks at the application from a broadcast policy perspective. The other is with Industry Canada, which will review the application from a technical suitability perspective. Both the CRTC and Industry Canada initial applications must be submitted at the same time.

The outcome of this task will determine how we proceed. If one or more suitable FM frequencies are identified, we will proceed with next remaining tasks detailed below. If an FM frequency cannot be identified, we can review your options which may include an AM broadcast application.

Mr. Marc Laurin – August 5, 2015

* Note that the remaining tasks are based on an FM broadcast deployment. If an AM broadcast is determined as the way forward, then we will need to revisit the scope and costs to complete the work. For example, additional tasks such as reviewing AM broadcast equipment requirements will be required.

2. Complete site design and analysis

In this phase of work, we will work with you to finalize a suitable transmitter location. Through our discussions with you, we understand that a potential site for this location is the Student Centre, which we will review. Based on the preferred location, we will carry out a site design of the transmission system with respect to transmitter power and antenna type and pattern to best serve your primary market and beyond, while keeping within the technical limits imposed by Industry Canada on "Low Power" FM stations. Subsequently, we will also perform a coverage analysis and an interference analysis to validate the anticipated coverage and ensure that the interference requirements of Industry Canada and CRTC are adhered to.

3. Prepare engineering brief for Industry Canada and application for CRTC

Once the preliminary design and coverage analysis is completed, we will prepare the Engineering Brief for submission to Industry Canada. In conjunction with this, IBI Group will work with Fusion Radio to assemble the required CRTC Application. In this, we will take the roles of facilitator and editor. Most of the submission content will need to be provided from Fusion Radio.

4. Coordinate with CRTC, Industry Canada, and other radio stations

Once the applications have been submitted, both CTRC and Industry Canada will likely have follow-up questions, which we would be happy to speak to on Fusion Radio's behalf. Some communications with other broadcasters will also likely be required to gain their technical concurrence of this application since the FM band is so congested in the GTA.

5. Provide technical oversight for FM broadcast system integration

In the final task under this assignment we will first assist Fusion Radio hire a contractor to erect a tower and complete system setup of the FM transmission equipment. This may involve one or more contractors to complete the work. Tower erection is specialized work and the appropriate permits and public consultation may be required. We will also provide oversight of the contractors' work and report to Industry Canada on the technical compliance of the final installation on Fusion Radio's behalf.

* Note that the work under this task assumes that the FM broadcast equipment procured by Fusion Radio is a suitable solution for the application. If new equipment is required, we can update the work plan and associated fees to assist with procurement of new equipment.

Budget

The following is our estimation of the fees required to carry out this work. As noted above, these tasks and associated fees are based on an FM broadcast deployment. If an AM deployment is determined as the way forward after Task 1, we will need to revisit and confirm the tasks and budget estimate.

Mr. Marc Laurin – August 5, 2015

Task	Description	Fees
1	Confirm Frequency Availability and Timeframe	\$9,600
2	Complete Site Design and Analysis	\$7,600
3	Prepare Engineering Brief and CRTC Application	\$6,800
4	Coordinate with CRTC, IC, and Others	\$1,800
5	Technical Oversight	\$9,500
	Total	\$35,300

These fees do not include HST.

We look forward to working with Fusion Radio at this exciting time.

Yours truly

IBI GROUP



Kevin Bebenek
Region Director – Canada East



Ian Nelson
Associate

IN:ms