

TELECOMMUNICATIONS LICENSE AGREEMENT

THIS AGREEMENT dated this 30 day of April, 2001.

BETWEEN:

THE STANDARD LIFE ASSURANCE COMPANY

(the "Owner")

- and -

GT GROUP TELECOM SERVICES CORP.

(the "Licensee")

PREAMBLE:

- (a) The Owner is the owner of a certain building as more particularly described in this Agreement.
- (b) The Owner has agreed to grant to the Licensee a license to install, operate, maintain, repair and replace certain communications equipment in the Owner's building as more particularly described in this Agreement on the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the Owner and the Licensee agree as follows:

ARTICLE 1 - DEFINITIONS AND INTERPRETATION

1.1 **Definitions** In this Agreement, unless the context requires otherwise, the following terms shall have the following meanings, respectively:

"Agreement" means this Agreement and the attached Schedules and all subsequent changes, modifications and amendments to this Agreement and the attached Schedule A made in accordance with the provisions of this Agreement.

"Building" means the building owned by the Owner and located on the Lands, with a municipal address of 10414 - 103 Avenue, Edmonton, Alberta.

"Building Risers" means the electrical, mechanical or communications spaces or other pathways in the Building.

"Business Day" means a day other than a Saturday, Sunday and any other day on which the principal commercial banks in Alberta are not open for business during normal banking hours.

"Commencement Date" means the date on which the Term commences, which shall be March 1, 2001 or the date on which the construction of the Equipment Room commences, whichever is earlier.

"**CRTC**" means the Canadian Radio-television and Telecommunications Commission or its successor.

"**Communications Equipment**" means the communications equipment of the Licensee and its affiliates, including, without limitation, cabinets, racks, electronic equipment and other similar equipment.

"**Connecting Equipment**" means the cables, conduits, inner ducts and connecting hardware of the Licensee that is connected to the Communications Equipment.

"**Entrance Link**" means installation of cables and connecting hardware from the lot line of the Lands to the foundation of the Building and the core sleeve penetration through the foundation of the Building.

"**Equipment Room**" means the approximately 16 square feet of wall area located on the Ground level of the Building in the Utilities Room, provided by the Owner to the Licensee for the sole and exclusive use of the Licensee at the location identified on Schedule "A" as GT. The Licensee accepts the Equipment Room "as-is", including existing heating, venting and air-conditioning.

"**GST**" means the Goods and Services Tax established under the *Excise Tax Act* (Canada) or a successor tax imposed by the Government of Canada under lawful authority.

"**Lands**" means the lands situated in the City of Edmonton, in the Province of Alberta, on which the Building is constructed, as more particularly described in the attached Schedule B.

"**License Fee**" means the annual fee specified in section 4.1 of this Agreement which is payable by the Licensee to the Owner under this Agreement.

"**Licensee's Equipment**" means, collectively, the Communications Equipment and the Connecting Equipment.

"**Notice**" means any notice, request, consent or other communication provided, required or permitted under this Agreement as contemplated in section 12.1 of this Agreement.

"**Term**" means the continuous period of two (2) years, commencing on the Commencement Date.

"**Renewal Term**" means the period after the Term for which this Agreement may be renewed and extended as described in section 3.2 of this Agreement.

1.2 Interpretation For the purposes of this Agreement, except as otherwise expressly provided, the following shall apply:

- (a) Words importing the singular include the plural and vice versa, and words importing gender include all genders and firms or corporations where applicable.
- (b) Should any provision of this Agreement be unenforceable at law, it shall be considered separate and severable from the remaining provisions of this Agreement, which shall continue in force and shall be binding as though such provision had not been included.
- (c) The headings inserted in this Agreement are for convenience of reference only and in no way define, limit or enlarge the scope or meaning of any of the provisions of this Agreement.

- (d) This Agreement shall be interpreted and governed by the laws of the Province of Alberta, and the laws of Canada applicable therein.

1.3 Schedules The following are the Schedules attached to and forming part of this Agreement:

Schedule A – Equipment Room Plan
Schedule B – Legal Description of Lands

ARTICLE 2 - LICENSE

2.1 License The Owner grants to the Licensee a non-exclusive license to:

- (a) install, operate, maintain, repair and replace the Communications Equipment in the Equipment Room, at the Licensee's sole expense and risk;
- (b) install, operate, maintain, repair and replace the Connecting Equipment in the Building, at the Licensee's sole expense and risk, together with the right to pull the Connecting Equipment through the Entrance Link and through the Building Risers as necessary to reach from the Entrance Link to the Equipment Room and from the Equipment Room to the Licensee's customers in the Building, as required by the Licensee from time to time to provide communications services to the Licensee's customers in the Building; and
- (c) use the Entrance Link and existing Building wiring, only to the extent that the Owner has the possession of, and authority to allow the use of, the Entrance Link and the existing Building wiring, as required by the Licensee for the purpose of connecting the Licensee's Equipment to the Licensee's customers in the Building.

2.2 Equipment Room The Owner shall provide the Equipment Room to the Licensee, for the sole and exclusive use of the Licensee, which Equipment Room shall be used by the Licensee for the provision of communications services to the Licensee's customers in the Building.

2.3 Sublicense Notwithstanding section 13.4 of this Agreement, and subject to the prior written consent of the Owner, which consent shall not be unreasonably withheld or unduly delayed, the Licensee shall have the right to sublicense a portion of its area within the Equipment Room which has been set aside for the exclusive use of the Licensee to a third party for the purpose of permitting such third party to provide communications services to its customers in the Building.

2.4 Nature of Interest The right granted to the Licensee under this Agreement is a license only, and shall not constitute a partnership, joint venture or lease between the parties.

2.5 Non-Exclusivity The Licensee acknowledges and agrees that the license granted to the Licensee pursuant to section 2.1 of this Agreement is not exclusive to the Licensee, and that the Owner has the right to grant similar rights and privileges in respect of the Building to other parties.

ARTICLE 3 - TERM

3.1 Term Notwithstanding the date of its execution, this Agreement shall come into effect on the Commencement Date, and, subject to the provisions of this Agreement, shall remain in effect for the Term.

3.2 Option to Renew If the Licensee pays its the License Fee and observes or performs all its obligations under this Agreement, duly, regularly and promptly throughout the Term, and if the Licensee delivers to the Owner written notice exercising its option to renew at least six (6) months prior to the expiry of the Term or a renewal term as the case may be, the Licensee will have the option to renew this Agreement each for two (2) further and consecutive terms of Five (5) years each on the same terms and conditions as are contained in this Agreement, except for: (i) License Fee and (ii) further options to renew. The annual License Fee for a renewal term will be based upon fair market license fees for equivalent space at the time of renewal, except that the annual License Fee will not be less than the License Fee which the Licensee was obliged to pay during the immediately preceding year. The time for determining the annual License Fee for a renewal term will be the four (4) month period immediately preceding the expiry of the Term or renewal term as the case may be. If the Owner and Licensee are unable to agree on such an annual License Fee at least 30 days prior to the expiry of the Term, either of them may refer the determination of such annual License Fee to arbitration under the arbitration statute of the Province where the Building is located. The arbitrator's determination will be conclusive and binding on the Owner and the Licensee. The arbitration costs will be awarded in the arbitrator's discretion. Until the arbitrator has determined such annual License Fee, the Licensee will continue to pay the monthly installments of the annual License Fee in the same amount it was paying prior to the expiry of the Term or renewal term. Forthwith after the arbitrator's determination, the Licensee will pay to the Owner the difference, if any, between the License Fee it has then paid to date and the License Fee pursuant to such determination.

3.3 Overholding If the Licensee remains in occupation of the Equipment Room following the expiration of this Agreement, such continued occupation by the Licensee shall not have the effect of renewing or extending this Agreement for any period of time, and the Licensee shall be deemed to be occupying the Equipment Room as a licensee on a month-to-month basis upon the same terms and conditions as set out in this Agreement.

ARTICLE 4 - LICENSE FEE

4.1 License Fee The Licensee shall pay to the Owner an annual License Fee in an amount of NO COST which License Fee shall be paid in advance on the Commencement Date and, thereafter, on each anniversary of the Commencement Date during the Term.

4.2 GST The Licensee shall pay GST as applicable on the License Fee, which GST shall be paid at the time the License Fee is payable. The Owner's GST registration number is 105252126.

4.3 Non-Disclosure The Owner and the Licensee each agree to use good faith efforts to refrain from disclosing the financial terms of this Agreement, except that either party may disclose the financial terms of this Agreement if required by law or regulation.

ARTICLE 5 - USE

5.1 Use of Equipment Room The Licensee shall use the Equipment Room only for the purpose of the installation, operation, maintenance, repair and replacement of the Licensee's Equipment as required by the Licensee for the purpose of providing communications services to the Licensee's customers in the Building.

5.2 Title The Owner acknowledges and agrees that title to, and ownership of, the Licensee's Equipment shall remain with the Licensee at all times notwithstanding that the Licensee's Equipment may be affixed to a part of the Building for the time being.

ARTICLE 6 - ACCESS AND ELECTRIC UTILITIES

6.1 **Access** The Licensee and its authorized representatives shall have access to the Entrance Link and Equipment Room on a seven (7) days a week, twenty-four (24) hours per day basis, for the purpose of installing, operating, maintaining, repairing and removing the Licensee's Equipment. The Licensee and its authorized representatives further shall have such access to the driveways, walkways, entrances, exits and hallways associated with the Building as may be required in order for the Licensee and its authorized representatives to access the Equipment Room. The Owner acknowledges that the nature of the Licensee's communications services requires such access for servicing purposes and in emergency situations. The Licensee and its authorized representatives shall have ingress and egress to the Building Risers at such times as specified by the Owner, acting reasonably, provided that in the event of an emergency, the Licensee shall have the right to enter the Building Risers upon notification to the Owner. All entry and access to the Entrance Link, Equipment Room and the Building, including the Building Risers, by the Licensee and its authorized representatives shall be subject to the Owner's reasonable security procedures. These security procedures include, but are not limited to, the Licensee delivering to the Owner a complete list of all its authorized representatives, and all such authorized representatives obtaining an access card from the security desk upon entry into the Building.

6.2 **Electrical Power** The Licensee shall have the right to connect the Licensee's Equipment to the electric power distributing system within the Building at the sole cost and expense of the Licensee. Where the Licensee's Equipment consumes more than approximately one (1) kilowatt per hour (as reasonably determined by the Owner's base building engineer), the Owner may require the Licensee to pay for all electricity consumed by the Licensee on a load and usage basis. The Licensee, at its sole cost and expense, shall install a separate meter (which, at the Owners discretion, shall be connected to the building energy management system) to determine the Licensee's electricity consumption. The Owner shall use reasonable commercial efforts to notify the Licensee in advance of any planned utility outages that may interfere with the Licensee's use. The Licensee agrees that the Owner has no obligation or responsibility to provide emergency or backup power to the Licensee, unless the parties agree that the Owner will provide emergency or backup power to the Licensee on such terms and conditions as mutually agreed between the parties.

6.3 **Telephone Service** The Licensee, at its sole cost and expense, shall have the right to install a telephone in the Equipment Room if required by the Licensee.

6.4 **Nuisance** The Licensee shall not use nor permit the Licensee's Equipment or any part of the Equipment Room to be used in such a manner as to annoy, disturb or cause nuisance to the Owner or the occupiers, tenants or other licensees of the Building, or in a manner that constitutes a contravention of law.

6.5 **Compliance with Laws** The Licensee, in installing, maintaining operating, repairing and replacing the Licensee's Equipment in the Equipment Room and the Building Risers shall comply at all times with all applicable laws, regulations, by-laws, rules, orders and ordinances of all federal, provincial and municipal governmental authorities, including, without limitation, the rulings and decisions of the CRTC.

ARTICLE 7 - INSTALLATION, MAINTENANCE AND REPAIRS

7.1 **Approval of Plans** Prior to the commencement of the installation of the Licensee's Equipment in the Equipment Room and in the Building Risers, the Licensee shall prepare and

submit plans, specifications, and working drawings to the Owner in respect of such installation for the approval of the Owner, which approval shall not be unreasonably withheld or delayed.

7.2 Installation Upon receipt of the Owner's written approval pursuant to section 7.1 above, the Licensee, at its sole expense and risk, shall be entitled to commence the installation of the Licensee's Equipment, which installation shall be performed in a responsible and workmanlike manner and in accordance with all applicable laws, regulations, by-laws, orders, rules and ordinances of all federal, provincial and municipal governmental authorities having jurisdiction.

7.3 Cables The Licensee shall label each cable placed by the Licensee in the Building Risers and any telecommunications closets through which the Licensee's cable passes with an identification number assigned by the Licensee.

7.4 Repairs and Maintenance The Licensee, at its own cost and expense, shall keep the Equipment Room and the Licensee's Equipment in a safe and properly maintained condition.

7.5 Liens The Licensee shall be responsible for the satisfaction or payment of any liens registered against the Building by any supplier of labour, material or services to the Licensee. Any such liens shall be discharged by the Licensee, provided that the Licensee may contest, in good faith, any such liens.

ARTICLE 8 - INSURANCE AND INDEMNIFICATION

8.1 Insurance The Licensee, at its own expense, shall take out and maintain in force while this Agreement is in effect, comprehensive general liability insurance in a minimum amount of Five Million Dollars (\$5,000,000) per occurrence for injury, death or property damage arising out of the Licensee's operations pursuant to this Agreement, which insurance shall contain cross liability and severability of interest clauses.

8.2 Indemnification The Licensee shall indemnify and save harmless the Owner from and against any loss, suit, claim, action, damage or expense arising out of, from or by reason of, the installation, operation, maintenance, repair or removal of the Licensee's Equipment in the Equipment Room and the Building communications space pursuant to this Agreement, except to the extent that any such loss, suit, claim, action, damage or expense is due to the negligence or willful misconduct of the Owner or those for whom the Owner is in law responsible.

ARTICLE 9 - TERMINATION

9.1 Termination by Licensee The Licensee shall have the right to terminate this Agreement on the anniversary date of this Agreement upon provision of ninety (90) days written notice to the Owner in the event of the occurrence of any of the following, but not excluding any unforeseen circumstances:

- (a) the Licensee is unable to secure, on terms and conditions reasonably satisfactory to the Licensee, all necessary consents, approvals, permits and authorizations of any federal, provincial or municipal governmental authority having jurisdiction over the installation, operation, maintenance, repair, removal and use of the Licensee's Equipment;
- (b) the Licensee's Equipment is damaged or destroyed and the Licensee determines that it will not effect repairs to, or replace, the Licensee's Equipment;

- (c) the Owner defaults in the observance or performance of any of the Owner's obligations under this Agreement, and such default continues for more than thirty (30) days after receipt of written notice of such default by the Licensee to the Owner, unless such default cannot reasonably be cured within such thirty (30) day period, in which event the period for curing such default shall be extended for the minimum period of time reasonably required to effect such cure, provided that the Owner promptly commences such cure with reasonable diligence; or
- (d) the Owner makes an assignment for the benefit of creditors or becomes bankrupt, or takes the benefit of, and becomes subject to, the legislation in force relating to bankruptcy or insolvency, it being understood that the appointment of a receiver, receiver/manager, or trustee of the property and the assets of the Owner is conclusive evidence of insolvency.

9.2 Termination by the Owner The Owner shall have the right to terminate this Agreement on the anniversary date of this Agreement upon provision of ninety (90) days written notice to the Licensee in the event of the occurrence of any of the following, but not excluding any unforeseen circumstances:

- (a) the Licensee defaults in the payment of the License Fee or any other sum due under this Agreement, and such default continues for more than thirty (30) days after receipt of written notice of such default by the Owner to the Licensee;
- (b) the Licensee defaults in the observance or performance of any of the Licensee's obligations under this Agreement and such default continues for more than thirty (30) days after receipt of written notice of such default by the Owner to the Licensee, unless such default cannot reasonably be cured within such thirty (30) day period, in which event the period for curing such default shall be extended for the minimum period of time reasonably required to effect such cure, provided that the Licensee promptly commences such cure with reasonable diligence; or
- (c) the Licensee makes an assignment for the benefit of creditors or becomes bankrupt, or takes the benefit of, and becomes subject to, the legislation in force relating to bankruptcy or insolvency, it being understood that the appointment of a receiver, receiver/manager, or trustee of the property and the assets of the Licensee is conclusive evidence of insolvency.

9.3 Surrender Upon the expiration or earlier termination of this Agreement, the Licensee shall remove the Licensee's Equipment from the Equipment Room, Building Risers and the Building, and shall be responsible for repairing any damage caused by such removal, except damage caused by ordinary wear and tear.

ARTICLE 10 - DAMAGE OR DESTRUCTION OF BUILDING

10.1 Right to Terminate In the event the Building is damaged to such an extent that the Licensee is unable to effectively exercise its rights pursuant to the license granted by the Owner under this Agreement, the Owner, at its sole option and expense, may attempt to repair such damage within one hundred eighty (180) days. In the event the Owner elects not to repair the damage within one hundred eighty (180) days, the Licensee shall have the right to terminate this Agreement upon providing thirty (30) days prior written notice to the Owner, in which event the Licensee shall remove the Licensee's Equipment in accordance with the provisions of section 9.3 of this Agreement. The Licensee shall have no obligation to pay the License Fee or any other amounts under this Agreement during the thirty (30) day notice period, and the portion of the

License Fee paid by the Licensee in advance shall be refunded by the Owner to the Licensee on a pro rated basis to the date of damage to the Building.

ARTICLE 11 - FORCE MAJEURE

11.1 Force Majeure Without limiting or restricting the applicability of the law governing frustration of contracts, in the event either party fails to meet any of its obligations under this Agreement within the time prescribed, and such failure shall be caused, or materially contributed to, by force majeure, such failure shall be deemed not to be a breach of the obligations of such party under this Agreement, and the time for the performance of such obligation shall be extended accordingly as may be appropriate under the circumstances. For the purpose of this Agreement, force majeure shall mean any acts of God, war, natural calamities, strikes, lockouts or other labour stoppages or disturbances, civil commotions or disruptions, riots, epidemics, acts of government or any competent authority having jurisdiction, or any other legitimate cause beyond the reasonable control of such party, and which, by the exercise of due diligence, such party could not have prevented, but lack of funds on the part of such party shall not be deemed to be a force majeure.

ARTICLE 12 - NOTICES

12.1 Notices Any Notice pursuant to this Agreement shall be sufficiently given if in writing and personally served, or sent by facsimile or registered mail, and addressed or sent as specified below:

- (a) If to the Owner:

Standard Life Assurance Company
Suite 530
10405 Jasper Avenue
Edmonton, Alberta
T5J 3N4

Attention: Asset Manager, Property Management
Facsimile: (780) 944-1702

- (b) If to the Licensee:

GT Group Telecom Services Corp.
20 Bay Street
Suite 700
Toronto, Ontario M5J 2N8

Attention: Director, Facilities
Facsimile: (416) 848-2834

12.2 Receipt Where a Notice is delivered personally or by facsimile, it shall be deemed to have been received the same Business Day, or if the day on which the Notice was sent is not a Business Day, the Notice shall be deemed to have been received on the next Business Day.

Where a Notice is sent by registered mail, it shall be deemed to have been received three (3) Business Days after the date of mailing. In no event should any Notice be sent by mail during any period of interrupted or threatened interruption of postal service.

12.3 Change of Address Either party may change its address or particulars for purposes of the receipt of any Notices in connection with this Agreement by giving notice in the same manner as provided in this Article 12.

ARTICLE 13 - MISCELLANEOUS

13.1 CRTC Decision The Owner and the Licensee acknowledge that the access rights of telecommunications providers in multi-tenant buildings is presently subject to a regulatory proceeding initiated by the CRTC. In the event the CRTC issues a ruling or decision in respect of such access rights while this Agreement is in effect, this Agreement shall be amended by the parties in such a manner so as to give effect to such ruling or decision from the date of such ruling or decision going forward, but without retroactive effect despite the wording of such ruling, and all appropriate adjustments in respect of any amounts paid under this Agreement shall immediately be made between the parties to ensure that this Agreement conforms with such ruling effective from the date of such ruling or decision as aforesaid, including, without limitation, the termination of this Agreement if necessary.

13.2 Entire Agreement This Agreement cancels, replaces and supersedes as of its effective date all existing agreements and understandings, written or oral, between the parties relating to the subject matter of this Agreement. The whole contract between the parties is contained in this Agreement and no preliminary proposals, written or oral, form any part of this Agreement. This Agreement may not be amended or modified except by mutual agreement of the parties in writing.

13.3 Waiver No failure by either to exercise any right under this Agreement or to insist upon full compliance by the other party with its obligations under this Agreement will constitute a waiver of any provision of this Agreement. No waiver shall be effective unless made in writing by an authorized officer of the party.

13.4 Successors and Assigns This Agreement shall not be assigned by the Licensee, in whole or in part, without the express written consent of the Owner, which consent shall not be unreasonably withheld or unduly delayed, provided that the Licensee shall be entitled to assign this Agreement to an affiliate of the Licensee, as defined in the *Canada Business Corporations Act*, a purchaser of a material portion of its business or a senior lender upon written notice to the Owner. This Agreement shall be binding upon, and shall enure to, the benefit of the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties have executed this Agreement by the hands of their respective officers duly authorized in that behalf.

**THE STANDARD LIFE ASSURANCE
COMPANY**

Per: _____

Title: Asset Manager, Edison

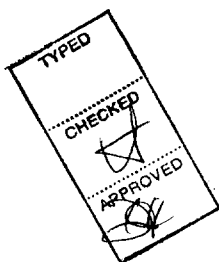
Per: _____

Title: _____

GT GROUP TELECOM SERVICES CORP.

Per: _____

Title: _____



SCHEDULE B

LEGAL DESCRIPTION OF LANDS

Plan B-1
Block 4
Lots 171, 172