

POINT OF PRESENCE LEASE

THIS Lease made this 7th day of March, 2016.

BETWEEN:

372 BAY STREET INC.

(hereinafter called the "**Landlord**")

OF THE FIRST PART

- and -

BELL CANADA

(hereinafter called the "**Tenant**")

OF THE SECOND PART

IN CONSIDERATION OF the sum of Ten Dollars (\$10.00) herein expressed and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) paid by the Tenant to the Landlord, both parties hereto covenant and agree as follows:

ARTICLE 1 - DEFINITIONS

1.01 In this Lease:

- (a) "Access Licence" means a licence for access to those portions of the Lands and the Building thereon, but excluding the roof of any building, necessary to enable the Tenant to gain access to the Equipment in the Building, which shall include those portions as designated by the Landlord from time to time, available for common use, access and egress for occupants of the Building such as driveways, walkways, hallways and exits and entrances.
- (b) "Article", "Section", "Schedule" and "Paragraph" means and refers to the specified article, section, schedule or paragraph of this Lease.
- (c) "Building" means the building(s) located on the Lands and known municipally as **372 Bay Street, Toronto, Ontario**.
- (d) "Business Taxes" means all taxes, rates, duties, levies, assessments, license fees that are levied, rated, charged or assessed with respect to any and every business carried on by the Tenant in the Building.
- (e) "Commencement Date" means the date described in Section 2.01.
- (f) "CRTC" means the Canadian Radio-television and Telecommunications Commission or any successor body thereto having jurisdiction.
- (g) "Equipment" means the equipment described in Section 4.01(a).

- (h) "H.S.T." means the Harmonized Sales Tax as levied and assessed under lawful authority by the Federal Government of Canada and the Landlord's H.S.T. Registration No. is: **137392601RT0001**.
- (i) "Lands" means the real property located in the City of **Toronto**, in the Province of Ontario, as legally described in Schedule "A" hereto, and including the Building(s) located thereon and surrounding lands owned by the Landlord and all other fixtures and improvements located therein.
- (j) "Lease" means this lease and all instruments supplemental hereto or in amendment or confirmation hereof.
- (k) "Renewal Term" means one (1) term of five (5) years.
- (l) "Rent" means the annual rental payable by the Tenant to the Landlord as provided in Article 3.
- (m) "Signals" means signs, signals, writing, images, sounds or intelligence of any nature.
- (n) "Telecommunication(s)" means any transmission, emission or reception of Signals by wire, radio, visual, fiber optic or any other system.
- (o) "Term" means the initial term and period of time described in Section 2.01.
- (p) "Use" means the use of the Equipment in the Building for the purposes permitted pursuant to Section 4.01(b)(ii).
- (q) "Utilities Licence" means a licence to access and enter in, over, or under those portions of the Lands and the Building(s) located thereon, subject to the approval of the Landlord as to location (such approval not to be unreasonably withheld), to maintain such equipment, exterior grounding, electric power and communications lines, as may be necessary for the Use which licence shall include without restricting the foregoing the rights:
 - (i) To lay down and construct conduits for wires and cables of all kinds, without limitation, fiber optic cables in, under and upon the said licensed lands,
 - (ii) To transmit over or through said conduits or any parts thereof all manner and kinds of Telecommunications, electric energy, telephone, radio or television impulses; and
 - (iii) To install electric power and communications lines within the Building conduits as may be necessary to service the Equipment and to carry out the Use.

ARTICLE 2 – DEMISE

2.01 Term

- (a) The Landlord hereby grants to the Tenant a non-exclusive right to enter and gain access to the Building for a term of Five (5) years commencing on the **1st** day of **April, 2016** (the "**Commencement Date**") and expiring on the **31st** day of **March, 2021** (the "**Term**").
- (b) Provided that the Tenant is not then in default of any of its material obligations under this Lease, the Tenant shall have the option to renew the Term for one (1) further term of five (5) years ("Renewal Term") at an annual rent of One Thousand, Five Hundred Dollars (\$1,500.00). The Tenant must notify the Landlord in writing no later than one hundred and twenty (120) days prior to the expiry of its current Term of its intention to renew the Term.

ARTICLE 3 – RENT

3.01 Rent

The Tenant shall pay to the Landlord an annual rent of **One Thousand Dollars (\$1,000.00)** on the Commencement Date and on each anniversary thereof during the Term.

ARTICLE 4 – USE OF BUILDING

4.01 Use of Building

- (a) The Landlord grants permission to the Tenant and the Tenant shall have the right, in accordance with the approval process described in Section 4.02 and at the Tenant's sole expense, to install, construct, test, operate, maintain, repair, service, improve, replace and remove its Equipment (as defined below). Equipment includes but is not limited to any hardware, in-building wire (as defined by the CRTC in Decision 99-10), fiber optic and/or copper cable, infrastructure or other (excluding conduit) (the "Equipment") as may be necessary to enable and deliver the Tenant's services to occupants in the Building.
- (b) The Landlord grants permission to the Tenant and the Tenant shall have the right at the Tenant's sole expense to:
 - (i) Subject to the Landlord's reasonable security requirements and subject to the prior rights of the Building tenants, the Tenant and its officers, employees, authorized agents and contractors shall have a right of ingress and egress to the Building during regular business hours for the purposes of maintaining, operating, repairing, improving, replacing and removing the Equipment. Notwithstanding the above, if the Tenant requires access to the Equipment in the Building, or any other part of the Building which the Landlord designates, outside of normal business hours, the Tenant may, after providing at least forty-eight (48) hours' notice, be accompanied by a representative of the Landlord designated for that purpose and the cost of providing this form of accompaniment or supervision will be paid by the Tenant to the Landlord at a rate of Fifty Dollars (\$50.00) per hour plus fifteen percent (15%) admin fee plus H.S.T. This fee shall not apply if it is recovered by the Landlord from tenants through the operating costs of the Building charged to them under their leases. In the event of an emergency, the Tenant will provide as much advance notice as possible to the Landlord or its agent of its requirement to enter the Building.; and
 - (ii) use the Building, including access to and use of floor space in the main terminal room and/or other segregated, enclosed space in the Building and common areas of the Building, to house its Equipment for the purpose of providing Telecommunication services to tenants and other occupants of the building(s) located upon the Lands.

4.02 Approval By Landlord

The Tenant will submit to the Landlord, for its approval, detailed plans of location and installations of the matters contemplated in Section 4.01(a). The approval by the Landlord shall not be unreasonably withheld or delayed. Any costs associated by the Landlord for approval of drawings will be borne by the Tenant at a flat rate of Five Hundred Dollars (\$500.00) plus H.S.T. Notwithstanding anything contained herein, any material alterations (e.g. upgrades, modifications, removal or replacements) to the Equipment shall require the Landlord's preapproval in writing.

ARTICLE 5 – TENANT'S COVENANTS

5.01 Tenant's Covenants

The Tenant covenants and agrees with the Landlord throughout the Term and any Renewal Term to fulfill the following obligations.

5.02 Rent

The Tenant will pay Rent.

5.03 Taxes

The Tenant will pay Business Taxes and H.S.T.

5.04 Maintenance, Repairs and Removal

- (a) The Tenant shall at all times, at its sole cost and expense, keep and maintain the Equipment in good order and promptly make all needed repairs and replacements thereto. The Tenant shall maintain and repair the Equipment such that there is no danger or risk whatsoever to the other tenants or occupants of the Building or to the Landlord. Provided that the Landlord gives ninety (90) days advance written notice to the tenants and occupants of the Building of its requirements for the Tenant to remove the Equipment from the Building and/or the tenants' and occupants' suites, the Tenant shall remove the Equipment in or upon the Building and Lands at its own expense and repair or refinish all damage caused by the operation or removal of the Equipment, the cost of which shall be borne exclusively by the Tenant, within sixty (60) days after the expiration or earlier termination of this Lease. The obligation to remove the Equipment set out in this Section shall be subject to any CRTC-mandated obligations of the Tenant to maintain the Equipment in the Building as demonstrated by the Tenant. All Equipment and all personal property of the Tenant including the Equipment, except the CRTC-mandated equipment, remaining in the Building or upon the Lands after the said sixty (60) days shall become the property of the Landlord; and
- (b) The Tenant shall, at its own cost and responsibility (i) ensure that all Equipment is installed in accordance with all relevant fire and building code requirements at all times throughout the Term and any Renewal Term thereof, (ii) ensure all penetrations into the Building and through any fire walls to be properly fire sealed/caulked by the Tenant; and (iii) be responsible for the provision, installation, maintenance and repair of the Equipment installed by the Tenant during the Term and any Renewal Term.

5.05 Interference

If the operation of the Equipment is causing the electronic equipment of the Landlord or other tenants or occupants of the building(s) located on the Lands to function improperly, then the Landlord will notify the Tenant and the Tenant will as soon as possible and in any event within 48 hours take actions to rectify the situation. If the Tenant is unable to rectify the situation to the satisfaction of the Landlord within three (3) business days of receiving notification of the problem, then the Tenant will provide a progress report to the Landlord as to the status of Tenant's work to correct the interference. The Tenant will diligently work to correct the deficiency until the interference is eliminated. The Landlord shall obtain similar covenants from any subsequent providers of Telecommunication services in the Building and enforce such covenants uniformly. If the Tenant is unable to rectify the situation to the satisfaction of the Landlord within thirty (30) days, then the Landlord may terminate this Lease upon three (3) days prior written notice.

5.06 Indemnity

The Tenant shall indemnify and save harmless the Landlord, its directors, officers, employees and agents, from and against any loss, suit, claim, action, damage or expense for personal injury or property damage arising out of, from or by reason of the Tenant's exercise of the rights pursuant to this Lease, except to the extent any such loss, suit, claim, action, damage or expense is due to the negligence or wilful misconduct of the Landlord or its officers, employees or agents.

Neither party hereto shall not be liable (regardless of any other provision of this Lease) in respect of any indirect, incidental or consequential damages including loss of revenue, loss of profits, loss of business opportunity or loss of use of any facilities or property, even if advised of the possibility of such damages.

5.07 Insurance

The Tenant shall carry at its own cost, at all times during the Term and any Renewal Term thereof, comprehensive general liability insurance in the minimum amount of five million dollars (\$5,000,000.00) against any claims which may arise from its operations to include property damage and personal injury, including death to any person with respect to the Building and the Tenant's use of the Lands and the building(s) located thereon, including the activities and operations conducted by those for whom it is in law responsible. Such policies shall name the Landlord and its mortgagee(s), if any, as an additional insured, and shall contain a severability of interests clause and a cross-liability clause. Excess or umbrella policies may be used to achieve the required limits of insurance. Prior to commencement and through to completion of this Lease, the Tenant shall provide the Landlord with certificates of such insurance (with an insurance company or companies and in a form acceptable to the Landlord acting reasonably). The Tenant will comply with workers' compensation legislation and shall provide the Landlord, prior to the Commencement Date and then annually, with proof of good standing with the W.S.I.B. (Workplace Safety and Insurance Board).

5.08 Limitation of Liability

The Tenant acknowledges and agrees that the obligations of the Landlord hereunder are not personally binding upon any trustees, unitholders, annuitant, officers, employees or agents of the Landlord (collectively the "**Excluded Parties**") whether the liability is based in tort, contract or otherwise. The Tenant will only have recourse to the Landlord and the property and assets held by or on behalf of the Landlord and no recourse may be had to the Excluded Parties or their properties and assets.

ARTICLE 6 – LANDLORD'S COVENANTS

6.01. The Landlord covenants:

- (a) to operate, repair and maintain the Building and Building systems and the Lands in a safe and proper operating condition and in accordance with applicable laws and regulations and accepted building industry standards;
- (b) subject to the Tenant reimbursing the Landlord for the Landlord's reasonable costs in doing so, and subject to payment to the Landlord of an administration fee of 15% of those costs, to cooperate with the Tenant to the extent reasonable in obtaining all necessary consents, permits and authorizations as may be required for the Tenant's construction, installation and operations provided for in this Lease, in or in respect of the Building; and

ARTICLE 7 – LICENCES

7.01 Licences

- (a) In consideration of the Rent and other good and valuable consideration set forth by this Lease, the Landlord hereby grants to the Tenant during the Term and any Renewal Term, the Access Licence and the Utilities Licence.
- (b) The Access Licence and the Utilities Licence shall be for the benefit of and be appurtenant to the leasehold interest created by this Lease and for the use and enjoyment of the Tenant, its assignees, subtenants, licenses, and their respective employees, servants, contractors, subcontractors and agents.

ARTICLE 8 – TERMINATION OF LEASE

8.01 Damage and Destruction

In the event that the Equipment is destroyed or damaged in such a manner that it would not be possible for the Tenant to carry out the Use, the Tenant may repair or rebuild, or the Tenant may terminate this Lease by giving thirty (30) days written notice to the Landlord.

8.02 Demolition

In the event the Landlord has *bona fide* plans at any time during the Term or any Renewal Term, to remodel, alter, demolish, or substantially renovate or make alterations to all or any portion of the Building, such that, in the opinion of the Landlord acting reasonably and in its sole discretion, the occupation of the Building by the Tenant will prevent, obstruct, delay, or otherwise adversely affect such demolition or redevelopment, then the Landlord shall have the right, upon not less than one hundred and eighty (180) days prior written notice to the Tenant, to terminate this Lease as of the date specified in the Landlord's notice without any compensation, damage or indemnification or any kind from the Tenant.

8.03 Termination

In the event the Tenant ceases to provide its services to the occupants of the Building by no act of the Landlord, then the Tenant and/or the Landlord may terminate this Lease upon thirty (30) days prior written notice to the other party. Either party may terminate this Lease immediately if the other party is in breach of a material term or condition of this Lease and such party does not remedy the breach to the other party's satisfaction, acting reasonably, within thirty (30) days of receiving notice thereof. Upon termination of this Lease, the Tenant shall remove the Equipment in accordance with the provisions of Section 5.04(a).

ARTICLE 9-DEFAULT

9.01 Default

It is expressly agreed that if and whenever the Rent hereby reserved or any part thereof shall be unpaid for five (5) business days following the notice in writing of such a default by the Landlord or in the case of the breach of non-performance of any of the covenants or agreements herein contained on the part of the Tenant, where at least fifteen (15) days' notice specifying the nature of such a breach has been given by the Landlord to the Tenant and the Tenant has failed to cure such a breach, then and in either such case it shall be lawful for the Landlord at any time thereafter to terminate this Lease.

ARTICLE 10 – ASSIGNMENT AND SUBLETTING

10.01 Assignment

The Tenant shall not assign this Lease or sublet or license all or part of the Equipment in the Building without the written consent of the Landlord being first had and obtained, which consent shall not be unreasonably withheld. Notwithstanding any assignment or subletting, the Tenant shall remain jointly and severally liable on this Lease and shall not be relieved from performing any of the terms, covenants and conditions of this Lease.

- (a) Notwithstanding the foregoing the Tenant may, without the Landlord's consent, but on prior written notice to the Landlord, assign its rights and obligations under this Lease or sublet or license all or part of the Equipment in the Building to:
 - (i) any corporation into which or with which the Tenant merges or consolidates; and
 - (ii) any parent, subsidiary, or affiliate of the Tenant (as those terms are defined in the *Canada Business Corporations Act*).
- (b) a change of control of the Tenant shall not be considered as assignment for the purposes of this Lease, unless the purpose of such change in control is to avoid the Landlord's consent pursuant to Section 9.01 hereof.

In the event of an assignment of this Lease or any subleasing of the whole or part of the Equipment in the Building other than under Section 10.01(a) or 10.01(b), the Tenant agrees to pay the Landlord, the Landlord's reasonable administration fee of not less than \$1,000.00 plus H.S.T. at the time of such assignment or sublease.

Notwithstanding anything else contained in this Lease, the Tenant will be permitted to assign its rights under this Lease to a bona fide lender, as collateral security for any bona fide, secured financing of all or part of its business undertaking.

10.02 Licensing

Notwithstanding Section 10.01, the Tenant may without consent, but upon prior written notice to the Landlord, license to its employees, agents or contractors the right to use portions of the Equipment in the Building, Access Licence and Utilities Licence or the Use permitted pursuant to Section 4.01(b)(ii). Any license granted under this Section shall be subject to the terms, conditions and obligations of this Lease. The Tenant acknowledges that in the event of a license granted by the Tenant to its employees, agents or contractors under this subsection, the Tenant shall not be released from any of its obligations under this Lease.

10.03 Sale by the Landlord

In the event the Landlord enters into an agreement to sell, assign or otherwise transfer its interest in the Building as owner or lessor, the Landlord shall (i) notify the Tenant; and (ii) cause its successor in interest to execute and deliver to the Tenant an agreement (the "Assumption Agreement") whereby the transferee agrees to assume and be bound by all the rights and obligations of the Landlord as set out herein. A lease of the entire Building shall be deemed a transfer within the meaning of this Section. Upon the date any Assumption Agreement becomes effective, the Landlord will be immediately released from its obligations under this Lease. For greater clarity, nothing in this Section releases the Landlord from any liability(ies) that may arise prior to the date of such sale, assignment or transfer herein.

ARTICLE 11 – RELOCATION

11.01 Relocation

The Landlord may, on thirty (30) days' prior written notice to the Tenant, require the Tenant to relocate all or any part of the Equipment at the Tenant's sole cost, provided this right to require the Tenant to relocate its Equipment will be exercised only on a bona fide basis, and the Landlord will in each case give due consideration to alternatives so as to ensure that the relocation occurs only where no viable alternative is available. If the relocation is to accommodate another supplier of communications or telecommunications services, the Tenant will not be required to pay any part of the relocation costs. In all other cases of relocation, the reasonable costs of relocation shall be shared by the Landlord and the Tenant on a 50/50 basis. The Tenant will only be required to relocate the Equipment to an area substantially comparable to the existing location of the Equipment. Such relocation shall be done to ensure the continuation of the Tenant Services to the occupants.

ARTICLE 12 – MISCELLANEOUS

12.01 Notice

Any notice, request, demand, consent or other communication required or permitted to be given hereunder may be sufficiently given by personal delivery or sent by registered mail, or transmitted by facsimile, addressed to the party for which it is intended, provided, however, the Landlord and the Tenant may change their respective addresses by notice in writing to each other. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by facsimile, to the Tenant at the following address:

c/o SNC-Lavalin O&M Solutions Inc.
87 Ontario St. West, 6th Floor
Montreal, QC H2X 0A7
Attention: Department, Client Services; and
Department, Lease Administration
Fax: (514) 840-8404

with a copy to:
Bell Canada Real Estate Services
87 Ontario St. West, 6th Floor
Montreal, QC H2X 1Y8
Attention: Director, Strategic Asset Planning
Fax: (514) 391-7990

And to the Landlord at the following address:

c/o Daypart Inc.
4576 Yonge Street, Suite #700
Toronto, ON M2N 6N4

12.02 Overholding

In the event that the Tenant remains in possession of the Equipment in the Building after the end of the Term or Renewal Term, as the case may be, hereof without the consent of the Landlord and without the execution and delivery of a new lease there shall be no tacit renewal of this Lease and the term hereby granted, notwithstanding any statutory regulations to the contrary and the Tenant shall be deemed to be

occupying the Building as a tenant from month to month upon the same terms and conditions as are set forth in this Lease, save and except for Rent which shall be one hundred and fifty percent (150%) of the Rent payable during the last year of the Renewal Term, so far as applicable.

12.03 Observance of Law

The Tenant shall, at its sole cost and expense, comply with and conform to all applicable federal, provincial and local laws, and regulations, ruling and orders of governmental agencies, including, but not limited to, the *Telecommunications Act*, the *Broadcasting Act*, as amended, or any ruling, decision or order of the CRTC relating to the matters contemplated by this Lease. Should any provision of this Lease be illegal or unenforceable, that provision shall be considered separate and severable from the remaining provisions of this Lease and the remaining provisions shall remain in force and be binding upon the parties.

12.04 Interpretation

Words importing the singular number shall include the plural and vice versa. Words importing the neuter gender shall include the masculine and feminine genders, and words importing person shall include firms and corporations and vice versa.

12.05 Amendment or Waiver

No provision of this Lease shall be deemed amended or waived by a course of conduct unless such amendment or waiver is in writing signed by all parties and stating specifically that it was intended to modify this Lease.

12.06 Successors and Assigns

This Lease shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns, heirs and personal representatives. If there shall be more than one party constituting either the Landlord or the Tenant, those parties shall be bound jointly and severally by the terms, covenants and agreements therein.

12.07 Governing Law

This Lease shall be governed by the laws of the Province of Ontario and any applicable federal laws.

12.08 No Registration

The Tenant covenants and agrees with the Landlord that the Tenant shall not register this Lease or apply to register this Lease or notice thereof on the title of the Landlord's Lands without the prior written consent of the Landlord which consent may be arbitrarily withheld or delayed.

12.09 Entire Agreement

This Lease including Schedules "A" and "B" attached hereto constitutes the entire agreement of the parties and supersedes all prior agreements and understanding whether written or oral relative to the subject matter hereof. Except as otherwise specifically set forth in this Lease neither party makes any representation or warranty express or implied, statutory or otherwise to the other. This Lease may not be amended or modified except by a written instrument executed by both parties.

12.10 Landlord's Authority

The Landlord represents and warrants that it is the owner of the Lands and the Building and that it has full authority to execute this Lease.

12.11 Counterparts

This Lease may be executed in any number of counterparts each of which shall be deemed an original and together shall constitute one agreement, binding on both parties even though both parties do not sign the same counterpart.

12.12 Tenant's Equipment to Remain Personal Property

Except as otherwise provided in this Lease, the Equipment, including but not limited to the entrance cable and in-building wire, will remain the personal property of the Tenant although it may be affixed or attached to the Building, and will, during the Term of this Agreement, or any Renewal Term, and, subject to Section 5.04(a), upon the expiration of this Lease belong to and be removable by the Tenant.

12.13 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 Lease 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 Lease, 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 Lease, force majeure shall include, but is not limited to: any acts of God, war, natural calamities, strikes, lockouts or other labour stoppages or disturbances, civil commotion or disruptions, riots, epidemics, acts of government or any competent authority having jurisdiction, or any other legitimate cause or event 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. Force majeure shall not excuse the Tenant from paying Rent when same becomes due.

IN WITNESS THEREOF the parties hereto have hereunto executed this Lease.

Tenant:
BELL CANADA

Per:

Authorized Signatory

Landlord:
372 BAY STREET INC.

Per:

Authorized Signatory

SCHEDULE "A"

THE LANDS

372 BAY STREET, TORONTO, ONTARIO

FIRSTLY Parcel 3-13 Leasehold, Section Y-1 being part of Town Lot 5, south side of Richmond Street West, according to Town of York Plan (City of -Toronto) designated as PART 1 on Plan 66R-15635;

SECONDLY Part of Town Lot 5, south side of Richmond Street West, Town of York Plan, designated as PART 1 on Plan 63R-3467, City of Toronto.