

IN CONSIDERATION of the rents paid by GT GROUP TELECOM SERVICES CORP. ("Tenant") to: REDBURY ENTERPRISES LTD. ("Landlord") and the terms contained herein, the parties agree as follows:

RECEIVED JAN 22 2001

1. **Address where Premises are located:** 580 GRANVILLE STREET, VANCOUVER, B.C. ("Building"). as legally described on Schedule "A".
2. **Premises:** described in Schedule "B".
3. **Term:** ~~(Ten)~~ ⁵ 10 years. *OK*
4. **Commencement Date:** April 01, 2000 or the first of the month after the date installation commences whichever is sooner.
5. **Options to Extend:** (two) 2 x (five) 5 years at market rent for similar premises, uses and buildings in the vicinity of the Building at the time of extension as agreed by the parties, failing which to be determined by arbitration in accordance with such legislation in the province in which the Premises are located. To exercise an option to extend, Tenant shall provide 60 days' notice to Landlord prior to end of the relevant Term. *OK*
6. **Rent:** \$ 750 (Seven Hundred Fifty Dollars) plus GST per year payable annually in advance. Landlord's GST number is _____. Tenant will pay its own business taxes and any increase in realty taxes assessed against Landlord by reason of the installation of the Equipment or its use of the Premises.
7. **Use of Premises and Utilities:** to install, maintain and supplement Tenant's equipment, cable, apparatus and ancillary attachments ("Equipment") for the telecommunication of signals to and from customers located in the Building and as support or back-up for Tenant's ring technology in the event of an interruption in service. Tenant may connect to all necessary utilities, trunk lines, customers' equipment and Landlord's electrical grounding system and will have access to required conduit, risers, closets and meter rooms. At the end of the Term, Extension(s) or earlier termination thereof, Landlord shall have the option (i) to retain ownership of all cables installed by Tenant in the Building or (ii) request Tenant to remove the cable it installed in the Building. *OK*
8. **Electricity:** Tenant will pay for its own electrical consumption annually in arrears. Tenant warrants that it's annual consumption will not exceed \$ 300.00 (Three Hundred Dollars) per annum and will provide consumption data to Landlord each year. Such payment by Tenant shall be subject to escalation as reasonably determined by Landlord.
9. **Prior to Commencement Date Tenant shall:**
 - (a) submit Equipment plans to Landlord for approval;
 - (b) obtain all consents, licenses and permits required to install and operate the Equipment and Landlord agrees to cooperate and provide all consents, authorizations and information reasonably required by the Tenant;
 - (c) conduct all tests required to satisfy itself that the Premises are suitable for its intended purpose; and
 - (d) provide Landlord with a certificate of insurance with coverage of not less than \$2,000,000 noting Landlord as additional insured.
10. **Installation and Maintenance of Equipment:**
 - (a) Tenant will repair any damage to the Building caused by its installation, maintenance or removal of Equipment at the end of the Term.
 - (b) The Equipment shall be installed, operated, maintained and supplemented in a good and workerlike manner in accordance with sound engineering practices.
 - (c) Tenant shall ensure that no liens are registered against the Building as a result of its work and will indemnify Landlord in connection therewith.
 - (d) Tenant will comply and will ensure that its subtrades comply with all health and safety and environmental legislation and indemnifies Landlord for a breach thereof.
 - (e) Tenant will ensure that its Equipment does not interfere with the signals or equipment of service providers granted prior access by Landlord.
11. **Performance by Tenant:** Provided Tenant has paid Rent and performed its obligations under this agreement, Landlord agrees that Tenant shall have access to the Premises and Utilities 24 hours a day, seven days a week subject to Landlord's reasonable security requirements and enjoy the Premises and Utilities without interference.

- 12. Indemnity:** Landlord and Tenant indemnify and save harmless each other for loss or damage to person or property caused by their own negligence or those for whom they are responsible and neither party shall be responsible for consequential damages. Landlord shall be responsible for any pre-existing environmental contamination of the Building and indemnifies and holds harmless Tenant therefrom.
- 13. Default and Termination:** Landlord may terminate this agreement if Tenant has failed to cure a breach for which it has received 30 days' notice from Landlord, unless the breach is incapable of remedy within such period and Tenant has diligently commenced to cure the default. Tenant may terminate this agreement upon 60 days' notice to Landlord if the Premises are or become unsuitable for Tenant's business. Any prepaid Rent shall be adjusted to the date of termination.
- 14. Transfer:** Landlord may assign this agreement at any time and shall be relieved of all obligations to Tenant under this agreement, provided Landlord ensures that the assignee receives actual notice of this agreement. Tenant shall not assign this agreement or sublet or license all or part of the Premises (a "transfer") without the prior written approval of Landlord, acting reasonably. Notwithstanding the foregoing, Tenant may effect a transfer to a corporate affiliate, its senior lenders or their collateral agents or a purchaser of a material portion of its business. Tenant shall ensure that Landlord is informed of a transfer and except for a transfer to a purchaser, shall remain liable under this agreement.
- 15. Notices:** All notices under this agreement shall be in writing and may be delivered by mail, facsimile or in person to the addresses below and shall be deemed received three business days later if mailed and the next business day following the date of transmission by facsimile or personal delivery. At its own expense, Tenant may register a notice or caveat of this agreement on title to the Building in a form approved by Landlord and will remove such registration upon the expiration or earlier termination of this agreement.
- 16. General:** This is the entire agreement between the parties affecting the subject matter described herein. Any amendments must be in writing and signed by both parties. If any portion of this agreement is found to be invalid, such portion shall be severed without affecting the validity of the balance of the agreement. Except for reason of financial inability, delay in performance by either party shall be excused for delay for causes beyond their reasonable control. The parties warrant that there are no restrictions contained in any other agreement to which they are a party that would prevent either party from entering into this agreement. The provisions of this agreement shall be subject to all applicable regulatory laws and regulations which will prevail in the event of conflict. This agreement is binding on the parties and their respective successors and assigns.

17. Together with attached Letter dated March 30th, 2000. *[Signature]*

Date: 4 April 00

Tenant: GT Group Telecom Services Corp.

Per: _____

Name: _____

Title: Vice President National Facilities

I have the authority to bind the Corporation.

Mailing Address for Notices:

20 Bay Street, Suite 700
Toronto, Ontario
M5J 2N8

Attention: Director, Facilities
Facsimile: (416) 943-1265 Tel: (416) 943-9555

Date: 2000/03/30

Landlord: Redbury Enterprises Ltd.

Title: _____

☒ I have the authority to bind the Corporation.

Mailing Address for Notices:

Attention: _____
Facsimile: _____ Tel: _____

SCHEDULE "A"

Legal Description

Pid: 007-913-397

Plan # 210 , Lot 24 to 26 , Block 33 , District Lot 541 , Land District 36

SCHEDULE "B"

Description of Premises

SEE ATTACHED DRAWING

Suite 305 / 111 Water Street, Vancouver BC Canada V6B 1A7
telephone 604.683 2404 facsimile 604.683 6719

Reliance Holdings Ltd.

March 30, 2000

Mr Bryan Johnstone
GT Group Telecom Inc.
700 Georgia, 11th. Floor
P.O. Box 10082, Pacific Centre
Vancouver, B.C., V6Z 2L2

Dear Bryan:

Re: GT BLA for 788 Beatty Street and 580 Granville Street

Further to our recent discussions we have attached hereto executed copies of the Letter of Intent, Service Provider Access Agreement for 580 Granville and Internet Services Agreement for 788 Beatty Street. We have also attached, for reference, a copy of the executed Point of Presence License Agreement for 788 Beatty Street. Our acceptance of the attached documents is to be taken together with the amendments and clarifications as set out below:

Letter of Intent

- (a) In reference to Reliance Holdings Ltd. commitment to provide an MRR of \$3,932.50 it is understood that GT will provide Reliance with a notification of all new services ordered and a monthly report of MRR for the building including any and all GT services. GT will credit the Reliance Internet Service Agreement with the total of the monthly MRR up to a total of \$3,932.50 after which the Internet Service Agreement may be immediately cancelled by Reliance without cost or penalty. ~~The calculation of MRR will also include any MRR generated from the building immediately to the North of 788 Beatty which is provided through the 788 Beatty basement POP site.~~

Internet Services Agreement – 788 Beatty Street

- (a) This agreement may be cancelled by Reliance immediately upon the MRR, as defined above, exceeding \$3,932.50.

Service Provider Access Agreement – 580 Granville

- (a) Changes as noted on contract.
- (b) In the event that GT internet, telephone and other GT services are not made promptly available to building Tenants at 788 Beatty Street, Vancouver, B.C. by way of the installation of the POP site as set out on the attached Point of Presence License Agreement on or before July 1, 2000, the Service Provider Access Agreement for 580 Granville may be cancelled immediately by Reliance

without cost or penalty.

Point of Presence License Agreement – 788 Beatty Street

- (a) In the event that GT internet, telephone and other GT services are not made promptly available to building Tenants at 580 Granville Street, Vancouver, B.C. by way of the installation of the POP site as set out on the attached Service Provider Access Agreement on or before July 1, 2000, the Point of Presence License Agreement for 788 Beatty Street may be cancelled immediately by Reliance without cost or penalty.

Please acknowledge your agreement to the above and attached by signing the attached documents and copy of this letter.

Yours truly,

The undersigned hereby agrees to the above:

Date: 4 April 00

GT Group Telecom Services Corp.

Per:

I have the Authority to bind the Corporation