

COLLOCATION LICENSE AGREEMENT

This Collocation License Agreement ("License") is made and entered into as of this 1st day of September 2006, between TELUS COMMUNICATIONS COMPANY, a corporation incorporated under the federal laws of Canada, (collectively the "Licensor") and BELL CANADA, a corporation incorporated under the federal laws of Canada ("Licensee").

RECITALS

- A. Licensor is engaged in the business of providing customers with telecommunications services through its data centre facility located at 73 Laird Drive, Toronto, Ontario (referred to herein as the "Facility").
- B. Licensor is entitled to license the use of the Facility to other telecommunications companies.
- C. Licensee desires to enter into a license agreement with the Licensor for the installation of certain telecommunications equipment in the third party demarcation room as located in the basement of the Facility.

ACCORDINGLY, in consideration of the agreements and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, the parties agree as follows:

1. GRANT OF LICENSE:

Subject to the terms and conditions contained in this License and the Schedules, the Licensor hereby grants to the Licensee, as of the Commencement Date, a nonexclusive license to install, operate, and maintain certain communications equipment of the Licensee as listed in Schedule "A" attached hereto (the "Communications Equipment") in that space located in the third party demarcation room as outlined in Schedule "B" attached hereto, (the "Equipment Space").

Licensor hereby reserves all rights not specifically granted to Licensee, including, without limitation, the right to: (1) access to and use of the Facility for its own use and for the use of its agents and other licensees; (2) grant additional licenses to other users; and (3) exercise or grant other rights not inconsistent with the rights granted hereunder.

2. TERM:

This License shall be effective as of the 1st day of September, 2006 ("Commencement Date"). and shall expire three (3) years thereafter being the 31st day of August, 2009. This License shall automatically renew for consecutive one (1) year periods, unless one party notifies the other in writing at least sixty (60) days before the expiration date of the term or any renewal term, as the case may be, of its intention not to renew.

3. LICENSE FEES:

Licensee shall pay to Licensor, annually, the first annual payment due the Commencement Date, as a license fee for use of the Equipment Space, the amount set forth in Schedule "C" attached hereto. If the term ends on a day other than the anniversary of the Commencement Date, then the license fee for the year in which the term ends shall be prorated and paid in the proportion that the number of days this License is in effect during such year bears to the total number of days in that year.

4. USE OF THE FACILITY:

The Licensee acknowledges to the Licensor and agrees as follows:

- (a) The only use permitted pursuant to this License is for the Licensee to interconnect its telecommunications network located outside of the Facility to the Communications Equipment located in the Equipment Space; and
- (b) The Facility is not to be treated as a carrier hotel and the Licensee shall not interconnect with any other licensees within the Facility except as may be permitted by a separate written agreement signed by the parties.

In its use of the Equipment Space, the Licensee shall not interfere, or allow the operation of its Communications Equipment to interfere, with the Licensor, any other occupant of the Facility, or any of their communications equipment.

Except as otherwise provided herein, the Licensee's Communications Equipment shall remain the sole property of Licensee.

5. ACCESS TO FACILITY:

Licensee shall be provided access to the Facility in accordance with the Licensor's security procedures, rules, and requirements in effect from time to time. The Licensee acknowledges that it shall always be accompanied by a representative of Licensor. Licensee shall contact Licensor to schedule such access as follows:

(a) **Prime** **Bus:**
Cell:

Backup **Bus:**
Cell:

Bus:
Cell:

Alternative. **Bus:**
Cell:

6. TAXES:

Licensee shall be liable for and shall pay all taxes levied against the property owned by it and located on or about the Facility.

7. MAINTENANCE OF COMMUNICATIONS EQUIPMENT AND SPACE:

Licensee at its own cost and expense, shall protect, maintain and keep in good order its Communications Equipment, and shall ensure that neither the Licensee nor its agents, contractors or invitees damage any part of the Facility, the Equipment Space, or any equipment located in or about the Facility, and shall not allow any debris or supplies to be left in or about the Equipment Space or Facility. Licensee shall not maintain or permit any nuisances or violations of

governmental laws, rules, regulations or ordinances with respect to its use of the Equipment Space or access to the Facility. Licensee shall ensure that neither its employees, agents nor invitees shall permit any explosive, flammable or combustible material or any hazardous substances or toxic materials, as defined or provided in any provincial or federal laws or regulations, to be located in or about the Equipment Space, except in compliance with all applicable laws and regulations.

8. INSTALLATION AND ALTERATIONS:

The Licensee shall not commence any installation, addition, alteration upgrade or modification to Communications Equipment or any other Licensee's equipment, without the prior written approval of the Licensor, such approval not to be unreasonably withheld, conditioned or delayed. Whenever the Licensor's approval of work is required as above, Licensee shall deliver a written request to Licensor, specifying:

- (a) the names and addresses of each proposed contractor and subcontractor;
- (b) a description of the equipment and services to be performed; and
- (c) the planned dates and times of such activities.

All maintenance, installation, addition, upgrade, modification or other alteration of the Communications Equipment and other Licensee's equipment within the Facility, shall comply with all manufacturers' specifications, and shall meet all industry quality assurance standards including but not limited to NEBS, IEEE, and Bellcore.

9. RULES AND REGULATIONS:

Licensee shall at Licensee's own cost and expense, comply with all federal, provincial, and municipal laws, rules, regulations, ordinances and requirements, whether now in force or hereinafter enacted, relating to Licensee's use of the Equipment Space. Licensee will obtain all required permits and licenses pertaining to the installation, operation, maintenance and repair of its equipment in the Facility. In addition, Licensee agrees to comply with all rules and

regulations as may be adopted by the Licensor regarding access to the Facility or use of the Equipment Space whether now in force or hereinafter enacted or promulgated.

10. LIMITATION OF LIABILITY:

Licensor and Licensee hereby agree that:

Neither party shall be liable to the other party, and each party hereby releases and waives all claims against the other party, for any injury or damage arising from interruption of service or power, except to the extent caused by the negligence or willful misconduct of the other party or its employees, agents or contractors.

Notwithstanding any provision of this License to the contrary, neither party shall be liable to the other party for any special, incidental, indirect, loss of profits or consequential damages, whether foreseeable or not, arising out of, or in connection with this License including but not limited to, such party's failure to perform its obligations, or a breach of this License (whether arising out of transmission interruptions or problems, any interruption or degradation of service or otherwise). All claims with respect to which such special, incidental, indirect, loss of profits or consequential damages are hereby specifically waived.

11. INDEMNIFICATION:

11.1 Licensors agree to indemnify and hold harmless and defend Licensee, its employees, contractors, and invitees from and against any and all demands, claims, causes of action, fines, penalties, damages, losses, liabilities, judgments, to the extent incurred in connection with or arising from:

- (a) any negligent acts or omissions, or willful misconduct of Licensors or, those over whom it is responsible in law; and
- (b) any breach, violation, or nonperformance by Licensors or those over whom it is responsible in law of any term, covenant, or provision of this License, or any law, statute, ordinance or governmental requirement of any kind.

11.2 If any action or proceeding is brought against Licensee, its employees, contractors or agents by reason of any such claim, Licensee shall, on notice from Licensors, defend the claim at Licensors' expense. The obligations of this section shall survive the expiration or other termination of this License.

11.3 Licensee agrees to indemnify and hold harmless and defend Licensors, its employees, contractors, and invitees from and against any and all demands, claims, causes of action, fines, penalties, damages, losses, liabilities, judgments, to the extent incurred in connection with or arising from:

- (a) any negligent acts or omissions, or willful misconduct of Licensee or, those over whom it is responsible in law; and
- (b) any breach, violation, or nonperformance by Licensee or those over whom it is responsible in law of any term, covenant, or provision of this License, or any law, statute, ordinance or governmental requirement of any kind.

- 11.4 If any action or proceeding is brought against Licensor, its employees, contractors or agents by reason of any such claim, Licensee shall, on notice from Licensor, defend the claim at Licensee's expense. The obligations of this section shall survive the expiration or other termination of this License.
- 11.5 Notwithstanding any provision of this License to the contrary, neither party shall be required to indemnify and hold harmless and defend the other for any special, incidental, indirect, loss of profits or consequential damages, whether foreseeable or not, arising out of, or in connection with this License.

12. INSURANCE:

- 12.1 The Licensee shall, without limiting its obligations for liability under this License, at its own expense, obtain and maintain in full force and effect, throughout the entire term of this License, the following insurance coverage, with the limits set out below in effect:
- (a) Commercial General Liability Insurance in an amount not less than two million dollars (\$2,000,000.00) inclusive per occurrence, composed of any combination of primary and excess (umbrella) insurance policies and in the aggregate for products and completed operations, against liability for bodily injury, personal injury, death and property damage including loss of use. Such coverage shall include contractual liability, tortious liability, contractor's protective liability, products and completed operations, non-owned auto liability and contingent employer's liability insurance. The Licensor, its officers, employees, servants and agents shall be additional insureds. Such insurance shall also cover the legal liability of the Licensee for others over whom it is responsible in law in the performance of this Agreement. This insurance shall also contain a cross liability and severability of interest clauses.
 - (b) "All risks" property insurance in an amount not less than the replacement cost of the Communications Equipment.
- 12.2 At Licensor's request, Licensee shall provide Licensor with a certificate evidencing the above insurance and recording that Licensor shall receive thirty (30) days advance notice of cancellation or material change to the detriment of Licensor. Insurance policies provided pursuant to this Section 12 shall be in accordance with the following terms and conditions:
- (a) All insurance required under this License shall be placed with insurers having an A.M. Best rating of A- or better and which are licensed to provide insurance coverage in Ontario.

- (b) Failure to comply with the requirements for insurance coverage of the kinds and with the limits stated in this License shall in no way act to relieve the Licensee from its obligations under this License. The Licensee may obtain insurance having greater limits and providing other forms of coverage, as the Licensee deems prudent to protect itself under this License. If the Licensee fails to provide such required insurance, the Licensor may, at its option, place the required coverage and charge the cost of obtaining such coverage to the Licensee; and
- (c) The Licensee shall have the insurance required in full force and effect prior to the Commencement Date and shall provide evidence of insurance to the Licensor prior to the Commencement Date in the form of a certificate of insurance.

12.3 During the term of this License, the Licensor shall, at Licensor's sole cost and expense, keep in full force and effect the following insurance:

The Licensor shall, without limiting its obligations for liability under this License, at its own expense, obtain and maintain in full force and effect, throughout the entire term of this License, the following insurance coverage, with the limits set out below in effect:

- (a) Commercial General Liability Insurance in an amount not less than two million dollars (\$2,000,000.00) inclusive per occurrence, composed of any combination of primary and excess (umbrella) insurance policies and in the aggregate for products and completed operations, against liability for bodily injury, personal injury, death and property damage including loss of use. Such coverage shall include contractual liability, tortious liability, contractor's protective liability, products and completed operations, non-owned auto liability and contingent employer's liability insurance. The Licensee, its officers, employees, servants and agents shall be additional insureds. Such insurance shall also cover the legal liability of the Licensor for others over whom it is responsible in law in the performance of this Agreement. This insurance shall also contain a cross liability and severability of interest clauses.
- (b) "All risks" property insurance in an amount not less than the replacement cost of the Communications Equipment.

12.4 At Licensee's request, Licensor shall provide Licensee with a certificate evidencing the above insurance and recording that Licensee shall receive thirty (30) days advance notice of cancellation or material change to the detriment of Licensee. Insurance policies provided pursuant to this Section 12 shall be in accordance with the following terms and conditions:

- (a) All insurance required under this License shall be placed with insurers having an A.M. Best rating of A- or better and which are licensed to provide insurance coverage in Ontario:

- (b) Failure to comply with the requirements for insurance coverage of the kinds and with the limits stated in this License shall in no way act to relieve the Licensor from its obligations under this License. The Licensor may obtain insurance having greater limits and providing other forms of coverage, as the Licensor deems prudent to protect itself under this License; and
- (c) The Licensor shall have the insurance required in full force and effect prior to the Commencement Date.

13. ASSIGNMENT AND SUBLICENSING:

This License shall not be assigned or sublicense this License without the express written consent of the Licensor. Notwithstanding the above the Licensee shall be able to assign or sublicense, this license in part or in whole to any affiliate (as defined in the Canadian Business Corporations Act) of the Licensee.

14. SERVICES PROVIDED BY LICENSOR:

Subject to any act or event of Force Majeure or any interruption in the supply of power, the Licensor will provide:

- (a) AC power consisting of commercial, unprotected and interruptible 120 volt,30 amp (each of the two). single phase with diesel backup in conjunction with the two x 30 amps and one standard duplex outlet;
- (b) Preaction two (2) stage dry fire suppression system, whereby two (2) detectors must sense smoke or fire before activation of system.
- (c) #6 Ground to be provisioned by the Licensor for the Licensee within the defined equipment Space. #6 ground to be linked to building's electrical ground.

Licensee shall supply the fiber or cable that will be installed for connection to the Communications Equipment installed in the Equipment Space.

Licensor shall have no duty to monitor, maintain, or care for any equipment installed by or for Licensee. Installation of the Licensee's Communications Equipment shall be performed in accordance with the Licensor's installation policies and procedures.

15. RELOCATION:

In the event of any damage or destruction of the Equipment Space that renders the Equipment Space unusable and prevents the provision of services by the Licensee during the Term or any renewal thereof, Licensor shall have the right, upon not less than sixty (60) calendar days prior notice to Licensee, to relocate all or any portion of the Equipment Space designated for the Licensee's equipment. Following receipt of such notice, Licensee shall cooperate with Licensor in relocating Licensee's equipment, at Licensee's cost, to the new equipment space as designated by the Licensor. If Licensee determines, in its sole discretion that the proposed new location does not meet Licensee's business requirements then Licensee shall have the right to terminate this Agreement without termination charges.

16. SURRENDER OF THE PREMISES:

Within sixty (60) days of expiration or earlier termination of this License by Licensee or Licensor, the Licensee shall remove its equipment from the Equipment Space and remove all its cable or fibre from the conduits at Licensee's expense. Licensee shall surrender the Equipment Space in good condition, reasonable wear and tear excepted. If Licensee fails to remove its equipment and other personal property from the Equipment Space within sixty (60) days after the date of expiration or termination, then such equipment may be removed by the Licensor at the sole cost and expense of the Licensee and the Licensor may dispose of same as the Licensor determines in its sole discretion.

17. TERMINATION AND TERMINATION CHARGES:

- (a) Licensor may terminate this Agreement, immediately, without further obligation to the Licensee in the event of:
 - (i) The Licensee's failure to pay when due any recurring monthly license fees and charges, initial installation charges, or other amounts, if the failure to pay continues for thirty (30) days after written notice has been given to Licensee.
 - (ii) The Licensee making or being deemed to have made a general assignment for the benefit of creditors under the Bankruptcy and Insolvency Act (the "Act"), or if a petition is filed against it under the Act, or if it shall be declared or adjudicated bankrupt, or if an application is made in respect of it under the Companies Creditors Arrangement Act, or if a liquidator, trustee in bankruptcy or receiver institutes proceedings against the Licensee to be adjudged bankrupt or insolvent or consents to the institution of such appointment or proceedings, or if it admits in writing an

inability to pay debts generally as they become due or becomes an "insolvent person" as that term is defined in the Act;

- (iii) Licensee's failure to perform or observe any material term, covenant or condition of this License, if the failure continues for thirty (30) days after written notice has been given to Licensee.
- (b) Licensee may terminate this Agreement immediately without further obligation to Licensor, other than the obligation to pay amounts owing for services provided to the date of such termination, in the event of:
 - (i) The Licensor making or being deemed to have made a general assignment for the benefit of creditors under the Bankruptcy and Insolvency Act (the "Act"), or if a petition is filed against it under the Act, or if it shall be declared or adjudicated bankrupt, or if an application is made in respect of it under the Companies Creditors Arrangement Act, or if a liquidator, trustee in bankruptcy or receiver institutes proceedings against the Licensor to be adjudged bankrupt or insolvent or consents to the institution of such appointment or proceedings, or if it admits in writing an inability to pay debts generally as they become due or becomes an "insolvent person" as that term is defined in the Act;
 - (ii) Licensor's failure to perform or observe any material term, covenant or condition of this License, if the failure continues for thirty (30) days after written notice has been given to Licensor.

18. FORCE MAJEURE:

If, by reason of Force Majeure, either party hereto (the "Frustrated Party") is delayed or unable, in whole or in part, to perform or comply with any obligation or term of this License, then it shall be relieved of liability and shall suffer no prejudice for failing to perform or comply or for delaying such performance or compliance during the continuance of the act or event of Force Majeure, provided that it gives to the other party prompt notice of such inability and reasonably full particulars of the cause thereof. If notice is not promptly given, then the Frustrated Party shall only be relieved from performance or compliance from and after the giving of such notice. The Frustrated Party shall use its best efforts to remedy the situation and remove, so far as possible with reasonable dispatch, the cause of its inability to perform or comply, provided, however, that there is no obligation of any party to settle or cure any strikes, lockouts and other industrial disputes. The Frustrated Party shall give prompt notice of the cessation of Force Majeure.

Upon receipt of a notice of a Force Majeure by Licensee from Licensor then the obligations of Licensee to pay for the amounts as provided in the License, shall cease in respect of the period commencing on the date of receipt of the notice and ending on the date of receipt of notice from Licensor indicating the cessation of the Force Majeure.

If an act or event of Force Majeure prevents the performance of a party's obligations under this License for more than thirty (30) days, a party may terminate the License by giving the other Party not less than five (5) days' notice.

19. GOVERNING LAW:

This License shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein excluding any conflict of laws rules that would result in the application of the laws of another jurisdiction.

20. INTERPRETATION:

Licensee hereby expressly agrees that this License constitutes a mere license and not a lease of the Equipment Space or the Facility.

21. WAIVER:

No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

22. NOTICES:

Any notice, statement or request given by either party to the other shall be in writing and shall be deemed to have been effectually given if signed by or on behalf of the party giving the notice and delivered or mailed by registered prepaid post, or sent by facsimile transmission:

(a) If to Licensor:

TELUS Communications Company
Floor 23, TELUS Tower
411 - 1 Street SE
Calgary, Alberta
T2G 4Y5

Attention: VP-Partner Solutions Carrier Services
Telephone:
Facsimile: (403) 237 7517

(b) If to Licensee:

Bell Canada
7111 Syntex Drive,
Mississauga, Ontario
L5N 8C3

Attention : National Facilities
Fax: (416) 848.5325

With a copy to: Legal Department
Fax. No. (416) 848-2036

Any such notice given as aforesaid shall be conclusively deemed to have been given, if delivered, on the first business day following the date of such delivery or, if mailed, on the third

business day following the date of such mailing. Any notice sent by facsimile transmission shall be deemed to be received on the date it is received by the recipient's facsimile machine. Any party may from time to time by notice to the other change the address to which notices are to be given. During any interruption, threatened interruption, or substantial delay in postal service, such notice shall be delivered by hand or sent by facsimile transmission as aforesaid.

23. TERMS AND HEADINGS:

The section titles of this License and the Recitals are an integral part of this License and are to be considered in the construction or interpretation of this License or any part hereof.

24. SUCCESSORS:

This License shall inure to the benefit of and be binding on the parties, and their successors, assigns and legal representatives, but nothing contained in this section shall be construed to permit an assignment or sublicense except as specifically provided herein.

25. SEVERABILITY:

Any provision of this License which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall remain in full force and effect to the greatest extent permitted by law.

26. RULES AND REGULATIONS:

Licensee and its employees, agents and invitees shall abide by and observe all reasonable rules and regulations as may be promulgated by Licensor or Licensor's lessor for the access to the Facility and use of the Equipment Space. Notice of the rules and regulations will be provided to Licensee. Licensor may periodically amend or supplement the rules and regulations at its sole discretion.

27. AMENDMENT AND MODIFICATION:

This License may be amended, changed or modified only by an instrument in writing signed by duly authorized representatives of the parties hereto.

28. ENTIRE AGREEMENT:

This License contains all of the agreements of the parties concerning the subject matter herein, and there are no spoken or other agreements which modify or affect this License. This License supersedes any and all prior agreements made or executed by or on behalf of the parties hereto.

29. CONFIDENTIALITY:

During and after the term of this Agreement, each party (the "Receiving Party") shall maintain strictly confidential all information, financial, technical, or otherwise, disclosed by the other party (including the terms of this Agreement) and shall not copy or use any such information except as contemplated by this Agreement. The foregoing shall not apply to information which is or becomes publicly known otherwise than by reason of a breach of this Agreement by the Receiving Party or has been independently developed outside the scope of this Agreement. Nothing herein shall prevent a party required by law from disclosing the confidential information

as required. Notwithstanding the termination of this Agreement for any reason, this Section 29 shall survive such termination for a period of five (5) years.

IN WITNESS WHEREOF, the parties have executed this License the date first above written.

Licensor: TELUS COMMUNICATIONS COMPANY

By: _____ Dec 11, 2006

Name: _____

Title: Manager, Planning & Engineering

Licensee: BELL CANADA

By: _____

Name: _____
Senior Director and
Operations Process Champion

Title: _____

SCHEDULE "A" (page 1 of 3)

SCHEDULE "A" (page 2 of 3)

SCHEDULE "A" (page 3 of 3)

Schedule B (201043)

Schedule B (Page 2 of 3)

SCHEDULE "C"

License Fee

1. \$1,250 per Bay per annum
2. Quantity of Bays: 7
3. Total Cost per annum: \$8,750