

BUILDING LICENSE AGREEMENT

THIS AGREEMENT made on the 18 day of November 19 99

**BETWEEN:** TRANSWORLD MANAGEMENT LTD.  
9<sup>th</sup> Floor - 999 West Broadway  
Vancouver, British Columbia  
V5Z 1K5

(Hereinafter referred to as "THE LICENSOR")

OF THE FIRST PART

**AND:** GT GROUP TELECOM SERVICES CORP.  
Suite 300-840 Howe St.,  
Vancouver, B.C.  
V6Z 2L2

(Hereinafter referred to as "GT")

OF THE SECOND PART

**WHEREAS:**

- A. THE LICENSOR has agreed to license certain space, as approved by THE LICENSOR in attached Schedules and/or Addendum, to GT Group Telecom Services Corporation, its successors and assigns to install, operate and maintain communications equipment, cabling, connections and associated hardware on a non exclusive basis, in or on the buildings and lands at :

**873 BEATTY STREET, VANCOUVER, B.C.**

(Hereinafter referred to as "THE SITE").

NOW THIS AGREEMENT WITNESSETH that in consideration of the mutual promises herein contained, the parties agree each with the other as follows:

1. THE LICENSOR hereby grants a license to GT for certain areas in and on THE SITE designated for the purpose of installing, operating and maintaining cabling, connections and ancillary equipment (hereinafter referred to as the "EQUIPMENT") so as to provide telecommunication services.
2. On termination of this agreement, GT will remove all EQUIPMENT and cabling installed pursuant to this agreement, save that in Schedule A. GT shall make good all damage and indemnify against all losses, costs and expenses relating to the installation, operation, or removal of such EQUIPMENT. Upon mutual agreement, THE LICENSOR will have the right to assume ownership of the EQUIPMENT and cabling, or portions thereof, without payment.

3. GT will not at any time install additional EQUIPMENT until it has provided a set of plans, and THE LICENSOR has approved those plans.
4. GT will have free and reasonable access to THE SITE during normal business hours provided that the building manager has received prior notice thereof. After normal business hours, access to THE SITE will only be with the prior approval of THE LICENSOR, such approval not to be unreasonably withheld or delayed.
5. GT will at all times during the term of this agreement, keep the EQUIPMENT in good repair and will comply with all relevant laws and will, at their cost, ensure that at no time does the EQUIPMENT or the operation and location of the EQUIPMENT prohibit the normal operations or renovations of THE SITE.
6. Should interference develop at any time between the installations of other users of THE SITE and those of GT, GT shall promptly agree to cooperate in determining the cause of such interference and shall take immediate steps to resolve the interference at its own expense should GT be at fault and without prior rights
7. GT shall at all times during the term and any renewal thereof maintain an insurance policy covering all of his undertaking and in particular, public liability and property damage insurance coverage in an amount not less than FIVE MILLION (\$5,000,000.00) DOLLARS for each occurrence involving bodily injury, death or property damage, personal injury liability, product liability, contractual liability, contingent liability, and non-owned automobile liability, such policy to be written on a comprehensive basis. Upon request, GT shall provide a certificate that such insurance is in force.
8. GT will pay all costs, taxes and other levies related to the installation, maintenance, operation and relocation of the EQUIPMENT. . The Licensor shall not unreasonably request that the Equipment be relocated, but if it must be relocated, the Licensor agrees to provide space mutually suitable and of no less dimensions than the original Equipment space. For this purpose, a request by the Licensor for relocation to accommodate a competitor of the Licensee is agreed to be unreasonable. GT shall at its own cost and expense remove all of the Equipment from THE SITE at the expiration or earlier termination of this Agreement, and shall make good any damage caused to THE SITE as a result of the installation or removal thereof.
9. Each of the parties hereto acknowledge and agree that this agreement constitutes the giving of a license and does not constitute or contain any lease of property.
10. This Agreement enures to the benefit of and is binding on the parties to the Agreement and their respective heirs, executors, administrators and permitted assigns. Subject to the following two exceptions, GT agrees that it will not assign its rights under this agreement to any third party without the prior written consent of the Licensor, such consent not to be unreasonably withheld, delayed, or conditioned, provided that GT may, with notice to the Licensor but without need for the Licensor's consent, assign its rights and benefits under this Agreement [1] to a corporation which controls, is controlled by, or is under common control with GT provided GT remains liable under this Agreement and the use of the licensed site does not change, and [2] for security purposes, to Lucent Technologies Inc. and any other senior lender to GT, on terms which include the lender's right to receive notice of any default by GT and a reasonable opportunity to cure any such default by GT. The LICENSOR may, without the consent of GT, assign this agreement to a purchaser of THE SITE, provided that the purchaser agrees to be bound by this agreement.
11. In the event of any breach of this Agreement the party not in breach shall give the party in breach written notice describing the breach and specifying that within thirty (30) calendar days it must be cured. If a resolution is not achieved within the thirty calendar days from the receipt of the written notice, then a party may move for mandatory, binding arbitration pursuant to the Commercial Arbitration Act of B.C.

*Copy of their agreement*

12. GT shall indemnify and save the Licensor harmless from and against any and all losses, costs, claims and damages arising out of any personal injury or death or damage to property resulting from or caused by the installation, operation, maintenance or removal of the equipment
13. Time shall be of the essence of this Agreement.
14. Except for the payment of money and unless dealt with elsewhere in this Agreement, neither party shall be liable to the other for any delays or failure to perform resulting directly from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labour dispute, war or other violence, or any law, order or requirement of any Governmental Entity. Where applicable, performance time shall be considered extended for a period of time equivalent to the time lost because of any such delay.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day, month and year first above written.

THE AUTHORIZED SIGNATURE ~~OF~~:

("THE LICENSOR")

(Authorized signature) [Signature]

Date: November 18, 1999

(name) [Signature]

(title) Director

GT GROUP TELECOM SERVICES CORP. (GT)

(Authorized signature) [Signature]

("THE LICENSEE")

Date: NOVEMBER 24, 1999

(title) GENERAL COUNSEL

**BUILDING LICENCE AGREEMENT - SCHEDULE "A"**  
**873 BEATTY STREET, VANCOUVER, BC**

**DESCRIPTION**

Fiber Optic entry cable, up to and including demarcation rack, which may require approximately twelve sq. ft of wall space for cable maintenance loop cabinet in a room designated by the Licensor.

**SPECIAL REQUIREMENTS**

**DIAGRAMS [TYPICAL], PHOTOGRAPHS, AND SCHEMATICS [Attach]**

**ACKNOWLEDGEMENTS**

The following authorized signatories acknowledge and permit the presence of GT Group Telecom Services Corporation personnel and equipment on the site and accept this schedule as an extension of and subordinate to the Building License Agreement between TRANSWORLD MANAGEMENT LTD. and GT GROUP TELECOM SERVICES CORPORATION, DATED November 18, 1999

**Building Owner or Property Manager**

**GT Group Telecom Services Corporation**

**Name...**

**Signature**

**Date...**

**Date...**

**BUILDING LICENCE AGREEMENT - SCHEDULE "B"**  
**TERM TWELVE 12 YEARS WITH ONE RENEWABLE\* 12 YR. OPTION**  
**873 BEATTY STREET, VANCOUVER, B.C.**

**DESCRIPTION**

Cable and related hardware from demarcation rack, up to but not limited to rack floor space of approximately 63 Sq. Ft in a designated room within the building storage space area, basement level, access to riser cabinets, riser cables, raceways, distribution boxes, horizontal distribution cable, rooftop access and roof top space. Pursuant to Item 3, all installations shall be pre-approved by the licensor in writing prior to the start of construction.

**SPECIAL REQUIREMENTS**

**DIAGRAMS [TYPICAL], PHOTOGRAPHS, AND SCHEMATICS [attach]**

**ACKNOWLEDGEMENTS**

The following authorized signatories acknowledge and permit the presence of GT Group Telecom Services Corp. personnel and equipment on the site and accept this schedule as an extension of and subordinate to the Building Licence Agreement between TRANSWORLD MANAGEMENT LTD. and GT GROUP TELECOM SERVICE CORP., DATED: NOV 18, 1999

**\*OPTION TO RENEW**

The Licensor shall grant a renewal lease, at the option of the Licensee for a term of twelve [12] years upon twelve (12) months' notice prior to the expiration of the term. The renewal term will be upon the same terms and conditions contained herein save for the fees, which shall be agreed upon by the parties at least twelve [12] months prior to the expiry of the first term. Any differences that may arise between the parties relative to the renewal of the agreement, that cannot be settled between the parties, shall be settled by a single arbitrator in accordance with the provisions if the commercial Arbitration Act S.B.C. 1986, c.3 and amendments thereto or legislation in substitution therefore.

**Building Owner or Property Manager**

**GT Group Telecom Services Corp.**

**Name..**

**Signat**

**Date** November 18, 1999

**Date** NOVEMBER 24, 1999

**GROSS FEE SCHEDULE [See Note 1]**  
[Pursuant to Building Licence Agreement]  
**873 BEATTY STREET, VANCOUVER, B.C.**

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**SCHEDULE "A"**

Entrance cable to Demarcation point

Term:

No fixed term

**SCHEDULE "B" [see note 2]**

From demarcation point to riser system & horizontal distribution to tenants premises. Includes floor space approximately 63 Sq. Ft for floor cabinet in main telephone room or room designated.

Term: [see note 3]

Fees: First Twelve [12] years

12 years with  
renewable 12 year term.  
~~\$500.00~~ **\$850.00** /yr. Paid Annually.  
Payments commence when  
Work on Schedule B begins  
but not later than 90 days from  
date of signing.

Fees: [special]

e.g. Power Consumption

\$25.00/Mo.

**NOTE 1**

All fees paid for use of space shall be considered "gross" and shall not be subject to additional annual operating increases. Fees shall only be increased with the requirement for additional space or increased services. [eg. More electrical Power] or at the conclusion of a rate review period. Rates to be reviewed at four (4) and eight (8) year intervals for the initial twelve (12) year term. If, however, the parties have not agreed as to the amount of rent by the sixtieth [60<sup>th</sup>] day prior to the rate review date, then the rent shall be determined either;

[a] by an arbitrator mutually agreed upon by the parties who shall be a person currently active in the Province of British Columbia as an accredited Real Estate appraiser having not less than five years experience as an appraiser; or

[b] if the parties are unable to agree as to an arbitrator pursuant to clause [a] of this paragraph, then such Fair Market Rent shall be determined by a single arbitrator in accordance with the provisions if the commercial Arbitration Act S.B.C. 1986, c.3 and amendments thereto or legislation in substitution therefore.

**873 BEATTY STREET, VANCOUVER, B.C.**  
[Pursuant to Building Licence Agreement]

**NOTE 2**

Schedule "B" concerns the expansion of cable facilities beyond The Demarcation point necessary to provide service to tenants.

**NOTE 3**

**OPTION TO RENEW**

If the Licensee regularly pays said fees and performs the covenants herein, the Licensor shall grant a renewal lease for a term of twelve [12] years upon twelve (12) months' notice prior to the expiration of the term. The renewal term will be upon the same terms and conditions contained herein, save as to fees in Schedule "B". Rents for said renewal term shall be agreed upon between the parties and shall be based on the fair market rental for similar access and opportunities. The parties shall commence making bona fide efforts twelve (12) months prior to the commencement date of the Renewal Term as to the Fair Market Rent with respect to the leased premises or facilities. If , however, the parties have not agreed as to the amount of rent by the sixtieth [60<sup>th</sup>] day prior to the commencement of the Renewal Term, or Rate Review date, then the rent shall be determined either;

[a] by an arbitrator mutually agreed upon by the parties who shall be a person currently active in the Province of British Columbia as an accredited Real Estate appraiser having not less than five years experience as an appraiser; or

[b] if the parties are unable to agree as to an arbitrator pursuant to clause [a] of this paragraph, then such Fair Market Rent shall be determined by a single arbitrator in accordance with the provisions if the commercial Arbitration Act S.B.C. 1986, c.3 and amendments thereto or legislation in substitution therefore.

**GT Group Telecom Services Corp.**  
a Subsidiary of Group Telecom Inc.  
PO Box 10082, Pacific Centre  
1000-700 West Georgia Street  
Vancouver, BC V7Y 1B6

Telephone (604) 484-1000  
Facsimile (604) 484-1100  
Toll Free 1-877-484-2131  
e-mail info@gt.ca  
website www.gt.ca

**group telecom**

COMPLETELY CONNECTED

November 25, 1999

**TRANSWORLD MANAGEMENT LTD. ("Owner")**  
9<sup>th</sup> Floor – 999 West Broadway  
Vancouver, British Columbia V5Z 1K5

**Re: The Building License Agreement dated November 18, 1999 between "Owner" and GT Group Telecom Services Corp. ("GT")**

We hereby notify you in accordance with Section 10 of the above referenced agreement that we have assigned our rights and obligations for the following address made under this agreement as collateral security to Montreal Trust Company of Canada as collateral agent for our lender, Lucent Technologies Inc.:

- **873 Beatty Street      Vancouver British Columbia**

Yours truly,

**GT GROUP TELECOM SERVICES CORP.**

Per: \_\_\_\_\_  
Authorized Signatory

**VIA REGISTERED MAIL**