LICENSE

Licensor HER MAJESTY THE QUEEN	License No. PAC02002
IN RIGHT OF CANADA Licensee TELLIS COMMUNICATIONS DIG	DPW region file
TELUS COMMUNICATIONS INC. Legal description	
PID: 018-392-164, Lot 1, Block 1, District Lot 185, Plan LMP11726	
Name of building	
Civic address	
401 Burrard Street, Vancouver, B.C.	
Area	
19.0 square metres of floor space in the Property (known as Equipme	ent Area)
Term	
Ten years commencing on August 1, 2002 and ending on July 31, 20	12.
Rent	
\$ 3,456.00 per annum plus GST / \$ 288.00 per month plus GST	
Options	Alder (de la lacunitation de grico de Marie en la company de propriet de grandes de la company de la company d
Client (Licensee)	
TELUS COMMUNICATIONS INC.	



TELECOMMUNICATIONS LICENSE AGREEMENT

THIS Telecommunications License Agreement (the "Agreement") dated the 22 day of 141, 2002.

BETWEEN:

HER MAJESTY THE QUEEN

in right of Canada represented by the Minister of Public Works and Government Services 641 - 800 Burrard Street Vancouver, British Columbia

(the "Licensor")

OF THE FIRST PART

- and -

TELUS COMMUNICATIONS INC.

(the "Licensee")

OF THE SECOND PART

WHEREAS:

1. The Licensor is the owner of the lands and building having a civic address of 401 Burrard Street, Vancouver, B.C and legally described as:

Lot 1, Block 1, District Lot 185 Plan LMP 11726

Parcel Identifier: 018-392-164

(the "Property"); and

2. The Licensee wishes to provide telecommunications services within the Property under the conditions described herein and has full authority without further consent from any other party to negotiate and execute this Agreement with the Licensor.

NOW THEREFORE, WITNESSETH THAT, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties hereto hereby covenant, acknowledge and agree as follows:

ARTICLE I - LICENSE

1.1 Licensed Area and Use

- (a) The Licensor hereby grants to the Licensee a non-exclusive License:
 - (i) To install, maintain, operate, repair, replace, and remove, at the Licensee's sole expense and risk, communications equipment (the "Communications Equipment", being defined as the cabinets, racks and other electronic equipment specified in Schedule A), on and in the Equipment Area (as hereinafter defined and as described in Schedule B);

To install, maintain, operate, repair and replace at the Licensee's sole expense and risk, certain connecting equipment (the "Connecting Equipment", being defined as the cables, conduits, inner ducts, connecting hardware and other passive equipment, as specified in Schedule C), together with the right to pull such Connecting Equipment through the Property's entrance link (the "Entrance Link", being defined as the core sleeve penetration through the Property foundation) and through other Property communication spaces (the Property Communication Spaces", being defined as the telecommunications pathways necessary to reach from the Entrance Link to the Licensee's Equipment Area in the Property and from the Equipment Area to the Licensee's customers), as may be necessary to provide telecommunications services to the Licensee's customers and as designated and approved by the Licensor. The Communications Equipment and the Connecting Equipment are collectively referred to in this Agreement as "Licensee's Equipment" and the Entrance Link, Property Communications Spaces and Equipment Area are collectively referred to as the "Licensed Area"; and

To use the existing Property Entrance Link and existing Property wiring only to the extent that the Licensor has the possession of and authority to allow such use of said facilities. In no event shall the Licensor be obligated to provide such allowed use of facilities to the extent that it does not own, control, or have authority to allow such usage; and

For right of ingress and egress for the Licensee's employees, servants and agents, customers and invitees, and the use of the elevators, entrances lobbies, hallways, stairways, driveways, common loading and stopping areas in and about the Property. the "Common Areas".

(b) The Licensor shall provide approximately 19.0 square metres of floor space in the Property and in a location designated by the Licensor and shown shaded on the floor plan attached as Schedule "B" (the "Equipment Area") for the sole use of the Licensee as the Property service site. The Licensee is expressly forbidden to serve other properties from this location without the prior written consent of the Licensor, which consent the Licensor may arbitrarily withhold. In the event that the Licensor does consent, additional fees and conditions may be required, as agreed to between the parties, for using the Licensee's Equipment Area as a service point for other properties outside the Property.

The Licensor shall have the right in its sole discretion, to reasonably limit the type, size and location of the Licensee's Equipment located in the Property.

The Licensee hereby accepts and assumes full and exclusive liability for, and shall hold the Licensor harmless from, the payment of all taxes, monies and other expenses arising from the conduct of the Licensee's business in the Property.

The License granted herein is not exclusive. The Licensor hereby reserves the right to grant, renew or extend similar Licenses to others.

(f) The Licensee shall use the Licensed Area solely for the purpose of providing Property tenants with telecommunications services (the "Permitted Use").

This Agreement creates a License only and the Licensee acknowledges that the Licensee does not and shall not claim at any time any interest or estate of any kind or extent whatsoever in the Property, Property Communications Spaces, or Equipment Area by virtue of this Agreement or the Licensee's use of the Property, Property Communications Spaces or Equipment Area pursuant hereto. The Licensee further acknowledges that in no event shall the relationship between the Licensor and the Licensee be deemed to be a landlord-tenant relationship and that in no event shall the Licensee be entitled to avail itself of any rights afforded to tenants under the laws of the Province of British Columbia.

1.2 <u>Inspection</u>

The Licensor makes no warranty or representation that the Licensed Area or the Property are suitable for the Licensee's use. The Licensee hereby acknowledges and agrees that: (i) it has inspected the Licensed Area and related drawings, plans and specifications, (ii) it is entering into this Agreement and accepting its rights to use the said areas and the state and condition thereof on an "as is" basis in the then existing condition thereof, (iii) the Licensee has found the Licensed Area and accepted the state and condition thereof in good working order and condition free from defects and deficiencies and (iv) there is no covenant, agreement, promise, representation, warranty, condition or undertaking, whether expressed or implied, collateral or otherwise, whether oral or written, by or binding upon the Licensor or any agent or any representative or any other person with respect to any zoning, use, development, alteration or decoration, or installation of equipment or fixtures in or in connection with the Licensed Area or any part thereof, except such, if any, expressly set forth in this Agreement.

1.3 Term

- (a) The License shall be for a term of Ten (10) years unless otherwise provided for herein (the "Term") commencing on the earlier of the following dates, (i) the day on which the Licensee begins installing any part of the Licensee's Equipment; or (ii) on the First (1st) day of August, 2002 (the "Commencement Date") and ending on the Thirty-First (31st) day of July, 2012, except as otherwise provided herein.
- (b) The Licensor hereby covenants with the Licensee that if:
 - (i) the Licensee gives notice to the Licensor at least six (6) months prior to the expiry of the initial term of this License of its desire to obtain a renewal of this License, and

at the time of the giving of such notice there is a continuing need for the Licensee to occupy all of the floor space contained within the Equipment Area for the purpose of providing telecommunication services to any occupant within the Property, and

the Licensee has duly and regularly throughout the initial term of this License observed and performed the covenants and conditions herein contained,

then the Licensor shall grant to the Licensee a renewal of this License on terms and conditions consistent with the Licensor's then current access policy for communication carriers, including terms and conditions relating to the duration of the term of the License, the Fee payable for the License and any other terms and conditions as may be applicable to such License

1.4 Licensee's Warranty

- (a) The Licensee warrants that the operation of the Licensee's Equipment will not interfere with the operation of any existing radio or telecommunication equipment installed in the Property, nor will the operation of the Licensee's Equipment interfere with the use and enjoyment of the Property by any other occupant of the Property and their employees, customers and invitees. In the event that the operation of the Licensee's Equipment does interfere with the operation of any existing radio or telecommunication equipment installed in the Property, and if the Licensee fails to remedy such condition within 24 hours after notice thereof by the Licensor, then the Licensor may, in addition to its rights pursuant to Section 4.2 of this Agreement, enter upon the Licensed Area and remedy the condition giving rise to such interference and the cost thereof, plus a sum equal to fifteen percent (15%) of such cost representing the Licensor's overhead, shall be paid by the Licensee to the Licensor.
- (b) Any notice required to be given by the Licensor to the Licensee under Section 1.4(a) above shall be deemed to have been given if delivered by telephone message to 1-800-887-1221 (choose option 3, then 1) and followed by facsimile message to 1-463-262-4482.

1.5 **Telecommunication Management**

- (a) The Licensee acknowledges and agrees that the Licensor shall have the right, but not the obligation, to coordinate, restrict, enforce and approve all third party riser management firms who wish access to the building's risers. The Licensee acknowledges that the Licensor may retain a riser management firm or other third party manager to coordinate, supervise and approve the work of all telecommunication contractors. The Licensor may direct the Licensee to take instruction from such third party manager who shall act on behalf of the Licensor in this regard. The Licensee and other telecommunication providers in the building will pay an equitable proportionate share of such costs associated with the third party riser management, including riser management's fees.
- (b) The Licensee recognizes that the Licensor may desire to provide access to existing and future telecommunications service providers of Property tenants, and the Licensor may deem it desirable to achieve this objective through shared usage of some or all of the Property Communications Spaces. The Licensor may purchase from the Licensee, those portions of the Licensee's Connecting Equipment that the Licensor, in its sole discretion. determines is necessary to incorporate efficiencies in the Property Communication Spaces. The purchase price of such portions of the Licensee's Connecting Equipment shall be determined on the basis of their undepreciated capital cost at the time of the Licensor's written notice to purchase.

1.6 **Laws**

- BLDG CONSTRUCTED 2002 NO INSIDE WIRE The Licensee shall comply with all applicable federal, provin (a) regulations, orders, approvals, judgments or rules (which, deemed to include, without limitation, the Canac BEYOLIND DEMARC. Telecommunications Commission and any other radio to governing the Licensee's Equipment). and indemnify and save harmless the Licensor from and against any and all losses, claims, actions, damages, liabilities and expenses, including legal fees in connection with any breach of such laws, regulations, orders, approvals, judgments or rules.
- If a clause or part of a clause contained in the License shall be judicially held invalid or (b) unenforceable, including any Orders from the Canadian Radio-Television and Telecommunication Commission, the remainder of this License shall be interpreted as if such clause had not been included.



ARTICLE II - AMOUNTS PAYABLE

License Fee

In addition to all charges, costs and other amounts payable by the Licensee pursuant to this Agreement, the Licensee shall pay to the Licensor throughout the duration of this Agreement an annual fee for the occupancy of the Licensed Area in the amount of THREE THOUSAND FOUR HUNDRED AND FIFTY-SIX DOLLARS (\$3,456.00) per annum in advance on the Commencement Date and on the first day of each year of the Term that this Agreement is in effect, together with any and all applicable taxes including the Goods and Services Tax (G.S.T.) (the "Fee").

The Fee shall be paid to the Receiver General for Canada and delivered to:

Accounts Receivable
Public Works and Government Services
641 - 800 Burrard Street
Vancouver, B.C.
V6Z 2V8
Attn: Cashier

2.2 <u>Licensed Area Taxes</u>

- (a) For the purposes of this Agreement, "Licensed Area Taxes" means: (i) all taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed by any governmental or quasi-governmental authority against or in respect of the Licensee's Equipment and the Licensee's personal property on or in the Property or any parts thereof. or the Licensee on account of its ownership thereof or interest therein; (ii) every tax and license fee which is levied, rated, charged or assessed against or in respect of any and every business carried on in the Licensed Area or in respect of the use or occupancy thereof or any other part of the Property by the Licensee and every licensee or permitted occupant of the Licensee or against the Licensee on account of its ownership thereof or interest therein; and (iii) any and all taxes, levies, rates, duties, fees, charges, local improvement rates and assessments whatsoever now or in the future imposed, levied, rated, assessed or charged against the Lands, the Property or any part thereof and/or against the Licensor on account of its ownership thereof that would not otherwise be payable by the Licensor except for the presence of the Licensee's Equipment in the Property and/or the Licensee's occupancy of the Licensed Area.
- (b) The Licensee shall pay to the lawful taxing governing authorities or to the Licensor, as the Licensor may direct from time to time, and shall discharge in each month that this Agreement is in effect when such becomes due and payable, all Licensed Area Taxes, as determined by the Licensor in its sole discretion.

(c) In the event that the Licensee fails or neglects to pay any tax or levy assessed by a taxing authority in respect of the Licensee's use or occupancy of the Licensed Area, such failure or neglect shall be deemed to be a breach of this License and the Licensor may elect to terminate this License pursuant to section 4 of this License.

2.3 Utilities

The Licensee shall install, at the Licensee's sole expense, a separate meter to measure the consumption of electricity by the Communications Equipment. The Licensee shall pay to the Licensor the charges for the electricity consumed by the Communications Equipment as directed by the Licensor, either as a one time charge or in monthly instalments in advance based on estimates by the Licensor and subject to adjustment by the Licensor within a reasonable time after the end of the year for which such estimate has been made. Without limiting the generality of Section 6.2 of the Agreement, in no event shall the Licensor be liable for, nor shall the Licensor have any obligation with respect to, any interruption or cessation of, or any failure in the supply of, any utilities, services or systems whatsoever in, to or serving the Property, the Equipment Area or the Communications Equipment, or any part thereof, whether or not supplied by the Licensor or others.

2.4 <u>Costs of Special Services</u>

- (a) The Licensee shall pay to the Licensor all charges as determined, allocated and attributed by the Licensor, for all special services respecting the Licensed Area and the Licensee's use thereof provided to or for the benefit of the Licensee or Licensed Area, as determined from time to time by the Licensor acting reasonably. Such special services may include, without limitation, charges for security, supervision, receiving, storing and handling of materials and articles, moving of materials and articles, removal of items or substances deposited or discharged on, in or about the Licensed Area or elsewhere in the Property, as determined by the Licensor from time to time. The Licensee, from time to time, may request such special services from the Licensor and the Licensor shall have the right to provide them. If the Licensor elects not to provide them, then they shall be provided only by persons approved in writing by the Licensor acting reasonably. The Licensee shall be solely responsible for all costs for the construction of any additional facilities including, but not limited to, risers and telecom rooms, if such facilities are required to accommodate the installation of the Licensee's Equipment.
- (b) Unless otherwise expressly agreed to by the Licensor and the Licensee to the contrary, the cost of all work, materials and special services performed or supplied by the Licensor respecting the Licensed Area plus an administration fee of 15% thereof shall be paid for by the Licensee to the Licensor. In addition, in the event that the Licensor, acting reasonably, determines that certain special services are required, the Licensee shall pay to the Licensor all charges for all such special services in accordance with this Section whether or not such special services were requested by the Licensee.

Payment

The Licensee shall pay to the Licensor, in lawful money of Canada, within 30 days following receipt from the Licensor of invoices therefor, but without further notice or demand, all amounts required to be paid by the Licensee to the Licensor under this Agreement, save for Fee and charges set forth in Sections 2.1 and 2.3 of this Agreement which shall be payable as set forth in such sections, failing which the Licensee shall be in default under this Agreement. All amounts payable by the Licensee to the Licensor pursuant to this Agreement past due shall bear interest from the date on which the same become due until the date of payment at five percent (5%) per annum in excess of the prime interest rate charged by any Canadian chartered bank designated by the Licensor.

<u>ARTICLE III - CONSTRUCTION, HAZARDOUS MATERIALS, MAINTENANCE AND ACCESS</u>

Construction

(a) The Licensee, at its expense and at all times under the supervision of the Licensor, shall install the Licensee's Equipment, including any and all fittings, anchors and other materials used to secure the Licensee's Equipment on the Licensed Area, shall prepare the Licensed Area and shall carry out any Licensee's Additional Work, hereinafter described in Section 3.1 (c), such work collectively referred to as the Installation Work. Installation Work shall be of a first class professional nature, quality and design, and subject to the Licensor's prior written approval. The Installation Work and the Communications Equipment shall be provided and installed by the Licensee in accordance with the plans, drawings and specifications submitted by the Licensee in advance and which shall be subject to and which shall require the Licensor's prior written approval. In no event shall the Licensor's approval of such plans be deemed a representation that the Licensee's Equipment will not cause interference with other systems in the Property or that the Licensee's plans comply with applicable laws, rules or regulations, since such responsibility shall remain with the Licensee. Where required by the Licensor, the Licensee shall obtain the written assurances of a professional engineer with respect to the Installation Work conforming to all required safety measures including wind load resistance and floor load capacity. The Installation Work shall be performed: (i) at the sole cost of the Licensee; (ii) by contractors and workmen approved by the Licensor; (iii) in a good and workmanlike manner; (iv) in accordance with drawings and specifications approved by the Licensor; (v) in accordance with all applicable laws and regulations; (vi) subject to the reasonable regulations, supervision, control and inspection of the Licensor; and (vii) subject to such indemnification against liens and expenses as the Licensor reasonably requires. Upon completion of the Installation Work and any and all subsequent alterations, the Licensee shall, at its expense, submit to the Licensor a complete set of "as-built" mechanical, electrical, architectural and structural drawings, and electronic copies therefor, of the Equipment Area reflecting the completed work.

The Licensee shall, at its sole cost, obtain all required permits, licenses, consents and other approvals, as the case may require, for the installation, maintenance and operation of the Licensee's Equipment.

(c) Without limiting the generality of the foregoing provisions of this Section 3.1, specific preparations, installations and relocations as a result of this license (the "Licensee's Additional Work") are as defined in Schedule "D".

The Licensee shall label each cable placed in the telecommunications pathways, in each telephone closet through which said cables pass, with identification information including, but not limited to, the Licensee's name (to serve as identification) floor where cable originates and floor where cable terminates, and any other information as may be reasonably required by the Licensor.

- (e) The Licensee shall not during construction or otherwise, in the Licensor's sole and reasonable judgment, block access to or in any way obstruct, interfere with or hinder the use of the Property's loading docks, the sidewalks around the Property or any entrance ways thereto. If such conditions shall occur, the Licensee shall take corrective action as promptly as feasible, but in no event more than twenty four (24) hours following notice by the Licensor of such conditions
- (f) The Licensor may: (a) alter, construct improvements to, rearrange and construct additional facilities in the Property; (b) relocate the facilities and improvements in or comprising the Property; (c) do such things on or in the Property as required to comply with any laws, by-laws, regulations, orders or directives affecting the Lands or any part of the Property; and (d) do such other things on or in the Property as the Licensor determines to be advisable. Without limiting the generality of Section 6.2 of the Agreement, the Licensor shall not be liable for any loss, costs or damages, whether direct or indirect, incurred by the Licensee due to any of the foregoing.

3.2 <u>Hazardous Materials</u>

(a) The Licensee shall not install or bring any hazardous substance or material onto the Property. In the event that any hazardous materials are installed or brought into the Property by or on behalf of the Licensee, then the Licensee shall cause the removal of same within twenty-four (24) hours of the Licensor's written notice and shall indemnify and hold the Licensor harmless from any claim, loss, cost, damage, or expense resulting from such hazardous materials or from the Licensor's removal thereof. In the event that the Licensee shall discover, uncover, disturb, or otherwise reveal any existing hazardous materials within the Property, the Licensee shall immediately stop any work in progress and report such findings to the Licensor within twenty-four (24) hours. The Licensee shall not conduct any further work in the reported area without the Licensor's prior written approval

- (b) Any notice required to be given by the Licensor to the Licensee under Section 3.2(a) above shall be deemed to have been given if delivered by telephone message to 1-800-887-1221 (choose option 3, then 1) and followed by facsimile message to 1-463-262-4482.
- .(c) The Licensee shall have three options upon discovery of pre-existing hazardous material and cessation of work as described above: (i) Reroute its planned access route to avoid such hazardous material areas; (ii) Terminate this Agreement according to the procedure set forth in Section 4; (iii) Reschedule its installation work to a period after the Licensor has completed corrective action; provided, however, that the Licensee may terminate this Agreement upon written notice to the Licensor if such corrective action has not been commenced and diligently pursued within thirty (30) days after the Licensor's receipt of notice of the Licensee's discovery of the hazardous materials.
- (d) The Licensee is hereby released and indemnified from any responsibility for managing, monitoring, or abating, and shall not be deemed to have ownership of hazardous materials, including asbestos, preexisting within the Property and undisturbed by the Licensee, or brought on the premises, into the Property, on, in or under the land upon which the Property is located, by any other tenant or by the Licensor.

3.3 Maintenance and Repair

- (a) All maintenance, repairs and replacements of or to the Licensee's Equipment and any and all fittings, anchors and other materials used to secure the Communications Equipment on the Equipment Area shall be performed by, and shall be the sole responsibility of, the Licensee, at its sole expense.
- (b) Except for the maintenance, repairs and replacements referred to in Section 3.3(a) above, all maintenance, repairs or replacements (whether structural, major or otherwise) of or to the Licensed Area or any other part of the Property due to or arising from the Licensee's use of the Licensed Area, the installation or operation of the Licensee's Equipment or the installation of any wiring in connection therewith shall be performed by the Licensor at the Licensee's sole cost, as reasonably determined by the Licensor, and the Licensee shall pay to the Licensor such costs.
- (c) In the event that: (i) the Property is damaged or destroyed or requires repair, replacement or alteration as a result of the act or omission of the Licensee, its employees, agents, invitees, licensees, contractors or others for whom it is in law responsible; or (ii) if the Licensor determines that any repairs, replacements or improvements to any part of the Property, including, without limitation, to any of the systems of the Property, are required as a result of the use of the Licensed Area by the Licensee, the cost of the resulting repairs, replacements, improvements or alterations shall be paid by the Licensee to the Licensor.

(d) If, acting reasonably and in its sole discretion, the Licensor determines that: (i) the presence of the Licensee's Equipment in the Property; (ii) the state of repair of the Licensee's Equipment; or (iii) the Licensee's use of the Property, creates an emergency situation, the Licensor shall, without notice to the Licensee, have the absolute and unfettered right to take such actions as the Licensor, acting reasonably, determines is required to remedy such emergency and the cost of such actions, plus a sum equal to fifteen percent (15%) of such cost representing the Licensor's overhead, shall be paid by the Licensee to the Licensor.

3.4 Access

The Licensee may only have access to the Licensed Area pursuant to this License and in accordance with the instructions of the property manager responsible for the Property. The Licensee acknowledges and agrees that its representatives or contractors may be required to obtain suitable security clearance prior to obtaining access to the Licensed Area. The Licensee may have access to said areas twenty-four (24) hours per day, seven (7) days per week provided that in the event the Licensee requires access to the said areas before 7:30 a.m. or after 5:00 p.m. between Monday and Friday or at any time on a Saturday, Sunday or statutory holiday, the Licensee shall provide the Licensor with as much prior notice as possible and pay to the Licensee, as an additional fee, any reasonable expenses incurred by the Licensor in providing such access.

ARTICLE IV - TERMINATION

4.1 Restoration of the Equipment Area

(a) Except as may be specifically provided for in this Section, the Licensee's Equipment shall at all times remain the property of the Licensee. The Licensee, at the expiration or earlier termination of this Agreement, at its cost shall: (i) remove the Licensee's Equipment, all trade fixtures and all of the Licensee's personal property from the Licensed Area, (ii) restore said areas to the Licensor's then current Property standard (including, without limitation, the removal and disposal of any and all hazardous or toxic substances and containers therefor in accordance with all applicable laws and the requirements of all authorities and all required repairs and restoration of the roof of the Property) to the extent required by the Licensor, and (iii) otherwise peaceably surrender and deliver up vacant possession of the said areas to the Licensor (in as good order, condition and repair as the Licensee is required under this Agreement to maintain and keep the Licensed Area). The Licensee, at its cost, shall repair any damage caused to the Property or any part thereof by such removal or restoration. If the Licensee does not remove its Licensee's Equipment, trade fixtures and personal property at the expiry or earlier termination of this Agreement, within such period of time as determined by the Licensor acting reasonably, then, at the option of the Licensor and without prejudice to any other rights or remedies available to the Licensor, the Licensee's Equipment, trade fixtures and personal property shall become the absolute property of the Licensor without payment of any compensation therefor to the Licensee and, without notice to the Licensee, may be removed from the Licensed Area and sold or disposed of by the Licensor in such manner as it deems advisable, all without any liability whatsoever to the Licensee. If the Licensee

fails to repair any such damage or complete any work, removal, disposal or restoration referred to in this Section by the expiry or earlier termination of this License, the Licensee shall be responsible for, and shall indemnify and save harmless the Licensor from and against, all expenses, losses and damages caused by such failure, including, without limitation, the damages suffered by the Licensor for loss of use of the Licensed Area and the cost of removing and selling or disposing of such Licensee's Equipment, trade fixtures and personal property and restoring the Licensed Area to the Licensor's then current Property standard, plus a sum equal to fifteen percent (15%) of such cost representing the Licensor's overhead, shall be paid by the Licensee to the Licensor.

(b) The Licensee expressly acknowledges and agrees that the Licensee's obligations under Section 4.1(a) of this Agreement shall survive the expiry or termination of this Agreement and shall not merge.

4.2 <u>Default and Early Termination</u>

(a) In the event that the Licensee fails to perform, observe or comply with any of: (i) the provisions of this Agreement other than payment by the Licensee of all fees, charges and other costs; or (ii) the rules and regulations and amendments thereto, from time to time, applicable to the Licensed Area or to the use thereof, then the Licensor, in addition to and without limiting any other right or remedy of the Licensor, shall have the immediate right, to be exercised by written notice to the Licensee, to suspend the right to use the Licensed Area granted under this Agreement (until such failure is remedied by the Licensee). In the event that: (A) the Licensee fails to remedy such breach within fifteen (15) days (or such shorter period as may be provided in this Agreement), or (B) if such breach cannot reasonably be remedied within fifteen (15) days or such shorter period, the Licensee fails to commence to remedy such breach within fifteen (15) days or such shorter period or thereafter fails to proceed diligently to remedy such breach, in either case after the suspension notice set forth in this Section 4.2(a), then the Licensor shall have the further right, to be exercised by written notice to the Licensee, to terminate this Agreement.

In the event that the Licensee is deemed to be in default of this Agreement pursuant to Sections 2.1 and/or 2.5 of this Agreement as a result of a failure to pay amount(s) owing by the Licensee, the Licensor shall have the immediate right, to be exercised by written notice to the Licensee, to either: (i) suspend the right to use the Licensed Area granted under this Agreement (until such failure is remedied by the Licensee); or (ii) terminate this Agreement.

(c) In the event that the Licensee abandons the Licensed Area the Licensor shall have the immediate right, to be exercised by written notice to the Licensee, to terminate this Agreement.

If either the Licensor or the Licensee excuses or condones any default by the other of any obligation under this Agreement, no waiver of such obligation shall be implied in respect of any continuing or subsequent default.

(e) In the event that: (i) any portion of the Licensed Area or the Property are damaged or destroyed and cannot be repaired and rendered fit for normal use within 60 days of the happening of such injury; (ii) any portion of the Licensed Area or the Property are damaged or destroyed by a cause for which the Licensor is not insured or not required to insure against or the cost of repairing such damage or destruction exceeds the insurance proceeds available; or (iii) any other damage or destruction occurs to the Licensed Area or Property that entitles the Licensor to terminate any lease for the Property, the Licensor on written notice to be given within thirty (30) days of the happening of such injury, may terminate this Agreement and the Licensee shall immediately deliver vacant possession of the Licensed Area to the Licensor.

ARTICLE V - RELOCATION

5.1 Relocation

The Licensor shall have the right, at any time from time to time, upon not less than 60 days' written notice (the "Notice of Relocation") to relocate the Licensee's Communications Equipment and/or Connecting Equipment to other premises in the Property (the "Relocated Licensed Area") in a location determined by the Licensor in consultation with the Licensee, and the following terms and conditions of this Section 5.1 shall apply:

The Relocated Licensed Area accommodating the Communications Equipment ("Relocated Equipment Area") shall contain approximately the same area as, or greater area than, the Equipment Area, and the Relocated Equipment Area shall, in the reasonable opinion of the Licensor, be suitable for the Licensee's requirements of the Permitted Use.

The Licensor shall pay for the costs, if any, of moving the Licensee's Equipment and any other Licensee's materials contained in the Licensed Area from the Licensed Area to the Relocated Licensed Area.

As compensation for all other losses, costs, expenses and damages (including, without limitation, disruption and loss of business) which the Licensee may suffer or incur in connection with such relocation, one quarter of the annual Fee referred to in Section 2.1 of this Agreement for the Relocated Licensed Area shall be refunded to the Licensee, provided that the Licensee is not otherwise in default.

The terms and conditions of this Agreement shall apply, mutatis mutandis, to the Relocated Licensed Area except to the extent such are inconsistent with the terms and conditions of this Section 5.1.

ARTICLE VI - INSURANCE AND INDEMNITY

6.1 <u>Licensee's Insurance</u>

The Licensee shall maintain the following insurance throughout the period that this Agreement in effect at the Licensee's sole cost:

- (a) "All Risks" (including flood and earthquake) property insurance and, where applicable, broad form boiler and machinery insurance, naming the Licensee and the Licensor as insured parties and such policy shall insure property of every kind owned by the Licensee or for which the Licensee is legally liable located on or in the Property including, without limitation, the Communications Equipment and any leasehold improvements made by the Licensee in the Licensed Area;
- (b) Comprehensive General Liability insurance which includes the following coverages: owner's protective, bodily injury (including death); property damage; employers' contingent liability; blanket contractual liability; and, where applicable, products liability and malpractice liability. Such policies shall: contain inclusive limits of not less than \$10,000,000.00; provide for severability of interests and cross liability; and name the Licensor as an additional insured;

automobile liability insurance on a nonowned form including contractual liability and on an owner's form covering all licensed vehicles operated by or on behalf of the Licensee, which insurance shall have inclusive limits of not less than \$2,000,000.00; and

any other form of insurance which the Licensee or the Licensor, acting reasonably, or any mortgagee of the Property requires from time to time in form, in amounts and for risks against which a prudent Licensee with a similar Permitted Use would insure.

All policies referred to in this Section 6.1 shall: (i) be with insurers reasonably acceptable to the Licensor; (ii) be in a form reasonably satisfactory to the Licensor; (iii) be noncontributing with, and shall apply only as primary and not as excess to, any other insurance available to the Licensor; (iv) not be invalidated as to the interests of the Licensor by reason of any breach of or violation of any warranty, representation, declaration or condition of the policies and/or of this Agreement; and (v) contain an undertaking by the insurers to notify the Licensor by registered mail not less than thirty (30) days prior to any material change, cancellation or termination. Certificates of insurance on the Licensor's standard form or, if required by the Licensor, certified copies of such insurance policies shall be delivered to the Licensor forthwith upon request. If the Licensee fails to take out or to keep in force any insurance referred to in this Section 6.1 or should any such insurance not be approved by the Licensor and should the Licensee not rectify the situation within 48 hours after written notice by the Licensor to the Licensee (stating, if the Licensor does not approve of such insurance, the reasons therefor), then the Licensee shall be in default of this agreement and the Licensor shall be entitled to all the remedies contained herein and at law including termination of this agreement without prejudice to the Licensor's right to recover any monies due and owing under the terms of this License.

6.2 Loss or Damage and Indemnity

The provisions of this Section 6.2 shall govern notwithstanding anything else in this Agreement to the contrary.

Except in the case of negligence of the Licensor, the Licensor shall not be liable for any death or injury arising from or out of any occurrence whatsoever in, upon, at, or relating to the Licensed Area or Property, or any part thereof, or damage to property of the Licensee or of others located on the Licensed Area or elsewhere in the Property from any cause whatsoever, nor shall the Licensor be responsible for any loss of or damage to any property of the Licensee or others from any cause, whether or not such property is entrusted to the care or control of the Licensor or any of the Licensor's employees, the Licensor shall not be responsible for any indirect or consequential damages that may be suffered or sustained by the Licensee or any others from any cause whatsoever giving rise to any such death, injury, loss, damage or damages to property.

The Licensee shall indemnify the Licensor and save it harmless from and against any and all loss (including loss of fees payable in respect of the Licensed Area and rent and fees payable by other occupants of the Property), claims, actions, damages, liability and expense in connection with loss of life, personal injury, damage to property or any other loss or injury whatsoever arising from or out of this Agreement or any occurrence in, upon or at the Property, or the occupancy or use by the Licensee of the Property or any part thereof, or occasioned wholly or in part by any act or omission of the Licensee or by anyone permitted to be on the Property by the Licensee. If the Licensor shall be made a party to any litigation commenced by or against the Licensee, then the Licensee shall protect, indemnify and hold the Licensor harmless and shall pay all expenses and reasonable legal fees incurred or paid by the Licensor in connection with such litigation. The Licensee shall also pay all expenses and legal fees (on a solicitor and his client basis) that may be incurred or paid by the Licensor in enforcing the terms of this Agreement.

(c) The aforementioned obligations and indemnification shall survive the earlier of the termination or expiration of this License.

ARTICLE VII - GENERAL

7.1 Assignment

The parties acknowledge and agree that this Agreement and the non-exclusive right to use the Licensed Area granted herein are personal to Telus Communications Inc. and that the Licensee shall not be entitled to assign, sublicense, sell or otherwise transfer this Agreement or the Licensed Area or any part thereof without the prior written consent of the Licensor, which consent may be unreasonably withheld or delayed. Notwithstanding the foregoing, in the event that: (i) the Licensee sells, as an ongoing concern, that portion of the Licensee's business that requires the Licensee's Equipment to another party ("Bonafide Assignee"); and (ii) the Licensee provides written notice to the Licensor of the particulars of such sale to the Bonafide Assignee,

the Licensee may assign its interest in this Agreement to the Bonafide Assignee, provided that the original named Licensee as set forth herein shall remain jointly and severally liable with the Bonafide Assignee for the fulfillment of all of the terms and conditions of this Agreement including, without limitation, Section 4.1 of this Agreement.

7.2 Entire Agreement

- (a) This Agreement and the Schedules attached hereto set forth the entire agreement between the Licensor and the Licensee concerning the granting of the Licensed Area for the purpose of installing and operating the Licensee's Equipment, and there are no covenants, representations, agreements, warranties, conditions or understandings in any way relating to the Licensed Area, or the subject matter of this Agreement except those set forth in this Agreement. This Agreement and its Schedules may not be modified except by agreement in writing executed and delivered by the Licensor and the Licensee.
- (b) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

7.3 Notices

Unless otherwise specifically provided in this Agreement, any notice, statement, demand or consent required or contemplated pursuant to any provision of this Agreement shall be delivered or sent by registered mail or faxed, in the case of the Licensee to:

Telus Legal Services 32 Floor, Telus Plaza South 10020-100 Street, Edmonton, Alberta T5J 0N5

Telus Building Access
Manager, Building Access, Western Canada
21 Floor, Telus Plaza South
10020-100 Street,
Edmonton, Alberta
T5J 0N5

in the case of the Licensor to

Public Works and Government Services
Regional Manager, Asset and Facilities Management Services
641 - 800 Burrard Street
Vancouver, B.C.
V6Z 2V8

and such notice, demand, request or consent, as the case may be, whenever so delivered or mailed or faxed shall be deemed to have been given at the time it was so delivered, mailed or faxed, as the case may be.

7.4 Force Majeure

Notwithstanding anything to the contrary contained in this License, if the Licensor or the Licensee is, in good faith, delayed or prevented from the performance of any term, covenant or condition required under this License by reason of strikes, labour troubles, governmental laws, regulations or controls, riots, civil commotion, insurrection, war, acts of God or other circumstances beyond their reasonable control, then the performance of such term, covenant or conditions shall be excused for the period of the delay and the party so delayed shall be entitled to perform such term, covenant or condition within a reasonable time after the cause for the delay ceases. This section does not operate to excuse the Licensee from the payment of the Fee as required under this License.

7.5 Time

Time shall, in all respects, be of the essence of this License and every term, covenant or condition contained herein.

7.6 <u>Disputes</u>

If any dispute or question shall arise between the parties hereto, during the term of this License, respecting its interpretation or effect which the parties are unable to resolve by agreement, the same shall be determined by the Federal Court of Canada pursuant to subsection 17(3) of the Federal Court Act.

7.7 Waiver

A waiver by the Licensor of any breach of any of the Licensee's terms, covenants and conditions of this License shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition of this License. The acceptance of the Fee by the Licensor shall not be deemed to be a waiver of any preceding breach by the Licensee of any term, covenant or condition of this License. No term, covenant or condition of this License is deemed to have been waived by the Licensor unless such waiver is in writing and signed by the Licensor

7.8 House of Commons

It is an express condition of this License that no member of the House of Commons shall be admitted to any share or part of this License or to any, benefit to arise therefrom.

7.9 Rules and Regulations

The use of the Equipment Area under this Agreement and access thereto shall be subject to the reasonable rules and regulations and amendments thereto which the Licensor may establish from time to time.

Registration

Neither the Licensee nor anyone claiming under the Licensee shall register this Agreement or any assignment or sublet thereof.

7.11 Jurisdiction

This License shall be governed by and construed in accordance with the laws in force in the Province of British Columbia.

Schedules

Schedules "A", "B", "C" and "D" form part of and are included in this Agreement.

IN WITNESS WHEREOF the Licensor has	signed this License at Vancouver on the
day of July 2002 and the	e Licensee hereto has signed this License at
EPMON'/ON on the 15 day of Till 9-	2002.
The Comments Seel of	
The Corporate Seal of	
TELUS COMMUNICATIONS INC.	
was hereunto affixed in the presence of:	
Authorized Signatory	
	(SEAL)
Authorized Signatory	

HER MAJESTY THE QUEEN, in right of Canada as represented by the Minister of Public Works and Government Services:

Authorized Signatory

Authorized Signatory

SCHEDULE "A" Communications Equipment; Listing and Specifications

As per the plans and specifications provided by the Licensee from time to time and approved by the Licensor.

SCHEDULE "C" Connecting Equipment; Listing and Specifications

As per the plans and specifications provided by the Licensee from time to time and approved by the Licensor.

SCHEDULE "D"

LICENSEES ADDITIONAL WORK

As per the plans and specifications provided by the Licensee from time to time and approved by the Licensor.