

**PORTFOLIO AGREEMENT PRECEDENT**

**TELECOMMUNICATIONS LICENSE AGREEMENT**

**BETWEEN**

**2748355 CANADA INC.**

(the "Licensor")

- and -

**TELUS COMMUNICATIONS COMPANY**

(the "Licensee")

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**INFORMATION PAGE**

This page sets out information which is referred to and forms part of the TELECOMMUNICATIONS LICENSE AGREEMENT made as of the 24<sup>th</sup> day of April, 2007 between 2748355 CANADA INC. as the Licensor and TELUS Communications Company as the Licensee.

The information is as follows:

**Building:** The building municipally known as 145 King Street West, in the City of Toronto, and the Province of Ontario.

**Floor Area of Deemed Area:** Seventy-one (71) square feet.

**Commencement Date:** the 1<sup>st</sup> day of May, 2007.

**License Fee:** the annual sum of One Thousand, Seven Hundred and Seventy-Five Dollars (\$1,775.00) calculated based on the annual rate of Twenty-Five Dollars (\$25.00) per square foot of the floor area of the Deemed Area. The floor area of the Deemed Area is estimated to be seventy-one (71) square feet, but shall not in any case be less than 30 square feet. The exact measurement of the Deemed Area may be verified by an architect or surveyor employed by the Licensor for that purpose and upon verification, an adjustment of the License Fee and the floor area will be made retroactively to the Commencement Date.

<b><u>Notices:</u></b> Licensor	Licensee
c/o Bentall Real Estate Services LP	TELUS Communications Company
145 King Street West, Suite 1800	90 Gough Road
Toronto, ON M5H 1J8	Markham, ON L3R 5V5
Attention: Property Manager	Fax: (416) 496-6767
Fax: (416) 216-6389	

with a copy to:

c/o Bentall Real Estate Services LP  
10 Carlson Court, Suite 500  
Etobicoke, ON M9W 6L2  
Attention: Vice President, Operations  
Fax: (416) 674-7738

**Prime Rate Reference Bank:** The Toronto Dominion Bank.

**Renewal Term:** One (1) period of Five (5) years.

**Term:** The period starting on the Commencement Date, and ending on the 30<sup>th</sup> day of April, 2012.

## TELECOMMUNICATIONS LICENSE AGREEMENT

This License Agreement made as of this 24<sup>th</sup> day of April, 2007

**B E T W E E N:**

**2748355 CANADA INC.**

(hereinafter the "Licensor")

- and -

**TELUS COMMUNICATIONS COMPANY**

(hereinafter the "Licensee").

### 1.           **DEFINITIONS**

In this Agreement the capitalized terms appearing herein shall mean the following:

**"Affiliate"**: a company that is affiliated with another within the meaning of the Canada Business Corporations Act.

**"Agreement"**: this agreement, its Exhibits and Schedules and Information Page.

**"Broadcasting"**: any transmission of programs, whether or not encrypted, by radio waves or other means of telecommunication for reception by the public by means of any device.

**"Building"**: the building situated on the Lands; municipally described on the Information Page.

**"Business Day"**: a day that is not Saturday, Sunday, or a statutory holiday of general observance in the Province in which notices are sent or delivered.

**"Cable"**: fibre optic, coaxial, copper cables and wires.

**"Commencement Date"**: the date stated as the Commencement Date on the Information Page.

**"Communications Equipment"**: cabinets, racks, electronic equipment and other equipment that (i) have been installed by the Licensee or a corporate predecessor of the Licensee, before the date of this Agreement, or (ii) are installed, or are to be installed by the Licensee, in the Deemed Area as described in Schedule "B", and (iii) such other equipment as may be installed by the Licensee during the Term and Renewal Term, as approved by the Licensor in accordance with Section 7.

**"Communications Spaces"**: telecommunications pathways and cable pathways designated by the Licensor, acting reasonably, for use by the Licensee to provide Services to tenants and

occupants of the Building and such other pathways used by the Licensee during the Term and Renewal Term as approved by the Licensor in accordance with Section 7.

**"Connecting Equipment"**: the Cables, fibre guides, fibre entrance cabinets, fibre patch panels, conduits, inner ducts and connecting hardware that (i) have been installed by the Licensee or a corporate predecessor of the Licensee before the date of this Agreement, or (ii) are described in Schedule "C" and are installed, or to be installed by the Licensee, through the Entrance Link, and the Communication Spaces, and (iii) such other connecting equipment as may be installed by the Licensee in the Building during the Term and Renewal Term, as approved by the Licensor in accordance with Section 7, that is connected to the Entrance Cable, Main Distribution Frame, Communications Equipment, or Cable or that is used to house or carry Cable.

**"Consumer Price Index"**: (All Items for Regional Cities, base year 1992=100) for the city in which the Building is located, or if there is no Consumer Price Index for that city, for the city in Canada nearest the Building for which there is a Consumer Price Index published by Statistics Canada (or by a successor or other governmental agency, including a provincial agency). If the Consumer Price Index is no longer published, an index published in substitution for the Consumer Price Index or any replacement index designated by the Licensor, acting reasonably, will be used. If a substitution is required, the Licensor will make the necessary conversions. If the base year is changed by Statistics Canada or the applicable governmental agency, the necessary conversions will be made.

**"Cross Connection"**: the connection of one wire or cable under the management and control, or ownership of one party to a wire or cable under the management and control or ownership of another, by anchoring each wire or cable to a connecting block and placing a third wire between the two, or by any other means, and any other connection of the telecommunications system or any of its components that is under the management, control or ownership of one party to that of another, or any of its components.

**"CRTC"**: the Canadian Radio-television and Telecommunications Commission, or successor body thereto.

**"Deemed Area"**: the area described in Schedule "A", and as may be relocated as provided for in Section 2(e).

**"Entrance Cable"**: the Cable installed or to be installed by the Licensee that connects the Licensee's telecommunications network from the property line of the Lands to the Communications Equipment and to the Main Distribution Frame and includes the tie Cables between the Communications Equipment and the Main Distribution Frame.

**"Entrance Conduit"** the pipe or raceway installed or to be installed, above or below ground, by the Licensor, the Licensee or some other TSP from the property line to the Entrance Link

**"Entrance Link"**: the coresleeve, or other penetration designated by the Licensor, acting reasonably, through the Building's foundation walls or elsewhere containing the Entrance Cable.

**"Equipment Room"**: the area containing the Main Distribution Frame for the Building.

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**"Event of Default"**: defined in Section 17.

**"Existing Equipment"**: that part of the Licensee's Equipment installed before the date of this Agreement.

**"Fee"** any amount payable by the Licensee under this Agreement.

**"Hazardous Substance"**: any substance that is controlled by, regulated, or restricted under the laws of the Province in which the Building is situated or under the laws of Canada, including any regulations, guidelines, policy statements and restrictions pertaining to the protection of the natural environment, quality of air, water and other aspects of the environment and including but not limited to polychlorinated biphenyl's, asbestos, and other substances commonly referred to as pollutants, contaminants or hazardous substances.

**"In-Building Wire"**: as defined by the CRTC constitutes copper wires, Cable and other facilities which originate in the Equipment Room and run to the telephone closet on each floor and thereafter to but not within the premises of the tenant's or occupants in the Building.

**"Information Page"**: the sheet attached to this Agreement as "Page IP".

**"Inside Wire"**: wires and other facilities which are usually in, or in proximity of, premises of the tenants or occupants of the Building, and which are under those persons' or entities' responsibility and control.

**"Lands"**: the lands occupied by the Building.

**"LEC"**: a local exchange carrier regulated by the CRTC.

**"Licensee's Equipment"**: the Communications Equipment and the Connecting Equipment.

**"License Fee"**: the annual sums stated as the License Fee on the Information Page.

**"Main Distribution Frame"**: the main distribution frame or other physical location for the Cross Connection of a TSP's Entrance Cable to the In-Building Wire located in the Building.

**"Multi-Dwelling Unit Building"**: as defined by the CRTC in Decision 2003-45 constituting a building with at least two units and at least one unit occupied by a tenant

**"Plans and Specifications"**: the working drawings, plans, specifications, and other applicable construction or installation plans referred to in Section 7(a).

**"Prime"**: the rate quoted from time to time as its "Prime Rate" for commercial loans in the City in Canada where the Licensor's head office is situated, by the bank indicated on the Information Page, as the "Prime Rate Reference Bank".

**"Recoverable Costs"**: the costs and expenses particularized on Exhibit "1" for building services requested of the Licensor by the Licensee or causal to the Licensee's construction and installation activities relating to the provision of the Services in the Building. However, Recoverable Costs

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shall not include costs that would be incurred by the Licensor in any event, costs that have already been incurred by the date of execution of this Agreement, the costs associated with the negotiation, management, administration, monitoring and enforcement of this Agreement or of other agreements with TSPs, or (except for charges for services identified in Exhibit "1" and provided by the Riser Manager) fees in relation to a Riser Manager.

**"Released Licensor Persons"**: the Licensor and property and asset manager of the Building and any lender that holds security on the Building, and the respective officers, directors, employees and agents, of all and any of them.

**"Renewal Term"**: the renewal term(s) noted on the Information Page.

**"Riser Manager"**: a person or entity retained by the Licensor to provide management and supervision services for all or part of the raceways, risers, ducts, conduits, sleeves, communications pathways (including the Communications Spaces), roof areas and other telecommunications related facilities in or serving the Building.

**"Services"**: the telecommunications or other communications services to be provided by the Licensee to tenants or occupants in the Building.

**"Term"**: the period of time stated as the Term on the Information Page.

**"TSP"**: a telecommunications or other communications service provider, including without limitation Internet service providers and hydro companies.

## 2. GRANT

- (a) the Licensor grants, to the extent that it is able to grant such rights, to the Licensee for the Term, a non-exclusive license:
  - (i) to install, operate, maintain, repair, improve, replace, and remove, at the Licensee's sole expense and risk, the Entrance Cable, Communications Equipment, Connecting Equipment, and Cable;  
  
to use the Entrance Link, Main Distribution Frame, Communications Spaces, the Deemed Area and the Equipment Room;  
  
to connect the Entrance Cable to the Communications Equipment and to the Main Distribution Frame; and  
  
connect the Licensee's Equipment to the In-Building Wire and Inside Wire,
- (b) The Licensee shall be provided access to the common areas of the Lands (including common areas licensed to third parties on a non-exclusive basis) and Buildings in order to exercise its non-exclusive license, twenty four hours per day, three hundred and sixty five days per year subject to:

- (i) the Licensor's reasonable security requirements;
  - (ii) reimbursement of the Licensor's reasonable costs incurred for providing access as provided in Section 9(b);  
the notice requirement as provided in Section 9(b); and  
an event of Force Majeure as provided in Section 30.
- (c) The Licensee shall use the Equipment Room and Deemed Area for the sole purpose of providing Services to tenants and occupants in the Building. The Licensee is expressly forbidden to serve other properties from the building.

In the event that the Licensor intends to substantially demolish, reconstruct, or redevelop a portion of the Building which affects the Equipment Room and/or the Deemed Area, then the Licensor shall be permitted to require the Licensee to relocate its equipment on not less than one hundred and twenty (120) days notice. Where the Licensee has a need to provide ongoing Services during the reconstruction or redevelopment, at the time of delivering such a notice the Licensor shall designate an alternative location for the Deemed Area (the "Replacement Deemed Area") which area shall in all material respects be similar to the Deemed Area and be appropriate for the Licensee's use.

The costs of such relocation shall be borne by the Licensee in its non-incumbent territory (i.e. where the Licensee operates as a Competitive Local Exchange Carrier, CLEC), as defined by the CRTC, unless the relocation is primarily to accommodate the requirements of another telecommunications service provider in which case the Licensee will not be required to pay any of the relocation costs.

It is further understood that where the Licensee is the Incumbent Local Exchange Carrier (ILEC) meaning that the Licensee once provided monopoly local telephone service prior to the introduction of competition, the Licensee's out of pocket expenses of the relocation shall be shared equally by the Licensor and Licensee unless the relocation is primarily to accommodate another telecommunications service provider in which case none of the cost will be borne by the Licensee. Upon written request from the Licensor the Licensee will provide, within fifteen (15) days, at a minimum two written quotes for the costs of the relocation. Upon the receipt of the two quotes the Licensor reserves the right to cancel the relocation request.

- (d) The Licensor makes no warranty or representation that the Equipment Room, Deemed Area, the Communications Spaces, the In-Building Wire, the Inside Wire, or any part of the Building or the services or equipment therein is or are suitable for the Licensee's use.



- (e) The Licensor may grant, renew or extend similar licenses to other suppliers of telecommunications services. The License granted by this Agreement is revocable only in accordance with the express terms of this Agreement.
- (f) The Licensee agrees to take reasonable steps to assist the Licensor in improving the space and operating efficiencies within the Building by undertaking the following, at the Licensee's cost, at the request of the Licensor and within timeframes approved by the Licensor, acting reasonably:
  - (i) identifying Existing Equipment;
  - (ii) upon reasonable request from the Licensor, in order to achieve improved space and operating efficiencies in connection with specific cases, examining, identifying and labelling specific items of Existing Equipment; relocating, reconfiguring and improving space and operating efficiencies related to Existing Equipment in accordance with the reasonable requests of the Licensor, but subject to Section 2(c); and  
  
upon request from the Licensor and with reasonable time to respond in the circumstances, providing to the Licensor on a confidential basis its existing available information on its Existing Equipment, e.g. concerning types of wiring, wiring casings, materials used in the Existing Equipment, sizes, capacities and other information, where that other information may be required having regard to building code, building safety, fire code, fire safety or similar governmental requirements or the requirements of the Licensor's insurers.
- (g) The relationship between the Licensor and the Licensee is solely that of independent contractors, and nothing in this Agreement shall be construed to constitute the parties as employer/employee, partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking.

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- (a) The Licensee agrees to pay the License Fee to the Licensor annually in advance without any set-off, deduction or abatement whatsoever (but subject however to the provisions of Section 18(c) regarding the refund of Licensee Fees or other Fees in the event of termination).
- (b) The Licensee shall also pay to the Licensor any Recoverable Costs plus an administration fee of 15% incurred by it within sixty (60) days after receipt of each itemized invoice, without deduction or set off.
- (c) Interest will accrue at that rate of interest that is three percent (3%) greater than Prime on any arrears of Fees payable by the Licensee, and will be payable when payment of the interest is demanded.

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Value added taxes and similar taxes such as "HST" or "GST" are payable by the Licensee on all Fees.

**4. TERM - OPTION TO RENEW**

The Term of this Agreement starts on the Commencement Date and expires on the date stipulated on the Information Page.

Provided that the Licensee:

- (i) has not been during the Term of this Agreement and is not at the time of giving notice, in material default of any of its obligations under this Agreement (which default remains uncured at the time of the notice); and

gives the Licensor at least one hundred and twenty (120) days written notice prior to the end of the Term or a Renewal Term of the Licensee's intention to renew,

the Licensee shall be entitled to renew for the Renewal Term(s). Each Renewal Term will be governed by the same terms and conditions set out herein except for: (i) any further right to renew; section 2(f), which shall cease to be in effect at the end of the first term unless continuation is agreed to by both parties, in which case both parties will initial this section, and (ii) the License Fee, which will increase at the start of each Renewal Term by a percentage equal to the percentage of the increase in the Consumer Price Index from the Commencement Date or the start of the previous Renewal Term (if any) as the case may be, to the start of the applicable Renewal Term.

**5. USE**

The Licensee shall use the Building, Communications Spaces, Deemed Area and the Equipment Room in the Building solely for the purpose of providing Services to the tenants or occupants situated in the Building. The Licensee must be properly certified or licensed by the appropriate governing bodies to provide its Services. This Agreement does not provide for the installation or operation of any forms and types of rooftop or building exterior communications equipment or wireless communications equipment.

**6. ELECTRIC UTILITIES**

The Licensor may estimate, acting reasonably the amount of electricity consumed by the Licensee which amount plus an administration fee of fifteen percent (15%) of the amount shall be paid by the Licensee when it is billed. Alternatively, the Licensee may install a meter at its cost and in that case it will pay for its electricity consumption directly to the utility supplier or to the Licensor, based on actual meter readings. The Licensor shall use reasonable commercial efforts to notify the Licensee in advance of any planned utility outages that may interfere with the Licensee's Equipment use but shall not be responsible for any losses, costs or expenses suffered as a result of any such outages providing reasonable commercial efforts to provide advance notice of such planned utility outages were taken. The Licensor has no obligation to

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provide emergency or "backup" power to the Licensee. Any provision of emergency or "backup" power shall be the sole responsibility of the Licensee.

## 7. CONSTRUCTION

- (a) Subject to what is stated below, and unless otherwise waived by the Licensor in writing upon written request by the Licensee, prior to performance of any work, or the making of any installation, and prior to changes, alterations or upgrades to any existing work or installation in the Building (collectively the "Proposed Work"), the Licensee shall, at its sole cost and expense, prepare and deliver to the Licensor working drawings, plans and specifications for the work or installation detailing the type, size and location of the Licensee's Equipment that is proposed to be installed, altered or removed, the Communication Spaces to be used by the Licensee and the Deemed Area, all specifically describing the proposed construction and work. All working drawings, plans and specifications must be prepared in accordance with applicable codes and engineering standards, and will be considered as part of the Plans and Specifications when they have been approved by the Licensor, in writing. No work shall commence until the Licensor has approved, in writing, the working drawings, plans and specifications, and any other applicable construction or installation plans. The Licensor shall provide, upon written request, the Licensee with written reasons in any case where the Licensor does not approve a request for any Proposed Work. The Licensor's approval of Plans and Specifications is not deemed a representation that the Licensee's Equipment will not cause interference with other systems in the Building or that the Plans and Specifications comply with applicable laws, rules or regulations. That responsibility shall remain with the Licensee. Despite what is stated above, only an initial "Bay Layout" will be required in respect of equipment intended to be installed in the racks installed inside the Deemed Area and, technical specifications in respect of that equipment will not be required to be provided in connection with subsequent Proposed Work in the racks installed inside the deemed area, other than specifications relating to heat generated by the equipment and electrical consumption.
- (b) The Licensee warrants that, except for the Existing Equipment, the installation of the Licensee's Connecting Equipment, Entrance Cable and Cable shall be in strict compliance with the approved Plans and Specifications.
- (c) The Licensee agrees that installation and construction shall be performed:
  - (i) in a neat, responsible, good, and workmanlike manner;
  - (ii) strictly consistent with such reasonable requirements as shall be imposed by the Licensor and communicated in advance to the Licensee in writing;
  - (iii) in accordance with all applicable laws, codes, rules and regulations; and



- (iv) using only contractors approved in writing by the Licensor, acting reasonably (it being acknowledged that, without limitation, a lack of or incompatible union affiliation of a contractor is a reasonable basis for failing to approve a contractor).
- (d) The Licensee shall label each Cable installed by the Licensee on or after the date of this Agreement in the Communications Spaces, in each telephone closet through which the Cables pass, and, in addition, at any intervals and at additional locations that the Licensor might reasonably require. The labelling will be in a format approved by the Licensor acting reasonably.
- (e) The Licensee shall obtain, at its sole cost and expense, prior to construction and work, any necessary permits, licenses and approvals, copies of which will be delivered to the Licensor prior to commencement of construction and work. The Licensee's Equipment shall comply with all applicable standards including safety, as may be periodically revised by any governing body with jurisdiction over the Licensee's operations. Where permits are required, the Licensee shall provide the Licensor with copies of all inspection certificates upon construction completion.
- (f) The Licensee shall not, during construction or otherwise block access to or in any way obstruct, interfere with or hinder the use of the Building's loading docks, halls, stairs, elevators, Communication Spaces, the sidewalks around the Building or any entrance ways.

The Licensee may amend or supplement the Plans and Specifications approved by the Licensor, from time to time, with the prior written consent of the Licensor, for the purpose of serving tenants and occupants of the Building. All terms and conditions of this Section 7 shall apply.

Prior to the installation of any additional Licensee's Equipment under this Agreement, the Licensee will also provide to the Licensor whatever information the Licensor reasonably requires concerning types of wiring casings, materials used in the Licensee's Equipment, sizes, capacities and other information which may be required having regard to building code, building safety, fire code, fire safety or similar governmental requirements or the requirements of the Licensor's insurers. From time to time at reasonable intervals, the Licensor may require the Licensee to update the information referred to above in connection with the Licensee's Equipment and the Licensee will complete the update by confirmation in writing no later than fifteen (15) Business Days after written request.

(i) **Sharing of Resources by Licensee and Other Providers**

- (i) The Licensee acknowledges and agrees that it is aware that Entrance Conduits may have been installed by the Licensor or by another telecommunications service provider (herein the "Other Provider"), and may already contain wiring, cabling and/or equipment belonging to one or

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more Other Providers. Prior to pulling any wiring or cabling through, or installing any Connecting Equipment in, such Entrance Conduit, the Licensee covenants and agrees to notify the Licensor, and the Licensor agrees that it will advise the Licensee in writing of the identity of any such Other Providers of whom the Licensor is aware. The Licensee will thereafter provide written notice of the Licensee's proposed installation to each such Other Provider, and provide a written copy of each such notice to the Licensor, requesting each such Other Provider to respond, in writing, within ten business days of its receipt of the aforesaid notice if the Other Provider has any concern with or objection to the Licensee's proposed installation. The Licensee further covenants and agrees that, if required by an Other Provider in accordance with the aforesaid notice, the Licensee will delay pulling its wiring and/or cabling through, or installing any Connecting Equipment in, the Entrance Conduit until a representative of the Other Provider is present.

- (ii) In the event that an Other Provider that has received a notice under (i) above fails to respond to such notice within ten business days as therein set out or, if having responded to the foregoing notice, the Other Provider fails to make a representative available during such installation within a reasonable time, then the Licensee may, at its option, proceed with the installation through the Entrance Conduit.
- (iii) In the event the Licensee is requested to provide consent to one or more Other Providers for the use of an existing Entrance Conduit which contains wiring, cabling and/or other equipment of the Licensee, the Licensee covenants and agrees, not to unreasonably withhold such consent. If the Licensee has any concerns with the sharing of the existing Entrance Conduit it will provide a written response to the requester within ten business days, failing which the Licensee will be deemed to have no objections to the sharing of the Entrance Conduit.

## 8. COVENANTS

- (a) The Licensee covenants as follows:
  - (i) The Licensee shall, at its sole cost and expense, maintain and repair the Deemed Area and the Licensee's Equipment in proper operating condition and maintain them in satisfactory condition as to safety.
  - (ii) The Licensee shall, at its sole cost and expense, repair any damage to the Building, Communications Spaces and any other property owned by the Licensor or by any lessee or licensee of the Licensor or by any other occupant of the Building where such damage is caused by the act or negligence of the Licensee or any of its agents, representatives,

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employees, contractors, subcontractors, or invitees. If the Licensee fails to repair or refinish the damage, the Licensor may repair or refinish such damage and the Licensee shall reimburse the Licensor all costs and expenses incurred in such repair or refinishing, plus an administration fee equal to fifteen percent (15%) of those costs. This Section 8(a)(ii) shall survive the expiration or earlier termination of this Agreement.

The Licensee shall not disrupt, adversely affect, or interfere with the use and enjoyment of the Building by the Licensor or by lessees, or licensees of the Licensor or tenants or occupants of the Building or other buildings. If such interference occurs, the Licensor may give the Licensee written notice thereof and the Licensee shall correct same as soon as possible but not more than forty-eight (48) hours after receipt of notice. If the Licensee fails to correct the conditions after proper notification, the Licensor may take any action the Licensor deems appropriate to correct the conditions, all at the cost of the Licensee, plus an administration fee equal to fifteen percent (15%) of those costs

The Licensee's Equipment shall not disrupt, adversely affect, or interfere with other providers of communications services in the Building, the Building's operating, elevator, safety, security, or other systems, or with any tenant's or occupant's rights of enjoyment, including their respective use or operation of communications or computer devices or with the systems, facilities, and devices situated in neighbouring properties. The Licensee shall correct such interference as soon as possible but not more than forty-eight (48) hours after receiving written notice of such interference. If the Licensee fails to correct the conditions after proper notification, the Licensor may take any commercially reasonable action the Licensor deems appropriate to correct the conditions, all at the cost of the Licensee, plus an administration fee equal to fifteen percent (15%) of those costs.

- (v) The Licensee will comply with all Building rules, as periodically adopted by the Licensor acting reasonably, and provided that any material changes or additions to the Building rules are communicated to the Licensee in writing, and will cause its agents, employees, contractors, invitees and visitors to do so.

The Licensee will comply with all applicable rules and regulations periodically issued by any and all governing bodies pertaining to the installation, maintenance, operation and repair of the Deemed Area, the Equipment Room, the Licensee's Equipment and In-Building Wire, including the Licensee's provision of services.

The Licensee will not encumber, charge, grant a security interest in respect of, or otherwise grant rights in favour of third parties in respect of

any part of the In-Building Wire. Despite the foregoing, the Licensor acknowledges and agrees that the Licensee is permitted to allow other local exchange carriers to connect to and use copper In-Building Wire under its responsibility and control and conversely, to connect to and use copper In-Building Wire under the control and responsibility of other local exchange carriers, at no cost.

Except as required or mandated by the CRTC, the Licensee will not permit any other TSP to co-locate equipment in its Deemed Area nor will it permit any third party supplier to Cross Connect to any of the Licensee's Equipment or to use any part of the Licensee's Equipment for the purpose of providing telecommunication or similar services to customers in the Building.

The Licensee will not use any part of the Licensee's Equipment as a network hub facility, switch hotel, switch node, or similar facility that functions as an integral part of a network where disruption of the operation or use of the Licensee's Equipment or any part of it would have the effect of disrupting service to persons outside of the Building.

- (x) The Licensee will strictly comply with all occupational health and safety legislation, Workers' Compensation legislation, and other governmental requirements relating to performance of work and adherence to safety standards, as applicable.

If the Licensor elects to retain a Riser Manager, the Licensee will, to the extent directed by the Licensor (i) recognize the Riser Manager as the duly authorized representative of the Licensor, and (ii) abide by all reasonable policies, directions and decisions of the Riser Manager pertaining to matters such as the use of Communication Spaces and other areas within the Building, and the installation and operation of equipment having regard to safety, operational and building integrity concerns, except to the extent that such policies, directions or decisions may be inconsistent with the terms and conditions of this Agreement, in which case the terms and conditions of this Agreement shall supersede. Despite the foregoing or anything else contained herein to the contrary, and unless agreed to in writing by the Licensee in its sole discretion, the Licensee shall not be required to use the services of any Riser Manager or any other third party for any In-Building Wire, or to pay for the costs of any Riser Manager or any other third party except for costs properly includable as Recoverable Costs and costs expressly provided for in this Agreement.

- (b) The Licensor covenants:
  - (i) To operate, repair and maintain the Building and Building systems and the Lands in a safe and proper operating condition and in accordance with

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accepted building industry standards for buildings of similar age, use and condition in the same geographic area;

That any consent or approval of the Licensor pursuant to the terms of this License shall not be unreasonably withheld, conditioned or delayed, except as is expressly provided for; and

Subject to the Licensee reimbursing the Licensor for the Licensor's reasonable costs in doing so, and subject to payment to the Licensor of an administration fee of fifteen percent (15%) of those costs, to cooperate with the Licensee to the extent reasonable in obtaining all necessary consents, permits and authorizations as may be required for the Licensee's construction, installation and operations provided for in this Agreement, in or in respect of the Building; and

- (iv) If the operation of the Licensee's Equipment or the provision of the Services is interfered with by the operation of other equipment or by the activities of third parties in or in respect of the Building, the Licensor shall, to the extent that it is commercially reasonable, upon being provided by the Licensee with written notice and reasonable particulars concerning the nature of the interference, extend reasonable efforts to assist the Licensee in obtaining removal or amelioration of the interference within a time frame that is appropriate having regard to the nature and extent of the interference.
- (v) To require any TSP with whom it enters into a new license agreement to provide a substantially similar covenant to that made by the Licensee in Section 7i.

That it has sufficient right, title and interest in the Building and Lands to grant this License.

**9. ACCESS**

- (a) The Licensee's authorized representatives may have access to the Equipment Room at all times during normal business hours, and at other times as agreed by the parties in advance, for the purposes of installing, maintaining, operating, improving and repairing the Licensee's Equipment. The Licensor will give the Licensee's authorized employees or properly authorized contractors, subcontractors, and agents of the Licensee ingress and egress to the Lands, Building and Communications Spaces including non-exclusive use of an elevator during normal business hours, and at other times as agreed by the parties in advance. However, only authorized engineers, employees or properly authorized contractors, subcontractors, and agents of the Licensee or of other TSP's, other authorized regulatory inspectors, or persons under their direct supervision and control will be permitted to enter the Building, Communications Spaces, Equipment Room, or other areas in the Building and only upon the conditions set

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forth in this Agreement. The Licensee shall be fully responsible for the acts or omissions of its employees or other authorized persons invited on its behalf to enter the Communication Spaces, Equipment Room, or other areas in the Building.

- (b) Except in the event of an emergency and as described below, the Licensee will give at least twenty-four (24) hours notice to the Licensor of its intent to enter Communications Spaces. At the time that notice is given, the Licensee shall inform the Licensor of the names of the persons who will be accessing the Communications Spaces, the reasons for entry, and the expected duration of the work to be performed. For routine service activations and repair visits to the Building during normal business hours for which purposes the Licensee requires access without advance notice in order to meet its CRTC-mandated service provisioning and service repair intervals this notice may be given at the time of the entry, to the security person, or other person designated for that purpose by the Licensor. Any person who accesses the Building Communication Spaces must carry proper photo ID and shall comply with any visitor badging program then in operation at the Building. Any person who accesses the Building Communication Spaces, or any other part of the Building which the Licensor designates outside of normal business hours, may be required by the Licensor to be accompanied by a representative of the Licensor designated for that purpose and the cost of providing this form of accompaniment or supervision will be paid by the Licensee to the Licensor based on hourly wage and employment cost (overtime or callout rates may apply) plus an administration fee of fifteen percent (15%). This escort fee shall not apply if it is recovered from tenants through the operating costs of the Building charged to them under their leases. In the event of any emergency, the Licensee shall give to the Licensor as much advance notice as reasonably possible of its intent to enter the Communications Spaces and, within five (5) Business Days following the entry, shall provide to the Licensor a written report detailing the nature of such emergency, the corrective actions taken, and any other relevant information.
- (c) Nothing in this Agreement shall prohibit or otherwise restrict the Licensor and its representatives from having access to and to enter upon and into the Equipment Room or any Deemed Area for the purpose of inspections, conducting maintenance, repairs and alterations which the Licensor wishes to make in connection with the Building, or to perform any acts related to the safety, protection, preservation, or improvement of the Equipment Room, Deemed Area, or the Building or for such other purposes as the Licensor considers necessary. The Licensor will, however, except in case of an emergency, give the Licensee at least twenty-four (24) hours advance notice before entry into the Deemed Area and will be accompanied by a representative of the Licensee if the Licensee makes a representative available for that purpose within twenty four (24) hours of the Licensee's receipt of the Licensor's notice. In the event of a real or potential emergency, and unless the nature of the emergency renders such advance notice impracticable, the Licensor shall give to the Licensee as much advance notice as



reasonably possible of its intent to enter the Deemed Area and, within fifteen (15) Business Days following the entry, if the emergency was Licensee equipment related, shall provide to the Licensee, upon written request, a written report detailing the nature of such emergency, the corrective actions taken, and any other relevant information.

## **10. INSURANCE**

The Licensee shall maintain in force, at its expense, during the Term of this Agreement and any Renewal Term, a policy of Commercial General Liability Insurance issued by an insurer acceptable to the Licensor, acting reasonably, insuring the Licensee and, as additional insureds, the Licensor, any property manager or any lender that holds security on the Building that the Licensor may reasonably designate by written notice, only in respect of matters related to the operations of the Licensee in the Building, with a combined single limit of Ten Million Dollars (\$10,000,000.00) per occurrence for bodily injury or death or physical damage to tangible property including loss of use, physical damage to the Building and tangible property of the Licensor in the Building or bodily injury or death of the Licensor's employees, or bodily injury or death or physical damage to tangible property suffered by any of the tenants or occupants of the Building and their employees, and/or the customers of the Licensee and their employees in the Building. The Licensee's liability insurance may be composed of any combination of a primary policy and an excess liability or "umbrella" insurance policies, will contain owners' and contractors' protective coverage, standard non-owned automobile coverage, contingent employer's liability insurance, tenant's liability, a cross liability and severability of interests clause, and be written on an occurrence basis.

The Licensee will also maintain (i) an automobile liability insurance policy, and (ii) all risk property insurance on the Licensee's Equipment with a sufficient insured limit to cover its replacement costs or, alternatively, the Licensee may self insure for the full replacement cost of the Licensee's Equipment.

- (c) The Licensee's Commercial General Liability insurance shall be primary insurance insofar as the Licensor and the Licensee are concerned, with any other insurance maintained by the Licensor being excess and non-contributing with the insurance of the Licensee required hereunder with respect to the extent of the negligence of Licensee and those over whom it is responsible in law.
- (d) The Licensee shall provide proof of such insurance to the Licensor prior to commencement of any construction and notify the Licensor, in writing, that a policy is cancelled or materially changed to the detriment of the Licensor at least thirty (30) days prior to such cancellation or material changes. Annually, on the anniversary of the Commencement Date, or upon renewal of the respective policies as the case may be, the Licensee shall provide proof of such insurance in the form of insurance certificates signed by the Licensee's insurance brokers or its

insurers' authorized representatives and in form, content, and detail consistent with the standard developed by ACORD (Association of Cooperative Operations, Research and Development) to the Licensor, acting reasonably.

- (e) The Licensor will maintain all risk property insurance on the Building.

**11. RELEASE BY LICENSEE**

In no event will the Licensor be liable to the Licensee and the Licensee releases the Licensor for:

- (a) any damage to the Licensee's Equipment, Equipment Room, and Deemed Area or loss of use of such property unless the same results from the negligent, grossly negligent or wrongful wilful acts or omissions of the Licensor;
- (b) the quality, adequacy, compatibility or sufficiency of any Building Communication Spaces provided to the Licensee hereunder, it being acknowledged by the Licensee that all Building Communication Spaces are provided "as is" and "where is", the use of which is at the sole risk of the Licensee;
- (c) the activities of any third party, under the terms of another telecommunications access license or similar agreement, whether or not the party has been escorted while in the Building;
- (d) any claims resulting from lightning or other electrical current passing through the Building or facilities that cause any damage to the Licensee's Equipment or result in the interruption of any service by the Licensee; or
- (e) the inadequacy of any utility service, or the loss of or the failure to provide any utility service save and except for the failure of the Licensor to provide reasonable prior written notice in accordance with Section 6, provided that the foregoing shall not release the Licensor from liability for damage to the Licensee's Equipment where the same results from the negligent, grossly negligent or wrongful wilful acts or omissions of the Licensor with respect to adequacy of any utility service, loss or failure to provide any utility service or failure of the Licensor to provide reasonable prior written notice in accordance with Section 6. Notwithstanding the foregoing, the Licensee acknowledges that interruptions in the supply of any services, systems or utilities are not uncommon in office buildings and the Licensee further acknowledges that it may (but is not obligated to) ensure that any sensitive Equipment in and on the Building is protected from any failure in supply or interruptions through the use of a UPS system, surge protectors and other appropriate safety systems and that the Licensor does not have any obligations in that regard; or

**12. LIENS**

The Licensee shall be responsible for the satisfaction or payment of any liens for any provider of work, labour, material or services claiming by, through or under the Licensee. The Licensee shall also indemnify, hold harmless and defend the Licensor against any such liens, including the reasonable fees of the Licensor's solicitors. The provisions of this Section shall survive termination of this Agreement. All such liens shall be removed within five (5) Business Days of notice to the Licensee to do so. The Licensor may, at the cost of the Licensee, pay money into court to obtain removal of a lien if the Licensee fails to do so, as required, and the Licensee will pay the cost to the Licensor including the amount paid into Court plus an administration fee equal to fifteen percent (15%) of the amount.

**13. CONSEQUENTIAL DAMAGES**

Neither the Licensor nor the Licensee will be liable to the other (regardless of any other provision of this Agreement), in respect of any indirect, special, incidental or consequential damages including loss of revenue, loss of profits, loss of business opportunity or loss of use of any facilities or property, even if advised of the possibility of such damages.

Wherever a release is provided for under this Agreement in favour of the Licensor, it will be deemed to include the Released Licensor Persons. The Licensor acts as agent or trustee for the benefit of the Released Licensor Persons, and each of them, to allow them to enforce the benefit of this provision as well as the benefit of each release clause in this Agreement that is intended to benefit them.

**14. ASSUMPTION OF RESPONSIBILITY AND CONTROL**

The Licensor reserves its right, consistent with the applicable decisions and rulings of the CRTC, to request the Licensee to transfer responsibility and control of its In-Building Wire. Such transfer shall be at the sole discretion of the Licensee and on terms and conditions acceptable to the Licensee. If the Licensor assumes responsibility and control of in-building wire installed by the Licensee, it will be entitled to recover the reasonable costs of its maintenance and management to the extent permitted by the CRTC.

**15. ASSIGNMENT, SUBLICENSING, ENCUMBERING, SHARING OF SPACE AND EQUIPMENT BY THE LICENSEE**

The Licensee shall not assign this Agreement in whole or in part without obtaining the prior written consent of the Licensor which consent may not be unreasonably withheld. Despite what is stated above, the Licensee may assign its rights under this Agreement, on a bona fide basis, to an Affiliate without the prior written consent of the Licensor, to a purchaser of substantially all of the assets of the Licensee if: (i) the assignee executes an agreement with the Licensor to be bound by the terms of this Agreement and agrees to pay the reasonable costs of the Licensor incurred in connection with the preparation, negotiation and

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finalization of that agreement; (ii) the assignee agrees in the agreement referred to above, that should it cease to be an Affiliate of the Licensee, an assignment in respect of which the Licensor's consent is required as provided above will be considered to occur; and (iii) the assignee provides to the Licensor those reasonable particulars which the Licensor requires in order to satisfy itself concerning the requirements stipulated above, and provides to the Licensor reasonable advance notice to enable it to prepare, negotiate and obtain the execution of the agreement mentioned above and to satisfy itself that the requirements stipulated above are satisfied.

- (b) Subject to Section 19(b), no assignment whether to an Affiliate or otherwise, shall release the Licensee from any liability or obligation under this Agreement, unless the Licensor provides a release in writing.
- (c) Except as required or mandated by the CRTC or as provided for in this Agreement, the Licensee will not sublicense, co-locate, share the use of, or otherwise provide the benefit of this Agreement to any third party telecommunication provider or other communication service provider and will not mortgage or encumber its rights under this Agreement in favour of any Lender without the Licensor's consent.
- (d) Notwithstanding any other provision of this Agreement, the Licensee will be permitted to assign its rights under this Agreement to a bona fide 3rd party lender, as collateral security for any bona fide, secured financing of all or part of its business undertaking. However, this permission does not imply or allow the inference that the Licensor waives, or is willing to forbear from the exercise of its remedies under this Agreement, should an Event of Default occur, nor that any lender will have any greater rights than the Licensee in respect of this Agreement, including but not limited to the restrictions set out in this Section 15.

## **16. HAZARDOUS MATERIALS**

The Licensee shall not install, bring upon, or use any Hazardous Substance into or on the Building except telecommunications equipment batteries, in a manner and in quantities as necessary for the ordinary performance of Licensee's business in the Building, and provided that any such use is in compliance with all applicable laws. The Licensee shall indemnify and hold the Released Licensor Persons and any party the Licensor is responsible for at law, harmless from any claim, loss, cost, damage, or expense resulting from any breach regarding the installation or use of any Hazardous Substance brought into or on the Lands or Building by the Licensee, including any and all costs incurred in remedying such breach, such indemnity to survive the expiration or earlier termination of this Agreement.

Licensee acknowledges receipt of the T. Harris letters dated October 14, 2005 and September 25, 2003 which are attached as Exhibit "II" hereto. Licensor will not grant any environmental representation and/or warranty. Licensor will not provide any environmental indemnity in the Agreement.

**17.****EVENTS OF DEFAULT - TERMINATION REMEDIES**

(a) Each of the following events shall be deemed to be an Event of Default by the Licensee under this Agreement:

(i) the Licensee defaulting in the payment of any License Fee, amount, or portion thereof, or other sum of money due to the Licensor and such default continues for more than ten (10) Business Days, after written notification of such default by the Licensor to the Licensee;

(ii) there is interference with the telecommunications or computer, trade, scientific, or medical equipment of the Licensor, any tenant, or any other occupant of the Building or any other telecommunications or computer devices provided in the Building by reason of, or as a result of, the installation, operation, maintenance, repair, or removal of the Licensee's Equipment, which interference is not cured within forty-eight (48) hours of the Licensee's receipt of written notice by the Licensor of such interference;

the revocation of the Licensee's permission to provide regulated or non-regulated telecommunications services by any governing entity authorized to permit or regulate the Licensee's providing of such services;

(iv) the Licensee's becoming insolvent, or the filing, execution, or occurrence of a petition in bankruptcy or other insolvency proceeding by or against the Licensee; or an assignment for the benefit of creditors; or a petition or proceeding by or against the Licensee for the appointment of a trustee, receiver or liquidator of the Licensee or of any of the Licensee's property or a proceeding by any governmental authority for the dissolution or liquidation of the Licensee;

(v) the appointment of a receiver, receiver and manager, or other representative in connection with any default by the Licensee under any loan or debt obligation;

the ceasing of the Licensee to carry on business in the ordinary course; or

if the Licensee shall default in the observance or performance of any of the Licensee's other obligations under this Agreement and such default shall continue for more than ten (10) Business Days after written notification of such default by the Licensor to the Licensee, or where it is not reasonably possible to cure such default within ten (10) Business Days, the Licensee has not commenced reasonable steps to cure such default within the ten (10) Business Days and proceed with such actions in a diligent manner, provided that in any case such default must be cured within thirty (30) Business days.

- (b) Upon or after the occurrence of an Event of Default the Licensor may elect to terminate this Agreement without limiting its other remedies, by providing written notice of termination to the Licensee, which termination shall be effective as of the date specified in the notice of termination.
- (c) If the Licensor shall default in the observance or performance of any of the Licensor's obligations under this Agreement and such default shall continue for more than ten (10) Business Days after written notification of such default by the Licensee to the Licensor, or where it is not reasonably possible to cure such default within ten (10) Business Days, the Licensor has not commenced reasonable steps to cure such default within the ten (10) Business Days and proceed with such actions in a diligent manner. The Licensee may terminate this Agreement without limiting its other remedies by providing written notice of termination to the Licensor, which termination shall be effective as of the date specified in the notice of termination. In the event of termination pursuant to this Section 18(c) or Section 25, the Licensor shall, after the effective date of termination, refund to the Licensee, provided the Licensee is not in Default, Licensee Fees or other Fees paid in respect of the time period subsequent to the effective date of termination.

**18. RESTORATION OBLIGATIONS**

- (a) At the expiration or earlier termination of this Agreement the Licensee shall, at the Licensee's sole cost and expense, without permitting the registration of any liens against title to the Lands, the Building or any other property of the Licensor or the Owner remove the Entrance Cable, and all other items of the Licensee's Equipment except any part of it that by agreement between the Licensee and the Licensor has been acquired by the Licensor, and all of the Licensee's personal property from the Building. This obligation to remove the Entrance Cable and all other items of the Licensee's Equipment shall be subject to any CRTC-mandated obligations upon the Licensee to provide services to other TSP's. If any property that is required to be removed is not so removed within twenty (20) Business Days after the termination, the property may, at the Licensor's sole option, (i) be removed, or removed and stored by the Licensor at the Licensee's expense (and the Licensee will pay an administration fee equal to fifteen percent (15%) of the expense), or (ii) become the property of the Licensor without compensation to the Licensee. As of the date of such removal, neither party shall have any claim against the other, except for claims or obligations that may have arisen or accrued prior to such termination or arise by reason of the Licensee's Equipment and other equipment or property removal, which claims or obligations shall survive such termination. The Licensee further covenants, at its sole cost and expense, to repair or refinish all damage caused by the operation or removal of the Licensee's Equipment. If the Licensee fails to repair or refinish any such damage, the Licensor may, in its sole discretion, repair or refinish such damage and the Licensee shall reimburse the Licensor of all costs and expenses reasonably incurred in such repair or refinishing and will pay to the Licensor an

administration fee equal to fifteen percent (15%) of the cost. The Licensee will provide to the Licensor upon completion of the removal of the Licensee's Equipment an engineer's report confirming completion of the removal in accordance with this Agreement.

- (b) If due to CRTC mandated obligations upon the Licensee to provide services to other TSPs, the Licensee is not required by Section 18(a) to remove the Entrance Cable or other items of the Licensee's Equipment ("Exempted Items") then despite the expiration or termination of the Term of this License, all of the obligations of the Licensee under this Agreement will continue in full force and effect in respect of the Exempted Items except that the obligation to pay the Licensee Fee will be suspended so long as the Licensee does not provide Services or charge fees for the use of Exempted Items. That situation will continue (subject to the sentence following this one) until the Licensee's CRTC mandated obligations end and the Licensee removes the Exempted Items and restores damage as provided in Section 18(a). Notwithstanding the foregoing, so long as, and to the extent a third party assumes ownership, responsibility and control of the Exempted Items, and the third party is bound by a telecommunications access agreement with the Licensor, or a successor of the Licensor, the Licensee will be exempted from all of its obligations, liabilities and responsibilities under this Agreement in respect of the Exempted Items including (but not limited to) the obligation to remove the Exempted Items ", but such release shall only apply to the extent that the Licensee's obligations in respect of the Exempted Items have been assumed by and are enforceable against such third party by the Licensor".

## **19. LICENSOR'S ALTERATIONS**

Despite anything else in this Agreement (but subject to Section 2(d)), the Licensor may, at any time if it acts in good faith, and makes commercially reasonable efforts not to disrupt the Licensee's operations in the Building, make any changes in, additions to or relocations of any part of the Building; may grant, modify or terminate easements and any other agreements pertaining to the use or maintenance of all or any part of the Building, may close all or any part of the Building to such extent as the Licensor considers necessary to prevent the accrual of any rights in them to any persons; and the Licensor may also make changes or additions to the pipes, ducts, utilities and any other building services in the Building (including areas used or occupied by the Licensee) which serve any part of the Building. No claim for compensation shall be made by the Licensee by reason of any inconvenience, nuisance or discomfort arising from work done by the Licensor but the work will be done as expeditiously as is reasonably possible.

## **20. NOTICES**

Any demand, notice or other communication to be made or given in connection with this Agreement shall be in writing and shall be deemed received by the recipient on the date of delivery, provided that delivery is made before 5:00 p.m. on a Business Day, failing which receipt shall be deemed to have occurred the next following Business Day. Until notified of a different address, as provided herein, all notices shall be addressed to the parties as stipulated on

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the Information Page. Notices given by electronic means will not be considered to have been given in writing.

**21. LICENSEE'S EQUIPMENT TO REMAIN PERSONAL PROPERTY**

Except as otherwise provided in this Agreement, the Licensee's Equipment, Entrance Cable and In-Building Wire shall remain personal property of the Licensee although it may be affixed or attached to the Building, and shall, during the Term of this Agreement, or any Renewal Term, belong to and be removable by the Licensee. Notwithstanding the foregoing, upon expiration of this Agreement, the ownership of the In-Building Wire shall, if both parties mutually agree, vest in the Licensor, in which case the In-Building Wire shall remain in place. In all other cases, the In-Building Wire shall be removed by the Licensee at the Licensee's cost and expense.

**22. LICENSE ONLY**

This Agreement creates a non-exclusive license only and the Licensee acknowledges that the Licensee does not and shall not claim any interest or estate of any kind or extent whatsoever in the Building, Communications Spaces, or Equipment Room by virtue of this Agreement or the Licensee's use of the Building, Communications Spaces or Equipment Room. The relationship between the Licensor and the Licensee shall not be deemed to be a "landlord-tenant" relationship and the Licensee shall not be entitled to avail itself of any rights afforded to tenants at law.

**23. LIMITATION OF LIABILITY**

The obligations of the Licensor under this Agreement shall no longer be binding upon the Licensor if the Licensor sells, assigns or otherwise transfers its interest in the Building as owner or lessor (or upon any subsequent licensor or owner after the sale, assignment or transfer by such subsequent licensor). If there is such a sale, assignment or transfer, the Licensor's obligations shall be binding upon the grantee, assignee or other transferee of the interest, and any such grantee, assignee or transferee, by accepting such interest, shall be deemed to have assumed those obligations. A lease of the entire Building shall be deemed a transfer within the meaning of this Section. For greater clarity, nothing in this Section releases the Licensor from any liability(ies) that may arise prior to the date of such sale, assignment or transfer herein.

**24. SPECIFIC TERMINATION RIGHTS**

In addition to the other termination rights provided to it in this Agreement, either party may elect to terminate this Agreement in each of the following circumstances, subject to giving at least thirty (30) days' prior written notice to the other party:

- (a) where the Building has been destroyed, or damaged to such an extent that it is not feasible to repair it within a period of one hundred and eighty (180) days after the damage;
- (b) where the Deemed Area or the Communications Spaces become damaged and it is not feasible to restore them within ninety (90) days after the damage;

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- (c) where the Building is expropriated by a lawful authority;
- (d) where the Licensor, wishes to redevelop, or otherwise alter the Building in such a manner as to, in the Licensor's sole opinion, make the relocation of any part of the Deemed Area or the Licensee's Equipment not feasible;  
  
the Licensee no longer provides Licensee's Services in the Building;
- (f) the Licensee is unable to secure, on terms and conditions reasonably satisfactory to it, all necessary consents, approvals, permits and authorizations of any federal, municipal or other governmental authority having jurisdiction over the provisioning of Licensee Services or any other matters required by the Licensee to provide Licensee Services;  
  
the Building is no longer a "Multi-Dwelling Unit Building" as defined by the CRTC, provided however that in such event the Licensor may, at its option, elect to have this Agreement continue, in which case no Fee or Recoverable Costs shall be payable by the Licensee hereunder during such time that the Building is not a Multi-Dwelling Unit Building, but all other terms and provisions hereof shall continue to apply; or
- (h) the Licensor, acting bona fide and in good faith, elects to demolish the Building.

**25. ESTOPPEL CERTIFICATES**

The Licensee will provide to the Licensor from time to time, within ten (10) Business Days of the Licensor's written request in each case, at no cost to the Licensor, a statement duly executed by the Licensee confirming that this Agreement is in good standing confirming, the Fees payable and the Fees actually paid to any date specified by the Licensor for the statement confirming the Commencement Date, the Term, any Renewal Term to which it claims to be entitled, and any other information that the Licensor reasonably requests pertaining to this Agreement or Building.

**26. LICENSOR'S AUTHORITY**

The Licensor represents that it has full authority to execute this Agreement.

**27. SEVERAL OBLIGATIONS - NON-RECOURSE**

The liability of each of the Licensor(s) where there are more than one, is several and not joint, or joint and several and is limited to the interest of the Licensor(s) from time to time in the Building.

**28. ENTIRE AGREEMENT**

The terms and conditions contained in this Agreement supersede all prior oral or written understandings between the parties and constitute the entire agreement between them concerning the subject matter of this Agreement. This Agreement shall not be modified or amended except



in writing signed by authorized representatives of the parties.

**29. LICENSEE'S REPRESENTATION**

The Licensee represents to the Licensor and acknowledges that the Licensor relies upon this representation and would not have entered into this Agreement but for that representation, that, the construction, design and operation of the network to which the Licensee's Equipment is or may be connected includes or will include upon connection, redundant and back-up features so that the risk of damage, malfunction or disruption of the Licensee's Equipment disrupting service to customers or other third parties utilizing that network (except for telecommunication services between (i) the customers of the Licensee or the customers of telecommunication service providers that lease local loops from the Licensee to serve customers within the Building and (ii) persons communicating with those customers) is minimized.

**30. FORCE MAJEURE**

Without limiting or restricting the applicability of the law governing frustration of contracts, in the event either party fails to meet any of its obligations under this Agreement within the time prescribed, and such failure shall be caused, or materially contributed to, by force majeure, such failure shall be deemed not to be a breach of the obligations of such party under this Agreement, and the time for the performance of such obligation shall be extended accordingly as may be appropriate under the circumstances. For the purpose of this Agreement, force majeure shall include, but is not limited to: any acts of God, war, natural calamities, strikes, lockouts or other labour stoppages or disturbances, civil commotion or disruptions, riots, epidemics, acts of government or any competent authority having jurisdiction, or any other legitimate cause or event beyond the reasonable control of such party, and which, by the exercise of due diligence, such party could not have prevented, but lack of funds on the part of such party shall not be deemed to be a force majeure.

**31. IMPLIED WAIVERS**

A waiver by the Licensor or the Licensee of any breach of the terms, covenants and conditions of this Agreement shall not be deemed to be a waiver of the term, covenant or condition or of any subsequent breach of it or any other term, covenant or condition. No term, covenant or condition of this Agreement is deemed to have been waived unless the waiver is in writing and signed by the party purporting to provide such waiver, and then only to the extent provided for in the written waiver.

**32. SEVERABILITY**

If any provision of this Agreement or any part of a provision is found to be illegal or unenforceable then it will be severed from the rest of this Agreement and the rest of this Agreement will be enforceable, accordingly, except where the severance of such provision or part thereof shall result in the purpose and intent of the Agreement being frustrated or materially or adversely different from that of the Agreement prior to such severance. In the latter instances, either party may terminate this Agreement upon providing a minimum of thirty (30) days prior written notice to the other party.

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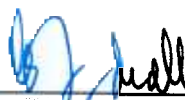
**33. GOVERNING LAW**

This Agreement will be governed by the laws of the province in which the Building is situated and all Federal laws applicable therein and the parties attorn to the exclusive jurisdiction of the courts of such province.

**IN WITNESS WHEREOF**, the Licensor and the Licensee have executed this Agreement in multiple original counterparts as of the day and year first above written.

**2748355 CANADA INC.**

(Licensor)



Name: **KRISTINE LUNDVALL**  
Title: **AUTHORIZED SIGNING OFFICER**

Per: 

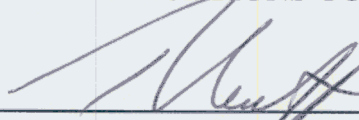
Name: **MICHAEL REEL**  
Title: **AUTHORIZED SIGNING OFFICER**

I/We have authority to bind the corporation

The undersigned officers of Licensee hereby represent and warrant to Licensor that Licensee is a corporation in good standing and duly organized under the Laws of the Province of Ontario, or if chartered in a province other than the Province of Ontario, is a corporation in good standing and duly organized under the Laws of such province and is authorized to do business in the Province of Ontario and that this Agreement has been validly executed and delivered by Licensee and is valid and enforceable against Licensee.

**TELUS COMMUNICATIONS COMPANY**

(Licensee)



Name: **ROBERT BLATTY**  
Title: **AVP, BUILDING ACCESS**

Name:

Title:

I/We have authority to bind the corporation

**SCHEDULE "B"**

**COMMUNICATIONS EQUIPMENT**

*[if applicable]*

**SCHEDULE "C"**

**CONNECTING EQUIPMENT**

*[if applicable]*

## **EXHIBIT "I"**

### **RECOVERABLE COSTS**

The Recoverable Costs are the costs of:

- architectural, mechanical and electrical consulting fees to provide or review architectural, electrical and heating, ventilating and air-conditioning design for construction of additional main terminal room or point of presence space (Equipment Room space), riser rooms and other areas requiring reconstruction to accommodate the installation of the Licensee's Equipment;
  - (b) mechanical engineering and construction to provide any additional cooling for anticipated loads to accommodate the Licensee's requirements;
  - (c) electrical engineering and construction to provide sufficient power distribution to support the power loads anticipated for the Licensee's Equipment, including any connection to any emergency generator power grid that may be made available using a transfer switch;
  - (d) the installation of any secured entry devices or other mechanical or electronic security devices that may be installed to satisfy the requirements of the Licensee;
  - (e) construction for additional space or reconstruction or modification of existing space to accommodate the Licensee and modifying, enlarging or enhancing any telecommunication related facilities that must be made to accommodate the requirements of the Licensee including the reviewing of plans, specifications and working drawing and the monitoring of the performance of work and the obtaining of professional advice from engineers and technical experts;
  - (f) any other reasonable costs of facilitating the initial set up of the Licensee's operations within the Building; and
- reviewing plans, specifications and working drawings and monitoring performance of work as contemplated by Section 7(a).

**EXHIBIT "II"**  
**T. Harris Environmental Reports**



T. Harris Environmental Management Inc.  
*Environmental Consultants*

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October 14<sup>th</sup>, 2005

2748355 Canada Inc. c/o  
Bentall Real Estate Services  
10 Carlson Court, Suite 500  
Etobicoke, Ontario  
M9W 6L2

Attention: Mr. Robert Last, General Manager  
and to all tenants of 145 King Street West

**Re: 145 King Street West, Toronto ON**  
**Asbestos Containing Materials - 2005**

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Dear Sirs/Madame:

Further to your request to identify all locations where remaining asbestos containing materials (ACM) may be present in 145 King Street West, Toronto, we have reviewed all historical data and make the following comments:

Since our last letter update of September 25<sup>th</sup>, 2003, the following asbestos containing materials have been removed or encapsulated at 145 King Street West.

**Summary of ACM Removed, Repaired, or Encapsulated**

Asbestos-containing fireproofing applied to the deck and structural components and mechanical pipe insulation within the ceiling spaces was removed from floors 18, 21, 22, 23, & 24 by an environmental contractor. The asbestos-containing fireproofing was removed and replaced with new non-asbestos sprayed fireproofing.

Asbestos-containing fireproofing applied to the deck and structural components was removed from the 2<sup>nd</sup> Floor Men's & Women's washrooms and accessible areas of the janitor closet by an environmental contractor. The asbestos-containing fireproofing was removed and replaced with new non-asbestos sprayed fireproofing.

Friable asbestos-containing fireproofing and fireproofing debris previously noted to be enclosed behind the fixture walls of men's and women's washrooms which was not part of the original asbestos removal contract on floors 2, 17, 19, 26, 27 and 28 of the building. This material was removed by an environmental contractor.

Friable asbestos-containing fireproofing over diamond mesh lath located between curtain wall and floor slab remains. This refers to the areas beneath perimeter induction units (where slab and curtain wall meet). Due to access constraints this material could not be completely removed. However, a thorough cleaning has recently been completed of all perimeter





induction units on floors 6, 7, 17, 18, 19, 21, 22, 23, 24, 27 and 28 through the services of an environmental contractor. As part of this procedure, the asbestos-containing fireproofing was also encapsulated with a fire-retardant sealer to reduce the potential for deterioration and fibre release. This encapsulation procedure is considered to be an acceptable control measure. Upon completion of this procedure, inspections were conducted and the material was observed to be in good condition. No access to these areas is possible without dismantling the perimeter induction unit grills.

The majority of transite cement wall boards in the 17<sup>th</sup> floor hydro vault were removed by an environmental contractor in order to provide access for the installation of several new electrical transformers. The wall boards were then replaced with new non-asbestos cement boards.

All of the above-mentioned work was carried out in accordance with Ontario Regulation 838/90 and the Asbestos Management Program for 145 King Street West.

Records indicate that accessible asbestos-containing fireproofing has been removed from the majority of areas in the building with the exception of the areas noted below.

**Summary of ACM remaining at 145 King Street West, Toronto**

Remaining ACM is located in several areas of the building and is summarized below:

- Friable Asbestos-containing mechanical insulation is present in mechanical rooms on penthouse level, 17<sup>th</sup> floor, and basement locations.
- Non friable Vinyl Floor Tiles (VAT) is present throughout stairwells and some mechanical room areas.
- Non friable Asbestos cement "Transite" products are present throughout the building including: Transite cement rain water leaders (drain lines); Transite cement wall boards in 17<sup>th</sup> floor mechanical areas; Transite cement boards viewed from access doors on 18<sup>th</sup> floor.

In addition, inaccessible and enclosed and/or encapsulated ACM is located in the following areas of the building:

Small quantities of friable asbestos-containing fireproofing remains present above the ceiling between various mechanical systems (i.e. HVAC ductwork) and the deck in the 2<sup>nd</sup> Floor janitor's closet, adjacent to the men's washroom. This material could not be completely removed due to access constraints. All previously identified asbestos-containing fireproofing above the men's and women's washrooms has been properly removed and replaced with new non-asbestos sprayed fireproofing.



Friable asbestos-containing fireproofing over diamond mesh lath located between curtain wall and floor slab remains. This refers to the areas beneath perimeter induction units (where slab and curtain wall meet). Due to access constraints this material could not be completely removed however, as previously mentioned, has been cleaned and encapsulated. No access to these areas is possible without dismantling the perimeter induction unit grills.

- Friable asbestos-containing fireproofing may be present on the underside of beams in core areas. Core area includes stairwells, elevator lobbies, washrooms, equipment rooms and common corridors. The underside of beams in core areas are encased in mortar and are not visible without performing some type of destructive testing. The opposite sides of the beams, in most cases, are encased in concrete, but there is evidence that some areas have sprayed fireproofing on sections of beam and deck in the core near the main HVAC supply and return trunk lines. There is also evidence of sprayed fireproofing on sections of beam and deck in some areas of stairwells. No access to areas above the ceiling in stairwells is possible without destructive testing.
- Friable asbestos-containing fireproofing remains on the underside of beams in four column riser locations on each floor (Northeast & Southwest sides of floor). The undersides of these beams are encased in mortar and are not visible without performing some type of destructive testing. The opposite sides of these beams, in most cases, are encased in concrete. These riser locations are completely enclosed with concrete block with no access possible.

Friable asbestos-containing fireproofing is also applied to structural steel at gaps between concrete block within the high and low rise elevator shafts on each level. For obvious safety reasons, open elevator shafts can only be entered by trained elevator technicians and are not accessible to tenant or public groups.

- Friable asbestos-fireproofing is also suspected to be present on perimeter columns along the curtain wall on floors 6, 7, and 19. Columns are not accessible and completely enclosed in drywall, which is considered to be an acceptable control measure. As a precaution, until destructive testing can prove otherwise, all columns on these floors should be considered to be sprayed with asbestos containing fireproofing.

Based on the above information the following considerations are made:

Given that all remaining asbestos containing materials in tenant and common areas are either enclosed or encapsulated, and based on THEM's knowledge of this building, we are of the opinion that there is no risk to tenants, employees, other occupants or visitors of or to 145 King Street West, provided that the remaining ACM is not disturbed. Access to any remaining ACM is not possible without some sort of destructive or unauthorized means. All locations listed above where ACM is present either enclosed or encapsulated, are acceptable control measures under Regulation 278/05 – *The Regulation respecting Asbestos on Construction*



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*Projects and in Buildings and Repair Operations*, as made under the Occupational Health and Safety Act. This new regulation comes into effect on November 1<sup>st</sup>, 2005 and will replace the previous Ontario Regulation 838/90.

With respect to ACM that is located under perimeter induction units, where slab and curtain wall meet as noted above, maintenance operations may have to take place from time to time. During routine maintenance work, induction units may have to be opened, which may expose ACM material. It is our understanding that all maintenance work is typically performed after hours and on weekends when the building's HVAC system can be deactivated. Any potential debris encountered during this operation should be properly cleaned. With this type of work being performed outside of normal business hours there should be no impact or risk of possible exposure to building occupants, assuming that all work is performed in accordance with Ontario Regulation 278/05. Induction unit grills should only be removed by authorized personnel.

Friable asbestos-containing mechanical insulation in mechanical rooms on penthouse level, 17<sup>th</sup> floor, and basement locations should be inspected periodically to ensure that ACM is in good repair and condition. These areas are not accessible to tenant or public groups.

Any further asbestos related work will be carried out in accordance with Ontario Regulation 278/05 and the Asbestos Management Program for 145 King Street West.

We hope this letter has been helpful in identifying locations of remaining ACM material at 145 King Street West. Should you have any further queries please feel free to contact building management at your convenience.

Yours truly,

**T. HARRIS ENVIRONMENTAL MANAGEMENT INC.**

Mario Morana, A.Sc.T., AMRT  
Project Manager



T. Harris Environmental Management Inc.  
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September 25, 2003

2748355 Canada Inc. c/o  
Bentall Real Estate Services  
10 Carlson Court, Suite 500  
Etobicoke, Ontario  
M9W 6L2

Attention: Mr. Robert Last, General Manager  
and to all tenants of 145 King Street West

**Re: 145 King Street West, Toronto ON  
Asbestos Containing Materials - 2003**

Dear Sirs/Madame:

Further to your request to identify all locations of 145 King Street West, Toronto where asbestos containing materials (ACM) may be present, we have reviewed all historical data and make the following comments:

Given that all remaining asbestos containing materials in tenant and common areas are either enclosed or encapsulated, and based on THEM's knowledge of this building, we are of the opinion that there is no risk to tenants, employees, other occupants or visitors of or to 145 King Street West, Toronto provided that the remaining ACM remains undisturbed. Access to any remaining ACM is not possible without some sort of destructive means. All locations listed below that are either enclosed or encapsulated and are acceptable control measures under Regulation 838/90 - *The Regulation respecting Asbestos on Construction Projects and in Buildings and Repair Operations*, as made under the Occupational Health and Safety Act.

ACM is located in several areas of the building and are summarized below:

- Friable (i.e. material that when dry can be crumbled, pulverized or powdered by hand pressure) Asbestos-containing fireproofing is still present on floors - 18, 21, 22, 23 and 24. ACM fireproofing is also suspected above the ceiling in the 2<sup>nd</sup> Floor Men's & Women's washrooms and janitor closet.
- Friable Asbestos-containing mechanical insulation is present in mechanical rooms on penthouse level, 17<sup>th</sup> floor, and basement locations.
- Non friable Vinyl Floor Tiles (VAT) is present throughout stairwells and some mechanical room areas. VAT is suspected under carpeted areas of some tenant spaces on floors 18, 21 to 24.



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- Non friable Asbestos cement "Transite" products are present throughout the building including: Transite cement rain water leaders (drain lines); Transite cement wall boards in 17<sup>th</sup> floor mechanical areas; Transite cement boards viewed from access doors on 18<sup>th</sup> floor.

Records indicate that accessible asbestos-containing fireproofing was removed from all tenant and common areas of the building including washrooms with the exception of the above noted floors.

In addition, inaccessible and enclosed and/or encapsulated ACM is located in the following areas of the building:

Friable asbestos-containing fireproofing over diamond mesh lath located between curtain wall and floor slab remains. This refers to the areas beneath perimeter induction units (where slab and curtain wall meet). Random inspections were conducted and the material was observed to be in good condition. The complete removal of this material was not possible due to access constraints. Accessible areas were encapsulated using encapsulant spray.

Friable asbestos-containing fireproofing may be present on the underside of beams in core areas. Core area includes stairwells, elevator lobbies, washrooms, equipment rooms and common corridors. The underside of beams in core areas are encased in mortar and are not visible without performing some type of destructive testing. The opposite sides of the beams, in most cases, are encased in concrete, but there is evidence that some areas have sprayed fireproofing on sections of beam and deck in the core near the main HVAC supply and return trunk lines. There is also evidence of sprayed fireproofing on sections of beam and deck in some areas of stairwells. No access to areas above the ceiling in stairwells was possible without destructive testing.

Friable asbestos-containing fireproofing remains on the underside of beams in four column riser locations on each floor (Northeast & Southwest sides of floor). Asbestos fireproofing overspray may also be present in these same areas. The undersides of these beams are encased in mortar and are not visible without performing some type of destructive testing. The opposite sides of these beams, in most cases, are encased in concrete. These riser locations are completely enclosed with concrete block with no access possible.

Friable asbestos-fireproofing is also suspected to be present on perimeter columns along the curtain wall on floors 6, 7, and 19. Columns are not accessible and completely enclosed in drywall, which is considered to be an acceptable control measure. As a precaution, until destructive testing can prove otherwise, all columns on these floors should be considered to be sprayed with asbestos containing fireproofing.

Friable asbestos-containing fireproofing and fireproofing debris was also noted enclosed behind the fixture walls of men's and women's washrooms as a result of incomplete removal on floors 2, 17, 19, 26, 27 and 28 of the building. This ACM material is presently undisturbed



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and cannot become airborne in its enclosed state. No access was possible above ceiling of 2<sup>nd</sup> floor washroom. This area should be suspected to be asbestos containing until proven otherwise.

With respect to ACM that is located under perimeter induction units, where slab and curtain wall meet as noted above, maintenance operations may have to take place from time to time. During routine maintenance work, induction units may have to be opened, which may expose ACM material. It is our understanding that all maintenance work is typically performed after hours and on weekends when the building's HVAC system can be deactivated. Any debris encountered during this operation should be properly cleaned up. With this type of work being performed outside of normal business hours there should be no impact or risk of possible exposure to building occupants, assuming that all work is performed in accordance with Ontario Regulation 838/90.

Friable asbestos-containing mechanical insulation in mechanical rooms on penthouse level, 17<sup>th</sup> floor, and basement locations should be inspected periodically to ensure that ACM is in good repair and condition. These areas are not accessible to tenant or public groups.

We hope this letter has been helpful in identifying locations of remaining ACM material at 145 King Street West. Should you have any further queries please feel free to contact our office at your convenience.

Yours truly,

**T. HARRIS ENVIRONMENTAL MANAGEMENT INC.**

Romeo Milano  
Project Manager