

**LEASING AGREEMENT
FOR
TELECOMMUNICATIONS SERVICES**

BETWEEN

TELUS Communications (Québec) Inc.

AND

Cité Nordelec Inc.

107

**LEASING AGREEMENT FOR
TELECOMMUNICATIONS SERVICES**

BETWEEN : **TELUS Communications (Québec) Inc.**, a company legally constituted, having its principal place of business at 6 Jules A. Brillant St., Rimouski (Quebec) G5L 7E4, duly represented herein by Mr. Victor Gauthier, division director, Building Engineering, duly authorized pursuant to a resolution of the company's board of directors;

(Hereinafter, "**Telus Québec**")

AND: **Cité Nordelec Inc.**, a company legally constituted, having its principal place of business at 5505 St-Laurent Blvd., suite 2011, Montreal, (Quebec), H2T 1S6 duly represented herein by Mr. Joel Weber, duly authorized pursuant to a resolution of the company's board of directors;

(Hereinafter, the "**Owner**")

WHEREAS the **Owner** conducts business in the field of real-estate management; and

WHEREAS **Telus Québec** agrees to provide services to tenants subject to the terms and conditions herein.

WITNESSETH THAT THE PARTIES AGREE AS FOLLOWS:

1 DEFINITION

In the present Agreement, the parties agree that the following words and expressions will be understood as follows:



- 1.1 **Agreement:** refers to the present Agreement along with any other documents that supplement, modify or confirm it, "**herein**", "**the present Agreement**" and other similar expressions refer to this agreement and not to a particular article, paragraph, clause or other subdivision within it; "**article**", "**paragraph**", "**clause**" or any other subdivisions refer to the stipulated subdivision of the present Agreement.
- 1.2 **Owner:** refers to Cité Nordelec Inc.
- 1.3 **Parties:** refers to the parties to this Agreement; "**Party**" refers to one of these Parties;
- 1.4 **Illegality:** Any provision that is illegal, invalid, null, inoperative or unenforceable in the present agreement is void and without effect to the extent that it is illegal, invalid or unenforceable; however, such a provision is without effect on the other provisions herein, which shall remain in force despite any such illegal, invalid or unenforceable provisions;
- 1.5 **Single and unique agreement:** This Agreement and the documents to be submitted herein represent the sole and unique agreement between the Parties on the subject of this Agreement and replace any other prior verbal or written agreements, understandings or negotiations between the Parties;
- 1.6 **Waiver:** Any implicit or other form of waiver resulting from the conduct of one of the parties or for some other reason, to any entitlement provided herein shall not be deemed to be a waiver of any other entitlement provided herein, whether similar or not, and such a waiver shall not be deemed to be permanent, unless a provision to the contrary appears in a written declaration that has been duly signed by the waiving Party;
- 1.7 **Forbidden operations:** has the meaning assigned to it herein;
- 1.8 **Building:** refers to the building located at 1751 Richardson Street, Montreal, Quebec known as "**Building**";
- 1.9 **Telecommunications room:** refers to the space occupied by **Telus Québec** in its premises, hereinafter designated "**POP**".

2. SUBJECT OF THE AGREEMENT

2.1 Subject

The **Owner** hereby grants **Telus Québec** the right to install, operate, repair, replace, maintain, improve and modify (collectively, "install and maintain") any appurtenances used to supply telecommunications services from its **POP** to its customers with having all the necessary licences to operate.



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4. DURATION

Duration of the Agreement

The **Agreement** will have duration of five (5) years, starting on the first day of August 1st, 2002 and concluding on July 31st, 2007.

4.2. Renewal

Telus Québec will have the option of renewing this **Agreement** for two (2) additional five- (5-) year periods if it makes this request in writing to the **Owner** at least ninety (90) days before the date of its expiration. At that time, the amount of rent to be paid may be renegotiated according to market rates.

5. RENTAL

Rental charges

- 5.1.1 **Telus Québec** will pay the **Owner** a gross annual rent of ten thousand (\$10,000.00) dollars for the **POP**.
- 5.1.2. The rent described in paragraph 5.1.1 will be payable in advance, annually on the first day of August.
- 5.1.3. Lessee agrees to pay the Landlord a five hundred dollar (500.00\$) for as a one time signing bonus to the landlord when the agreement is fully executed.
- 5.1.4. **Telus Québec** recognizes that this rent does not include taxes, including the Tax on Goods and Services, the Quebec Sales Tax or any similar taxes that may be due in substitution to or in addition to the foregoing taxes; **Telus Québec** shall thus add said taxes to the amounts payable herein.

6. CANCELLATION FOR CAUSE

This **Agreement** may be cancelled at any time by the **Party** not in default herein ("**the Other Party**"), by simple notice to that effect sent to the **Party** in default ("**the Defaulting Party**"), under the following circumstances:

- a) In the event of fraud by the **Defaulting Party** or its representatives;
- b) In the event of the liquidation, dissolution, general assignment of assets of the **Defaulting Party** in favour of its creditors under any legislation pertaining to bankruptcy or insolvency or in the event of the appointment of a trustee in bankruptcy to administer the assets of the **Defaulting Party**, for any reason whatsoever;



- c) If the **Defaulting Party** fails to comply with any of its obligations herein and fails to correct the situation within thirty (30) days following the mailing of a written notice to that effect by the **Other Party**;
- d) For any other reason that would justify the cancellation of the present **Agreement** under the laws of Quebec, because of the actions or omissions of the **Defaulting Party** or its employees or representatives if this situation is not corrected within a period of thirty (30) days from the mailing of a written notice to that effect by the **Other Party**. In the event the **Other Party** cancels the present **Agreement** for cause, by giving written notice to that effect to the **Defaulting Party**, the **Defaulting Party** is not entitled to compensation of any kind (other than any amounts due and payable herein) and hereby waives the right to any action, cause of action, claim or requirement of any kind that it might have or have had under the present agreement and hereby releases the **Other Party**, its directors, administrators, employees and assigns, the associates and subsidiaries of the **Other Party**, along with their respective directors, administrators, successors and assigns from any action, cause of action, claim or requirement of any kind.

7. ASSIGNMENT OF AGREEMENT AND SUBLEASE

The **Owner** may assign, convey or encumber the **present Agreement**, its title or interest in it, in whole or in part, to a third party, provided that the assignee is in possession of this **Agreement** and shall assume all of its obligations. **Telus Québec** shall not assign, licence, convey or encumber this **Agreement** or its rights in it unless such assignment, licence or conveyance pertains to all the rights of **Telus Québec** and subject to the **Owner's** consent. Notwithstanding the preceding, **Telus Québec** may assign, licence or convey the **present Agreement** without the **Owner's** permission, to an associated company. **Telus Québec** shall maintain its liability, despite any such assignment, licencing or conveyance.

8. SITUATION OF FORCE MAJEURE AND RESPONSABILITY

8.1 Force Majeure

Neither the **Owner** nor **Telus Québec** shall be held responsible for a failure or a delay in meeting their respective obligations herein resulting from circumstances beyond their control or a situation of force majeure, such as a strike, an accident, climatic conditions, a fire, an act or omission of another contractor, a natural calamity, a governmental restriction or any other cause resulting from a circumstance beyond their volition.



9. INSURANCE

- 9.1. **Telus Québec** will subscribe to and keep in force through the entire duration of the present Agreement a general civil liability insurance policy covering liability for property damage, psychological harm and bodily injury, for a minimum amount of \$2,000,000.
- 9.2. **Telus Québec** shall provide the **Owner** with certificates confirming such insurance coverage upon request.
- 9.3. **Telus Québec** shall not introduce into the leased premises any flammable or explosive substances or materials or any other substances or materials that would increase the risk of fire or insurance premiums paid by the **Owner** with respect to the Building.

10. WORK PERFORMED BY OWNER

If, throughout the entire term of the present **Agreement**, the **Owner** must perform any maintenance work or corrections that could interfere with the services offered by **Telus Québec** to one or the other of its customers, the **Owner** will give written notice of at least fifteen (15) days to **Telus Québec**, except for emergencies, so it may coordinate its activities accordingly. The **Owner** agrees to assume the necessary expenses to minimize the consequences of such work. Provided that **Telus Québec** informs the **Owner** where **Telus Québec** has a client. If the presence of a **Telus Québec** employee, agent or representative is required during the performance of such work, **Telus Québec** will be responsible for the expense.

11. INTERRUPTION OF SERVICE

In the event that a breakdown of some kind during the term of the present **Agreement** partially or totally interrupts **Telus Québec's** network and its services to its customers and both the **Owner** and **Telus Québec** will do all necessary efforts jointly to restore its network to its condition prior to such interruption. **Telus Québec** shall assume the cost of such measures.

12. INSTALLATION AND MAINTENANCE OF EQUIPEMENT

- (a) Tenant will repair any damage to the Building caused by its installation, maintenance or removal of Equipment at the end of the Term.
- (b) The Equipment shall be installed, operated, maintained and supplemented in a good and workman-like manner in accordance with sound engineering practices.



- (c) Tenant shall ensure that no liens are registered against the Building as a result of its work and will indemnify Landlord in connection therewith.
- (d) Tenant will comply and will ensure that its sub-trades comply with all health and safety and environmental legislation and indemnify Landlord for a breach thereof. Tenant will ensure that its Equipment does not interfere with the signals or equipment of service providers granted access by Landlord.

13 CABLE DISTRIBUTION SYSTEM

The landlord may undertake to provide or install a cable distribution system (<CDS>) to satisfy the collective cabling requirement of all service providers and occupants of the project or any of them. Use of the CDS will be subject to reasonable connection and usage fees, determined by the landlord at its sole discretion, which will be applied in a non-discriminatory manner to all lessee acting as Telecommunication Service Provider in the project that use the CDS however, such CDS fees shall be similar to the amount charged for use of such facilities in a similar building in the same or similar market.

14. CONFIDENTIALITY

- a) The **Owner** and **Telus Québec** agree to the confidentiality of any financial information contained herein and discussed within the framework of negotiations leading to its signing.
- b) The **Owner** and **Telus Québec** shall make every possible effort not to disclose the financial terms of this Agreement.
- c) No legal recourse, action or penalty shall result if all efforts have been applied to not disclose this information.

15. MISCELLANEOUS PROVISIONS

This **Agreement** is not and shall not be considered anything other than a leasing Agreement for the leasing of **Telus Québec's** telecommunications services; the rights of the **Parties** herein are those stipulated herein. Without limiting the general scope of the foregoing, the present **Agreement** shall not be interpreted to constitute a legal entity, a partnership, a joint venture, a corporation or a company.

The **Parties** agree that any additional clauses or appendices to the present **Agreement** shall become an integral part of it. Modifications to the present **Agreement** shall be made in writing in a document signed by each of the **Parties** herein.

The present **Agreement** shall be governed and interpreted under the laws in force in the Province of Quebec and any applicable laws of Canada.

The present **Agreement** binds the heirs, executors, successors and



representatives of both Parties.

All notices and papers shall be deemed to have been delivered if hand delivered by messenger service with a copy faxed to the address appearing hereinafter.

Statement: Any act of publication of the present Agreement, shall be approved in a reasonable manner by the Owner.

For Telus Québec : **Advisor, real-estate assets**
Québec-Téléphone
9 Jules A. Brillant St.
Department R0901
Rimouski (Quebec)
G5L 7E4

Tel.: (418) 722-5663
Fax: (418) 722-5949

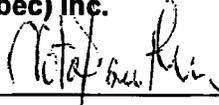
For any interruptions in planned service call:
Yves Vien (418) 387-8700

For the Owner : **Cité Nordelec Inc.**
1751 Richardson
Suite 1000
Montreal, Quebec
H3K 1G6
Tel. :514-939-1002
Fax. : 514- 939-1007
Attentio: Joel Weber

IN WITNESS WHEREOF the Parties have signed the present Agreement at the places and times stated hereinafter.

AT RIMOUSKI, the 25 JUL. 2002

**TELUS Communications
(Québec) Inc.**

By: 

Victor Gauthier
Division Director
Building Engineering

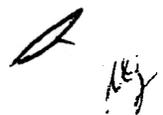
At Montreal, the JULY 5 2002

Cité Nordelec Inc.

By: 

Joel Weber

APPROUVÉ
AFFAIRES CORPORATIVES



APPENDIX "B"

Leased Space Layout Plan