

**LEASING AGREEMENT  
FOR  
TELECOMMUNICATIONS SERVICES**

**BETWEEN**

**TELUS Communications (Québec) Inc.**

**AND**

**Placements Rythme Inc**

**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:**               **Placements Rythme Inc.** a company, having its principal place of business at 550 Sherbrooke, Montreal duly authorized.

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

**WHEREAS** the **Owner** conducts business in the field of real-estate property 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, **Placements Rythme 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 550 Sherbrooke west and 2085 Union Street, Montreal, 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.



## 2.2 Leased spaces

2.1.1. Subject to payment of the rental provided hereinafter and subject to the terms and conditions herein, the **Owner** shall supply a location, dimensions and/or area of which is to be mutually agreed between the **Owner** and **Telus Québec** as will be more particularly described on a plan to be attached hereto as Appendix "A" and bearing the number **SS - Telus**, of the building located at 550 Sherbrooke West, Montreal which will serve as the **POP** so **Telus Québec** can install and maintain its equipment within it. This location must not interfere with the other installations of fiber optic conduits installed in the Building, as well as not interfere with the installation of a fiber optic conduits required by **Owner's** tenant **C.R.I.M.**. More specifically, the Tenant **C.R.I.M.** should have priority to the riser.

**Telus Québec** shall provide an equipment layout plan in Appendix "B".

2.1.3. **Telus Québec** shall be entitled to use the leased premises for the sole purposes of providing telecommunications services.

The **Owner** will use its best efforts to grant **Telus Québec** unlimited access to its POP and permission to enter into it in accordance with the conditions provided herein so it can install and maintain its system and provide telecommunications services to the tenants and occupants of the Building.

All conduits installed or used on the premises by **Telus Québec** shall become the property of the **Owner** unless the **Owner** requires the removal of such conduits by **Telus Québec**.

## 3. WIRING FACILITIES

- 3.1. **Telus Québec** may make use of existing vertical distribution facilities within the Building, if they are adequate.
- 3.2. **Telus Québec** may install any additional wiring after receiving approval of the **Owner** to that effect, which approval can not be withheld without reason. The **Owner** agrees to respond to the request of **Telus Québec** within a delay of five working days.
- 3.3. **Telus Québec** shall reimburse the **Owner** for the cost of electrical consumption based on the electrical power ratings of the equipment installed in its POP (estimated at \$300 per annum), with an annual adjustment if the rates increase.
- 3.4. The **Owner** shall provide **Telus Québec** with an electrical power supply of 110 volt 15 amp.



- 3.5. **Telus Québec** shall assume all POP construction and layout costs along with the piping necessary to connect the POP. All work shall be executed by a contractor chosen by **Telus Québec**, plans to be submitted to the **Owner** for his prior approval, such approval not to be unreasonably withheld.
- 3.6. Notwithstanding the preceding the **Owner** may request that all work be executed by a Contractor of the **Owner's** choice and this upon the condition that prices are competitive, respect the delays of **Telus Québec** and the Contractor has the competence required to complete such work according to the requirements and norms of **Telus Québec**.

3.7. **Standards and safety**

**Telus Québec** shall permit the **Owner** to enter the POP if necessary. The **Owner** hereby agrees to allow **Telus Québec's** to enter the POP. Furthermore, the **Owner** will allow **Telus Québec** to have access to its POP in accordance with the Buildings Security Procedures (the same as those as other Tenants of the building).

3.8. **Government Standards**

**Telus Québec** agrees that any construction, installation, maintenance, repair, replacement, servicing or operating of the system shall be consistent with the then applicable standards of any federal, provincial or local requirements. **Telus Québec** shall at all times and at its own expense, maintain the system in good order and condition.

4. **DURATION**

4.1. **Duration of the Agreement**

The **Agreement** will have duration of five (5) years, starting on the first day of October 2002 and concluding on the last day of September 2007.

4.2. **Renewal**

Providing **Telus Québec** is not in default **Telus Québec** will have the option of renewing this **Agreement** for one (1) additional five- (5-) year period 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 between the parties.

5. **RENTAL**

5.1. **Rental charges**

- 5.1.1. **Telus Québec** will pay the **Owner** a gross annual rent of one thousand dollars (\$2,500) for the POP in advance at the beginning



of the term.

5.1.2. The rent described in paragraph 5.1.1 will be payable in advance, annually on the first day of anniversary of the term of the **Agreement**.

5.1.3. **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 five (5) days for a monetary default and thirty (30) days for a non-monetary default, 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** prior written 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.

### 8.2. Liability

Unless it has committed a fault, neither the **Owner** nor **Telus Québec** shall be held liable for loss of income, loss of business, unusual damage, indirect damage or any other kind of damage.

## 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.

**Telus Québec** shall provide the **Owner** with certificates confirming such insurance coverage upon request, which shall name the **Owner** as a co-insured.

**Telus Québec** shall not introduce into the leased premises any flammable or explosive substances or hazardous 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 five (5) days to **Telus Québec** so it may coordinate its activities accordingly. The **Owner** agrees to assume the necessary expenses to minimize the consequences of such work. 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 this interruption is not due to the fault of the **Owner**, the latter agrees to apply all necessary efforts to restore service within no more than twenty-four (24) hours following such interruption. If the time required to make repairs proves longer than expected, joint measures may be taken by the **Owner** and **Telus Québec** to restore its network to its condition prior to such interruption. **Telus Québec** shall assume the cost of such measures.

## 12. 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.

## 13. 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.

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

**For Telus Québec :** Division Director – Building  
Engineering  
160 rue des Négociants.  
Department R0C00  
Rimouski (Quebec)  
G5L 7E4

**Copy To:** Legal Affaires  
Fax: (418) 722-5949

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

**For the Owner :**

- Placements Rythme Inc.
- 550 Sherbrooke O.
- bureau 760
- tour ouest
- Montreal H3A 1B9

attention: Sam Varsaneux  
Tel. : (514) 849-6131  
Fax.: (514) 849-6469

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

AT RIMOUSKI, the 29-01-03

TELUS Communications  
(Québec) Inc.

By: *Victor Gauthier*

Victor Gauthier  
Division Director  
Building Engineering

APPROUVÉ  
AFFAIRES COOPÉRATIVES

At MONTREAL, the 16<sup>TH</sup> OF AUGUST 2002

Placements Rythme Inc.

By: *Sam Varsaneux*

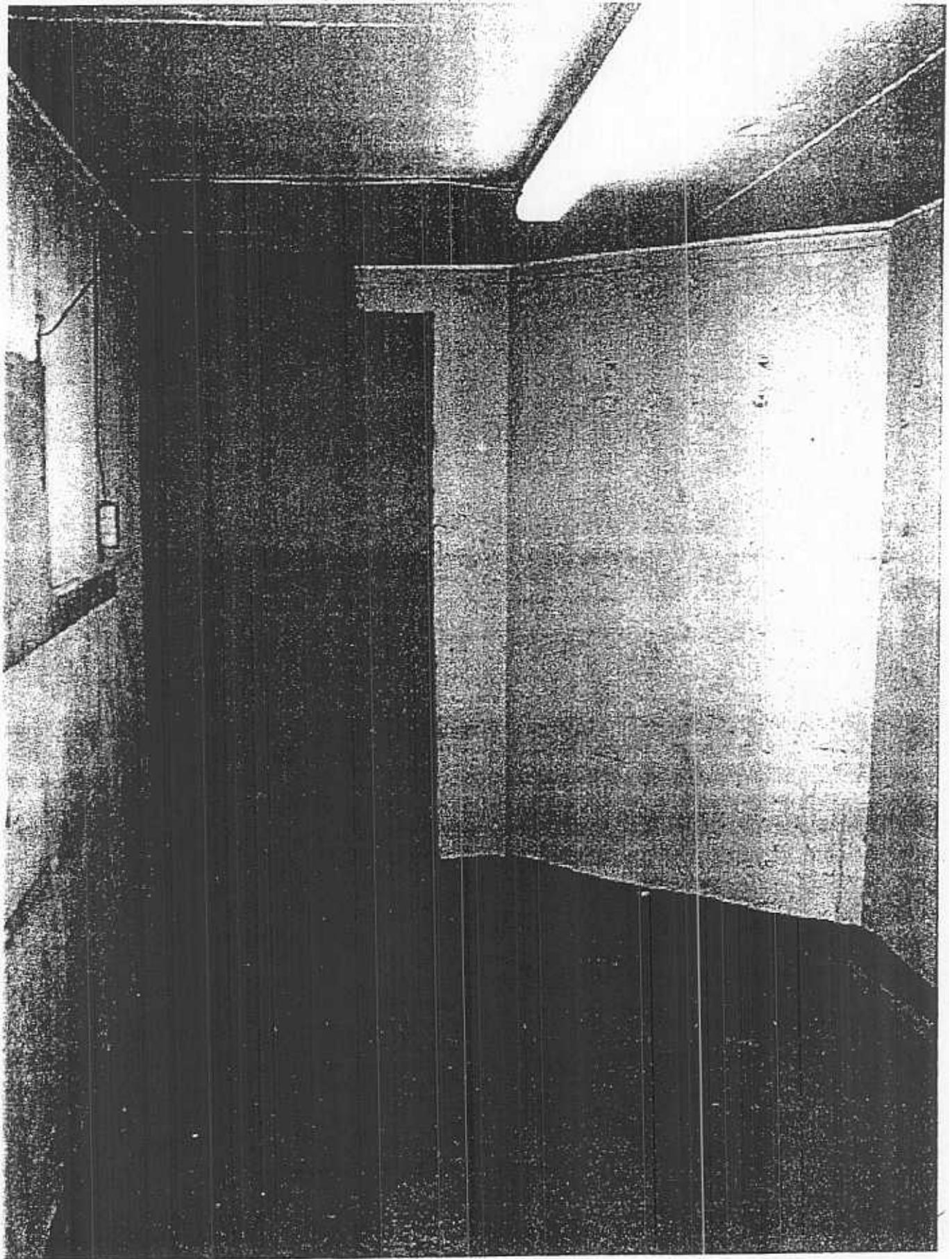
Sam Varsaneux  
Representative

By: *Serge Labelle*

Serge Labelle  
Representative



APPENDIX "A"



**APPENDIX "B"**

**Leased Space Layout Plan**

(Plans to be supplied prior to construction) )