

P-01001.188.00

POINT OF PRESENCE LICENSE

THIS LICENSE made this 23 day of May, 2002, between

WESTMINSTER MANAGEMENT CORPORATION

(the "Licensor")

and

GT GROUP TELECOM SERVICES CORP.

(the "Licensee")

WHEREAS:

The Licensor is the registered owner of those lands ("Lands") situated in the City of Vancouver, in the Province of British Columbia located at 2025 West Broadway (Lot D, Block 325, DL 526, PID 007-093-063) and it has erected on the Lands a building ("Building;")

AND

The Licensee wishes to license from the Licensor that portion (the "Licensed Premises") of the Building containing approximately 1 square foot of rentable storage space and more particularly described and outlined in red on Schedule "A" attached hereto;

WITNESSES that in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. The Licensor hereby demises the Licensed Premises to the Licensee and the term ("Term") shall be ten (10) years commencing May 1, 2002 and terminating April 30, 2012.
2. The Licensee shall pay to the Licensor an annual gross rent of \$1,400 plus all applicable taxes including GST per year for years 1 to 5 and the current market rent (see Article 8 (a)) for similar licensed premises for years 6 to 10. If the Licensee provides services from the Licensed Premises to other buildings the annual rate will be increased by \$500 per building per year.
3. The Licensee accepts the Licensed Premises in an "as is" condition, however, the Licensee shall have the Licensor's permission and grant to such permits, easements, license or right of way in areas of the Licensed Premises as may be necessary to:
maintain and operate
 - (a) install fiber optic cable (which may include copper wire) and such equipment, apparatus, fixtures and attachments (the "Equipment") within, to, and from the Licensed Premises as may be necessary for its operations;
 - (b) have access to the Licensed Premises 24 hours per day, subject to security procedures as reasonably required by the Licensor. From time to time, in situations of emergency, for repair to the Equipment, the Licensee will have

- access to the Licensed Premises outside normal business hours, through security procedures as determined by the Licensor. The Licensor may, at its sole option, provide access keys and combinations at the Licensor's expense;
- (c) provide fiber optic or copper wire communications services to other tenants of the Building;
 - (d) connect the Equipment to other tenants of the Building, subject to the Licensor's prior approval as to location of installations, such approval not to be unreasonably withheld or delayed. All installations in the Building outside of the Licensed Premises, including Trade Fixtures, remain the property and under the control of the Licensee;
 - (e) have access to such portions of the Building, as per the provisions of Article 3 (b) aforesaid, as may be necessary to enable the Licensee to install and maintain such equipment, exterior grounding, electric power and communications lines as may be necessary for the provision of communication services;
 - (f) all access and installation as above to be subject to Licensor approval, such approval not to be unreasonably withheld,
- operate*
to tenants or occupants of the Building
delayed or conditioned

Provided that the Licensee has submitted detailed plans of the contemplated improvements and has obtained the approval of these plans from the Licensor, which approval may not be unreasonably withheld or delayed. Trade Fixtures are defined as Fiber Optic Cable, Copper Wire, Coax Cable, Terminating Boards and Patch Panels, Licensee's property and remaining the Licensee's property upon expiration of the License and any Renewals.

- 4. The Licensor shall provide written notice should the Licensee fail to perform its obligations as set out in this License. The Licensor shall have 30 days from the receipt of said notice, to remedy its breach other than a failure to pay rent where the Licensee will have 5 days upon receipt of said notice to remedy its breach unless the breach is incapable of remedy within such period and the Licensee has diligently commenced to cure the default. Failing remedy by the Licensee, the Licensor, at its option and without prejudice to any other remedy available to the Licensor herein, may terminate this License by giving written notice of termination. Upon termination, the Licensee will remove all Equipment from the Licensed Premises and appropriate Trade Fixtures from the Building, repairing any damage caused by whatever cause, save and except normal wear and tear, to the reasonable satisfaction of the Licensor. Such action shall be taken within fifteen (15) working days after which the Licensor shall have the option to either remove the fixtures at the Licensee's expense or, by notice to the Licensee, acquire ownership of those fixtures at no cost to the Licensor.
- 5. The Licensee will hold the Licensor, its employees, agents and contractors, harmless in respect of:
 - (a) all claims for bodily injury or death, property damage or other loss or damage arising from the conduct of any work or any act or omission of the Licensee or an assignee, sub-tenant, agent, employee, contractor, invitee or licensee of the Licensee, and in respect of all costs, expenses and liabilities incurred by the Licensor in connection with or arising out of all such claims, including the expenses of any action or proceeding pertaining thereto; and
 - (b) any loss, cost (including, without limitation, lawyers' fees and disbursements on a solicitor and own client basis,) expense or damage suffered by the Licensor

arising from any breach by the Licensor of any of its covenants and obligations under this License.

The Licensee shall at all times during the Term and any Renewal maintain insurance coverage in an amount of not less than \$3,000,000 for third party liability with an insurer or insurers and on Terms acceptable to the Licensor acting reasonably. Upon request, the Licensee shall provide a certificate that such insurance is in force. The Licensor shall be an additional insured.

6. Any notice required or permitted to be given hereunder or any tender or delivery of documents may be sufficiently given by personal delivery or, if other than the delivery of an original document, by facsimile transmission, to the Licensee at the following address:

Facilities Department
GT Group Telecom Services Corp.
Suite 700 – 20 Bay Street
Toronto, Ontario, M5J 2N8

Attention: Director of Facilities
Facsimile Transmission (416 848 5325)

With a copy to the General Counsel (Fax: 416 848 2829)

and to the Licensor at:


President and Chief Executive Officer
Westminster Management Corporation
Suite 850 – 1090 West Georgia Street
Vancouver, BC, V6E 3V7

7. If at any time during the Term of this License or any renewal thereof, the Building or the Licensor's interest therein, or this License, shall be assigned, mortgaged or sold to any third party, the Licensor shall make all reasonable efforts to obtain an agreement from the assignee, mortgagee or purchaser, as the case may be, acknowledging and confirming the rent, the term and the other covenants, obligations and conditions of this License and that they will be expressly assumed upon transfer of Title.

8. The Licensee shall have no option to renew the License, however the rent for years 6 to 10 shall be subject to and in accordance with the following terms and conditions:

- (a) The gross rent shall be equal to the then existing market value for comparable space in comparable office buildings in the immediate vicinity of the Building as agreed between the parties failing agreement within 3 months of the 5th anniversary, gross rent shall be determined in accordance with the Commercial Arbitration Act of British Columbia in accordance with the foregoing guideline.

9. This License including the Schedule "A" attached hereto constitutes the entire agreement between this Licensor and the Licensee and supersedes all prior


for comparable term and on comparable terms and conditions

arrangements and understandings whether written or oral relative to the subject matter thereof.

10. Relocation. Upon ninety (90) days prior written notice the Licensor may relocate the Licensee to a comparable location and at the Licensor's expense, such expense to be restricted to reasonable moving costs, which shall include the cost of the Licensee's technicians rebuilding the Equipment in the new location, ~~and moving or recreating at necessary and Trade Partners.~~
11. Subletting and Assignments. The Licensee shall be permitted to sublet or assign (or otherwise part with or share the Licensed Premises) provided that the Licensee receives the Licensor's written consent, such consent not to be unreasonably withheld or delayed. Notwithstanding the foregoing, the Licensee may effect a transfer to a corporate affiliate, its senior lenders or their collateral agents or a purchaser of a material portion of its business. The Licensee shall ensure that the Licensor is informed of a transfer and except for a transfer to a purchaser, shall remain liable under this agreement.
12. The Licensee shall not store or install any Equipment, which consists, in whole or in part of, a hazardous substance; nor shall the Equipment interfere with the transmission of other equipment or telecommunications systems operating in the Building. In such an event occurs the Licensee shall immediately disconnect and remove the offending equipment.
13. The Licensed premises shall be used for the purpose of providing a "Point of Presence" in the Building and housing the Licensee's Telecommunications Equipment all as more fully detailed in Article 3.
14. The Licensee shall have reasonable access to Hydro and the Building's main ground wire. Should the Licensor require it, the Licensee, at the Licensee's expense, shall separately meter, and pay for its power consumption.

IN WITNESS WHEREOF the Licensor and the Licensee have executed this License Agreement as of the date first above written.

WESTMINSTER MANAGEMENT CORPORATION

Per:

GT GROUP TELECOM SERVICES CORP.

Per:

Director, National Facilities

Per: _____