

SERVICE PROVIDER ACCESS AGREEMENT

IN CONSIDERATION of the rents paid by GT GROUP TELECOM SERVICES CORP. ("Tenant") to Kingsley Enterprises Ltd, (Inc. No. 195149) ("Landlord") and the terms contained herein, the parties agree as follows:

BLA # P-06001-059-00

1. **Address where Premises are located:** 1208 Wharf Street, Victoria, B.C. V8W 3B9 ("Building"), as legally described on Schedule "A".
2. **Premises:** described in Schedule "B".
3. **Term:** 10 years.
4. **Commencement Date:** 1 July, 2001 or the first of the month after the date installation commences whichever is sooner.
5. **Options to Extend:** 2 (two) x 5 (five) years at market rent for similar premises, uses and buildings in the vicinity of the Building at the time of extension as agreed by the parties, failing which to be determined by arbitration in accordance with such legislation in the province in which the Premises are located. To exercise an option to extend, Tenant shall provide 60 days' notice to Landlord prior to end of the relevant Term.
6. **Rent:** \$ 1,000.00 plus GST per year payable annually in advance. Landlord's GST number is 10086 2630. Tenant will pay its own business taxes and any increase in realty taxes assessed against Landlord by reason of the installation of the Equipment or its use of the Premises.
7. **Use of Premises and Utilities:** to install, maintain and supplement Tenant's equipment, cable, apparatus and ancillary attachments ("Equipment") for the telecommunication of signals to and from customers. Tenant may connect the Equipment by fibre optic and other cables between the lot line and the Premises and to all necessary utilities, trunk lines, customers' equipment and Landlord's electrical grounding system and will have access to required conduit, risers, closets and meter rooms.
8. **Electricity:** Tenant will pay for its own electrical consumption annually in arrears. Tenant warrants that its annual consumption will not exceed \$ 300.00 per annum and will provide consumption data to Landlord each year. Such payment by Tenant shall be subject to escalation, as reasonably determined by Landlord.
9. **Prior to Commencement Date Tenant shall:**
 - (a) submit Equipment plans to Landlord for approval;
 - (b) obtain all consents, licenses and permits required to install and operate the Equipment and Landlord agrees to cooperate and provide all consents, authorizations and information reasonably required by the Tenant;
 - (c) conduct all tests required to satisfy itself that the Premises are suitable for its intended purpose; and
 - (d) provide Landlord upon request with a certificate of insurance with coverage of not less than \$2,000,000 noting Landlord as additional insured.
10. **Installation and Maintenance of Equipment:**
 - (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 workerlike 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 subtrades comply with all health and safety and environmental legislation and indemnifies Landlord for a breach thereof.
 - (e) Tenant will ensure that its Equipment does not interfere with the signals or equipment of service providers granted prior access by Landlord.
11. **Performance by Tenant:** Provided Tenant has paid Rent and performed its obligations under this agreement, Landlord agrees that Tenant shall have access to the Premises, Equipment and Utilities 24 hours a day, seven days a week subject to Landlord's reasonable security requirements and enjoy the Premises, Equipment and Utilities without interference.

- 12. **Indemnity:** Landlord and Tenant indemnify and save harmless each other for loss or damage to person or property caused by their own negligence or those for whom they are responsible and neither party shall be responsible for consequential damages. Landlord shall be responsible for any pre-existing environmental contamination of the Building and indemnifies and holds harmless Tenant therefrom.
- 13. **Default and Termination:** Landlord may terminate this agreement if Tenant has failed to cure a breach for which it has received 30 days' notice from Landlord, unless the breach is incapable of remedy within such period and Tenant has diligently commenced to cure the default. Tenant may terminate this agreement upon 60 days' notice to Landlord if the Premises are or become unsuitable for Tenant's business. Any prepaid Rent shall be adjusted to the date of termination.
- 14. **Transfer:** Landlord may assign this agreement at any time and shall be relieved of all obligations to Tenant under this agreement to the extent that the assignee assumes the Landlord's obligations under this agreement. Tenant shall not assign this agreement or sublet or license all or part of the Premises (a "transfer") without the prior written approval of Landlord, acting reasonably. Notwithstanding the foregoing, Tenant 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. Tenant shall ensure that Landlord is informed of a transfer and except for a transfer to a purchaser, shall remain liable under this agreement.
- 15. **Notices:** All notices under this agreement shall be in writing and may be delivered by mail, facsimile or in person to the addresses below and shall be deemed received three business days later if mailed and the next business day following the date of transmission by facsimile or personal delivery. At its own expense, Tenant may register a notice or caveat of this agreement on title to the Building in a form approved by Landlord and will remove such registration upon the expiration or earlier termination of this agreement.
- 16. **General:** This is the entire agreement between the parties affecting the subject matter described herein. Any amendments must be in writing and signed by both parties. If any portion of this agreement is found to be invalid, such portion shall be severed without affecting the validity of the balance of the agreement. Except for reason of financial inability, delay in performance by either party shall be excused for delay for causes beyond their reasonable control. The parties warrant that there are no restrictions contained in any other agreement to which they are a party that would prevent either party from entering into this agreement. The provisions of this agreement shall be subject to all applicable regulatory laws and regulations, which will prevail in the event of conflict. This agreement is binding on the parties and their respective successors and assigns.

Dated: June 29, 2001
 GT Group Telecom Services Corp.

Per: _____
 Name
 Title: Vice President & General Manager, Pacific Region

I have the authority to bind the corporation

Mailing Address for Notices:
 20 Bay Street, Suite 700
 Toronto, Ontario M5J 2N8

Attention:
 Facsimile:

Dated: 20 June 2001
 Landlord: [Signature]

Title: President

I have the authority to bind the corporation

Mailing Address for Notices:
402-1208 W. Beaver St
Victoria V8W 3G9

SCHEDULE "A"

Legal Description

Pid: 002-018-802

Lot 2, of Lots 200A and 200B, and Lot 203, Victoria City, Plan 28188

SCHEDULE "C"

Additional Provisions

None