

<b>ACTION REQUIRED</b>
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May 8, 2008

To: Executive Committee

From: Dianne Young  
Chief Executive Officer  
Exhibition Place

Subject: Naming Sponsorship of the Conference Centre  
formally known as the Automotive Building

Summary:

This report recommends that The Board of Governors of Exhibition Place (the “Board”) enter into a naming sponsorship agreement for the Conference Centre with MTS Allstream Inc. (“Allstream”) on the substantive terms and conditions outlined in this report for a term of ten years. The agreement will provide for a substantial financial return to the Board and allows Allstream specific naming opportunities on the building, the grounds and in the marketing materials, as well as specific business opportunities for services provided by Allstream and provides for the purchase of some of its products on a preferred supplier throughout the new Conference Centre, Direct Energy Centre and at all other appropriate Exhibition Place locations, excluding BMO Field, Ricoh Coliseum and Tenanted buildings (leased or licensed).

This report involves the security of property belonging to the City or one of its agencies, boards, and commissions. In order to protect the competitive position and future economic interests of the Board, staff are recommending that the competitive and financial information contained in Confidential Attachment 1 not be disclosed publicly.

While naming of entertainment and sports venues has been common; corporate naming sponsorship of convention/trade facilities has been more difficult to achieve and there are only three such venues named in Canada and three in the USA.

In 2006, the Board engaged Wakeham & Associates (“WAM”) as the exclusive sponsorship agent with the prime objective being to secure an appropriate sponsor to acquire the name-in-title rights to the new Conference Centre. On behalf of Exhibition Place, WAM targeted a total of 102 companies selected from a number of business categories. However, because of the Board’s agreement with Direct Energy Services Ltd. and Ricoh Ltd., no businesses that provide gas or electrical utilities or general HVAC services or sponsors in the business equipment sector were approached.

As with the naming of the Direct Energy Centre, prior to marketing the naming opportunity for the Conference Centre, the Board and WAM developed a matrix of the business objectives for Exhibition Place which categories are as follows: Build Profile of Exhibition Place and Awareness of The New Conference Centre; Reinforce and build on Environmental Initiatives; Offer Benefits to Exhibition Place and its Tenants, Show Producers and Visitors; and Generate Incremental Operating Income for Special Projects.

The fee being proposed by the agreement with Allstream is at market compared to recent agreements for comparative properties in Toronto as noted in the confidential attachment. In addition to the direct cash payment, the Board will receive other benefits as a result of its alignment with this Canadian company and the value of any advertising and promotional tie-ins with Allstream.

### **Recommendation(s):**

It is recommended that Council:

1. Approve of The Board of Governors of Exhibition Place entering into a Naming Sponsorship Agreement with MTS Allstream Inc. for the naming of the Conference Centre in the former, newly to be renovated Automotive Building, for a term of 10-years substantially on the terms and conditions provided in this report, including Confidential Attachment 1, and such other terms and conditions as may be satisfactory to the CEO and the City Solicitor;
2. Direct that the confidential information contained in Confidential Attachment 1 to this report not be released publicly in order to protect the competitive position and future economic interests of Exhibition Place; and
3. Authorize and direct the appropriate Exhibition Place and City officials to take the necessary action to give effect thereto.

### **Financial Implications**

The fee to be negotiated with Allstream provides an income stream to the Board over the 10 year period of the naming agreement and is at market compared to recent agreements for comparative properties in Toronto as noted in the confidential attachment. In addition to the direct cash payment, the Board will receive other benefits as a result of its alignment with this Canadian company and the value of any advertising and promotional tie-ins with the Proposed Naming Sponsor.

### **Decision History**

At its meeting of June 2006, the Board approved of entering into an agreement with Wakeham & Associates Marketing Inc. (WAM) which appointed WAM as its exclusive sponsorship agent with a key objective being to secure an appropriate sponsor which would both acquire the name-in-title rights to the new Conference Centre and become a strategic partner with Exhibition Place in a business alliance with shared goals and objectives.

City Council at its meeting of December 11, 12, 13 and 14, 2007, approved the overall Conference Centre capital budget and furthermore, approved that any net fees received as a result of the naming of the Automotive Building will be paid into the Exhibition Place Conference Centre Reserve Fund to be held for the benefit of the City until repayment by Exhibition Place of the City loan of \$35.6M. The potential naming rights fee for the conference centre was approved by Council estimated in the range of \$4.0M over 10 years. The recommendations in this report are proposing an agreement with Allstream that exceed that figure of \$4.0M.

At its meeting of May 2, 2008, the Board of Governors of Exhibition Place considered and unanimously approved the report respecting this matter and directed that the matter be forwarded to City Council for its approval.

### Issue Background

Since its engagement in 2006, WAM has targeted a total of 102 companies identified as having potential for title sponsorship. These companies were selected from a number of business categories, including: alcoholic beverages, automotive, apparel, cameras/film, computer software, consulting/professional services, consumer electronics, courier, financial institutions, home improvement retail, office furnishings, office supply retailers, supermarkets, telecommunications, and travel. Because of the Board's agreement with Direct Energy Services Ltd., no businesses that provide gas or electrical utilities or general HVAC services were approached because Direct Energy Services Ltd. have the exclusive right (subject to competitive pricing) to provide these services to the Board. Also, the Board's agreement with Ricoh Canada Inc. prohibits the Board from pursuing sponsors in the business equipment sector. Typically sponsors, including naming sponsors, are looking to also supply products pursuant to their sponsorship entitlement agreement.

While the naming of entertainment and sports venues has been common; corporate naming sponsorship of convention/trade facilities has been more difficult to achieve. In Canada the named convention/trade centres are the Telus Conference Centre (Whistler); the Shaw Convention Centre (Edmonton); and Direct Energy Centre at Exhibition Place. In the United States there is the American Bank Centre (Corpus Christi, TX); Cox Business Services Convention Center (Oklahoma City, OK); and Reliant Center (Houston, TX).

As with the naming of the Direct Energy Centre, prior to marketing the naming opportunity for the Conference Centre, the Board and WAM developed a matrix of the business objectives for Exhibition Place:

- Build Profile of Exhibition Place and Awareness of The New Conference Centre – The sponsor must make a commitment to elevating the profile and stature of Exhibition Place and The New Conference Centre. This can be achieved through media and consumer promotions conducted by the sponsor, as well as advertising, and direct communication with consumers.
- Reinforce and build on Environmental Initiatives – The Board has positioned the grounds as a 'green zone' where new forms of energy are utilized, and state-of-the-art energy conservation programs are implemented. It is important to establish a relationship with a

company that shares this mandate, and can help Exhibition Place to achieve its environmental initiatives.

- Offer Benefits to Exhibition Place and its Tenants, Show Producers and Visitors - An effective sponsor is able to add value to the experience of the tenants, show producers and visitors to the new Conference Centre.
- Generate Incremental Operating Income for Special Projects - The sponsor must pay a “rights” fee to Exhibition Place.

### Comments

A name-in-title association within the new Conference Centre offers a corporate sponsor the opportunity for a linkage between the sponsoring company and Canada’s newest Conference Centre location, which, in complementing the assets of the existing Direct Energy Centre creates one of the premier event sites in North America. The intangible value of this association in terms of brand positioning and augmenting public stature of a corporation is outstanding and the tangible benefits include corporate exposure of the sponsor’s name and/or logo on signs, advertisements conducted by shows/events; collateral materials produced by shows/events; the Exhibition Place websites, sales brochures and poster cases in the venue. It also allows the title sponsor access to selected shows at the new Conference Centre and parking spaces at the new Conference Centre.

Allstream is one of Canada’s leading national communications providers earning \$1.9 billion in revenues in 2006 through delivery of products and services to their customers in consumer and business markets. Allstream is a wholly owned subsidiary of Manitoba Telecom Services Inc., whose common shares are listed on The Toronto Stock Exchange (trading symbol: MBT) and which paid one of the highest dividend yields in Canada in 2006. With over 6,000 employees, they deliver a diversity of competitive products in their industry.

In 2002 and 2003, Allstream was ranked Canada’s most responsible company, in the telecommunications sector, by the Corporate Knights on their list of the Best 50 Corporate Citizens in Canada. Some of the programs that Allstream has initiated to win this award are as follows:

- The Employee Charity Trust – a gift matching program through which employee/corporate donations go to United Way, Canadian Cancer Society, Salvation Army and Heart and Stroke Foundation and other organizations.
- Computers for Schools Program – equipment removed from service at Allstream is first repaired and then recycled for donation. In 2006, some 2,700 computers and 450 printers were donated to schools.
- Scholarship Award Program “Pursue your Calling” – encourages students to study in areas of high demand in the telecommunications industry. Other education programs employ technology to connect students, teachers, classrooms, institutions and communities. Still others focus on projects that help students develop their leadership abilities – such as Junior Achievement of Halton’s “Our Business World” programs.
- Sponsorships – Allstream sponsors cultural and arts events/organizations across the country including the Festival du Voyageur, Royal Winnipeg Ballet, the Ottawa Symphony Orchestra, Royal Manitoba Winter Fair, the Children’s Hospital Foundation, Cindy Klassen,

one of Canada's most celebrated speed skating champions; Manitoba Classic golf tournament; Manitoba High School Athletics Association; Manitoba Special Olympics; and University of Winnipeg, to name only a few.

Finally, Allstream, through its Environmental Management System is committed to conducting its business in a manner which reflects concern for the environment and supports the principles of sustainable development. Because of this environmental commitment, the LEED Silver standard adopted by the Conference Centre is a key element of the partnership between Exhibition Place and Allstream. Through its Environmental Management System, Allstream has implemented the following programs:

- In 2003, MTS received recognition from the Federal Minister of Natural Resources, for its participation in the Office of Energy Efficiency's Energy Innovators Initiative to help reduce greenhouse gas emissions.
- It has been nominated for the Sustainable Development Award of Excellence in 1996, 1997, and 1998.
- In 2005, Allstream launched a Manitoba-wide recycling program for cell phones through their MTS Connect stores. The equipment is dismantled and sold for parts, with all proceeds donated to the Mike Komenda Memorial Skateboard Park. In addition, one tree is planted for every phone contributed to the program and waste is diverted from landfill.
- In the Consumer Markets division, Allstream participates in a program that offers employees a 30 per cent price reduction on the cost of monthly bus passes through its EcoPass Employer Sponsored Bus Pass Program.

There are multiple areas of alignment between the objectives of Exhibition Place and Allstream which are summarized below.

Exhibition Place	Allstream
Community Focus	Community Focus – sponsor of key events and programs across the country
Progressive	Progressive – cutting edge leader in the telephony industry
National and International marketing focus	National focus – The promotional activity undertaken by Allstream for the new Conference Centre will be very helpful. Allstream has a tradition of supporting its sponsored properties with advertising, marketing and event-based initiatives.
Canadian Landmark	Proudly Canadian-owned & operated
Supports major events	Supports major events ranging from the Royal Winnipeg Ballet to the Ottawa Symphony
Showcase for environmental innovations	Committed to sustainable development. Follows an Environmental Management System.
Delivers quality experience	Delivers quality product and service
Service orientated	Service orientated

Accordingly, it is recommended that Council approve of entering into an agreement with Allstream on the terms and conditions set out in Appendix “A” to this report and such other terms and conditions required by the Exhibition Place CEO and the City Solicitor.

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Submitted by:

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Dianne Young  
 Chief Executive Officer

ATTACHMENTS

Confidential Attachment 1 – Naming Sponsorship Agreement Financial Terms and Conditions

Appendix I  
 Substantive Terms and Conditions

It is recommended that the Committee recommend that Exhibition Place enter into an agreement with Allstream on substantially the terms and conditions set out below and such other terms and conditions as may be satisfactory to the CEO and City Solicitor:

The agreement shall include the following definitions:

“Communications Products and Services” shall refer to communications and information technology (“IT”) products and services described in the Schedule attached to this Appendix and will include all future communication and IT services in this category as the services evolve.

“Exhibition Place Buildings” shall mean the Automotive Building, Direct Energy Centre, East Annex, Heritage Court, Industry Building, North Extension, Better Living Centre, Horse Palace, Queen Elizabeth Hall, Queen Elizabeth Executive Offices, Fountain Dining Room and General Services Building and any and all other buildings from time-to-time comprising the Exhibition Place, including without limitation (except as set out in the Agreement) any and all buildings added to the foregoing during the Term of the Agreement, but shall not include BMO Field.

“Facility” shall mean the Conference Centre to be constructed in the former Automotive Building at Exhibition Place, located in Toronto, Canada.

- (a) **Term/Renewal.** The term of the Agreement shall be from the date the renovated Automotive Building (the “Facility”) officially opens to the public (the “Launch Date”) to the 10<sup>th</sup> anniversary of such opening date. This Agreement may, at the option of Allstream, be renewed on such terms as may be negotiated in good faith and agreed to by the parties, acting reasonably, for a further ten (10) year term, provided that Allstream provides the Board with written notice of its intention to renew no later than one (1) year prior to the expiry of the Initial Term.
- (b) **Naming Rights.** Commencing on the actual date upon which the Facility officially opens to the public (the “Launch Date”) the name of the Facility will be rebranded as the "Allstream Centre - Conference and Convention Centre at Exhibition Place" or such other name as may be mutually agreed upon in writing by the parties (the “Facility Name”), recognizing that “Allstream” shall have primary prominence in the name and that the name shall include reference to “Exhibition Place”. The Board agrees that the Facility Name may be shortened to “Allstream Centre” for the purposes of the Exterior Building Signage; the Gardiner product signage provided that any reference to the Facility shall be accompanied by a reference to “Exhibition Place”; the light pole banners on Princes’ Boulevard; and the transportation directional signage on the Gardiner Expressway, all provided that Allstream agrees that the full Facility Name shall be used by the parties in all other instances, including any official documents, press releases, signage, and promotional and advertising materials produced or issued by the Sponsor during the Term. Unless otherwise agreed to in writing by Allstream and the Board, no other person or entity shall have its name, mark, logo or other identifying characteristic included as a part of the name of the Facility during the Term. The Board agrees to use best commercial efforts to: (i) identify the Facility by the Facility Name in all official documents, press releases, signage, and promotional materials during the Term; and (ii) to require each person or entity that contracts for the use of the Facility for any purpose to refer to and identify the Facility by the Facility Name in all promotional and advertising materials. Allstream shall, at least six (6) months prior to the Launch Date and, after that, not before Contract Year 4, be entitled to change the Name of the Facility once during the Term with the written consent of the Owner (which consent shall not be unreasonably withheld). Without limiting the generality of the foregoing, it shall not be unreasonable for the Board to refuse to consent to any change of name which would result in a potential conflict or confusion with the location of the Facility at Exhibition Place in the City of Toronto or its ownership by the City of Toronto. Subject to the foregoing, Allstream shall be entitled, upon three (3) months written notice to the Board, to change the Name in the event that Allstream (i) undergoes a corporate name change; (ii) desires to use the name of one of its Affiliates in the Facility; or (iii) changes its national branding strategy provided that Allstream shall be responsible for all costs associated with such name change.
- (c) **Logo:** The Board will design a logo or variations of logos for the Facility at the Board’s sole cost and expense and Allstream, acting reasonably, will have the right to approve the design and appearance of the Logo prior to its use which Logo may be amended by agreement of the parties from time to time. Allstream will have access to the Logo and images of the Facility; access to selected imagery and video footage from performances, activities or events in the Facility (subject to the Board obtaining,

- on behalf of Allstream, such clearances and making any required payments (at the cost of Allstream) to the holders of the rights in such performances, events, imagery or video footage); the right to conduct cross-promotions with other sponsors of the Facility; and the right to create custom merchandise themed on the Facility. Allstream's use of the Logo shall be subject to the prior approval of the Board and in accordance with the Logo Guidelines developed by the parties.
- (d) Collateral Materials: Commencing on the Launch Date the Board at its sole cost will provide the following benefits to Allstream:
- The Logo shall be included in a primary position in all of the Owner's advertising of any kind that promotes the Facility or any event to be presented at the Facility;
  - The Facility Name shall be included in a primary position in all of the Owner's advertising of any kind that promotes the Facility;
  - The design, placement and use of the Logo and Facility Name shall be in accordance with the Logo Guidelines;
  - The Board shall make reasonable best efforts to ensure that any and all uniforms worn by the dedicated staff working in the Facility shall prominently bear the Facility Name and/or Logo;
  - All (as appropriate) disposable cups and napkins dispensed within the Facility shall prominently bear the Facility Name and/or Logo;
  - all printed materials used in connection with the promotion and/or operation of the Facility, such as ticket fronts, letterhead, business cards, brochures, promotional items, marketing materials, and official statements issued by the Board shall prominently bear the Facility Name and/or Logo;
  - Jointly with Allstream approve of the location of a digital sign in the Facility to be used for the purpose of displaying information regarding Allstream's the products and services;
  - Jointly with Allstream approve of temporary or permanent location for Allstream to have a retail presence of a point of sale kiosk for Allstream's products;
  - Include Allstream's name and the Logo in all publicity materials produced by the Board that are related to the Facility; and
  - Introduce Allstream representatives to tenants on the site for the purpose of soliciting new business from them.
- (e) Signage: Commencing on the "Launch Date", but, in any event no later than sixty (60) days after the Launch Date, the Logo shall be incorporated into the following signage:
- Gardiner Expressway Billboard in Parking Lot L – The west-facing sign panel on the Omni sign for the 4-month period from March 1 to June 30<sup>th</sup> each year of the Term for Allstream's commercial advertising;
  - Sign at Lake Shore Blvd. and Ontario Street – name exposure on pixel readout panel on a rotational basis;
  - Sign at Lake Shore Blvd. and British Columbia Street – name exposure on pixel readout panel on a rotational basis;



- Princes' Blvd. Banners - banners to be displayed on an ad hoc basis, subject to availability and the requirements of specific events;
  - Entrance Door Decals;
  - Exterior Building Signage on the Facility (subject to design restrictions of the Toronto Preservation Board);
  - As soon as possible after the Launch Date and in accordance with the restrictions and scheduling of the City of Toronto Transportation Services Division, Directional Signage on Lake Shore Blvd. and the Gardiner Expressway (eastbound and westbound) in accordance with the specifications of the City of Toronto Transportation Services Division with respect to such signage;
  - Four back-lit poster cases in the Galleria of the Direct Energy Centre with dimensions of at least 30" x 60" for Allstream's brand-sell signage, provided that the costs of design, production and installation of these signs shall be the sole responsibility of Allstream.
  - In the event that Allstream wishes to add to the signage listed above, the Board will make reasonable best efforts to accommodate such request, provided that this shall not affect the requirement for Allstream to obtain all necessary permits and approvals from the City of Toronto, as required. Any and all costs for the design, fabrication, installation, maintenance and replacement of such incremental signage shall be the sole responsibility of Allstream.
- (f) Signage Design. The size, design and appearance of the Logo on the signage shall be subject to Allstream's prior written approval, not to be unreasonably withheld. All signage shall be subject to the Board's final approval, acting reasonably, and any applicable law restricting design and appearance. The Board shall be responsible for any and all costs of the design, fabrication, installation (including the removal of existing signage) and the maintenance and upkeep, and ultimate removal of the signage upon expiry or termination, with the exception of the back-lit posters and incremental signage which shall be removed at the sole cost and expense of Allstream. Any and all costs associated with the creative design and fabrication of the Gardiner Expressway Billboard tri-vision panel provided will be the sole responsibility of Allstream.
- (g) Competitor Signage. No competitors of Allstream will be allowed to have permanent signage in the Facility during the Term. It is understood that events occurring at the Facility may have temporary signage featuring the event's sponsors, which may include competitors of Allstream. A list of identified competitors shall be attached to the Agreement.
- (h) Promotions: The Board will:
- I. make reasonable best efforts to introduce Allstream to event producers at the Facility to allow Allstream an opportunity to participate, at the sole discretion of the event producer, in media contests developed by events at the Facility subject to the approval of event and the Board;
  - II. work with Allstream to design at the Board's sole cost and expense (not to exceed \$15,000) a website specifically for the Facility, which shall be linked, to the main website for Allstream and Exhibition Place; and,

- III. permit Allstream to display its Communication Products and Services to patrons of the Facility (the “Sponsor Showcase”). Allstream’s development and use of the Sponsor Showcase shall be subject to the prior approval of the Board so as to ensure that it is complementary to the design and decoration of the interior of the Facility and does not interfere with the operation of the Facility
- (i) Events at Facility and Exhibition Place: The Board will:
- provide Allstream with a schedule of events taking place at the Facility, which will be updated monthly and will provide Allstream with at least thirty (30) days advance notice of all upcoming events at the Facility. The Board agrees that it shall require that events which take place at the Facility do not offend community standards of tolerance as determined by the Board. The Board makes no representation as to the number of events to be held at the Facility;
  - provide Allstream with 200 complimentary tickets annually to various events presented by the Board at the Exhibition Place Buildings (excluding all tenanted properties, BMO Field and the Toronto Grand Prix) as requested by Allstream; and,
  - subject to availability, provide Allstream with the opportunity, on no more than two occasions per year to utilize the Facility for a one (1) day event, rent-free, in a manner to be mutually agreed upon by the parties provided that Allstream shall enter into the Board’s standard licence agreement and pay for the cost of all services provided.
- (j) Supply of Communications Products and Services.
- I. During the construction of the Facility, the Board shall transfer to Allstream the existing telecommunication maintenance and services agreements that the Board has with other companies (Bell, Nortel etc) including ISDN, PRI, DS1, DID numbers, internet and data services, toll-free/long-distance services and upgrading and maintaining PBX equipment provided that pricing is competitive with the price presently being paid for such service.
  - II. During the construction of the Facility, the Board and Allstream shall work collaboratively to develop mutually agreeable specifications for new Communication Products and Services for the Facility including but not limited to telephony handsets (digital and analog), Ethernet switches, access points, patch cables, cat 5e cables, fiber optic aggregator, spf fibre optic transceivers, as yet to be determined audio-visual equipment (consisting of but not limited to amplifiers, projectors, speakers, racks, controllers, mixers, microphones, matrix switches, AV cameras) and audio-visual connectivity and configuration; and as yet to be determined limited video conferencing and digital signage within the Facility and Allstream shall offer such products and services to the Board at competitive pricing and the Board will purchase such products and services from Allstream provided the construction budget is available.
  - III. During the construction of the Facility, the Board and Allstream will work collaboratively to identify solutions for additional products and services that cannot be provided within the initial construction budget but may be obtained through an official supplier or similar arrangement.
  - IV. Throughout the Term, Allstream shall have preferred vendor status to be the communications solutions provider to the Facility and for all Exhibition Place Buildings which are under the control of the Board in respect of the Communications

Products and Services which shall include professional/consulting services and maintenance and support services. These rights granted by the Board do not affect the right of the Board's current or future tenants and licensees or events including the CNE and the Toronto Grand Prix.

- V. For the purposes of section IV above, if the Board requires the supply of Communication Products and Services, the Board will provide notice in writing to Allstream, specifying to the extent possible the particulars of all of the material requirements of the Products and Services; Allstream shall respond within 7 days, providing in as much detail as possible the material terms under which Allstream is prepared to supply the products and services including, price, timing and quality; the Board will have 15 days to accept Allstream's offer or propose other terms; Allstream and the Board will negotiate in good faith the detailed terms and conditions of the required commercial arrangement; if the Board does not accept Allstream's offer and the parties are unable to agree as to different terms, the Board will be free to seek an alternate supplier for the products and services; provided that if the Purchaser subsequently finds a potential third party supplier of the products and services then Allstream will have a right of first refusal to provide the products and services on terms and conditions no less favourable than the potential third party supplier.

(k) Exclusivity/Exceptions. The Board shall not:

- I. grant any person or entity other than Allstream the right to advertise or promote at the Facility any products or services that are the same as or competitive with the Communications Products and Services ; or
- II. enter into any sponsorship arrangement relating to Exhibition Place Buildings with an Allstream Competitor;

However, Allstream agrees that nothing in the agreement is intended to:

- prevent the producer of any event, show or production leasing/using the Facility from having its own sponsors, competing or otherwise, and displaying such sponsors' advertising and logos within the producer's licensed space, provided that all of Allstream's on-site benefits as set out in this LOI and the agreement shall remain intact; or
- affect the rights of the tenants or licensees of Exhibition Place to enter into such sponsorship arrangements for the display of interior signage in the case of tenants and licensees that hold a license for interior building space or for the display of exterior event signage for licensees that hold a temporary license for outdoor space, including but not limited to the Canadian National Exhibition and the Toronto Grand Prix.

(l) Events of Termination. The events of termination to be included in the Agreement shall be as mutually agreed upon by the parties.

(m) Unions. All work done at Exhibition Place by, or on behalf of, Allstream under this Agreement shall be subject to any agreement with a union or trade association having rights with respect to Exhibition Place.

- (n) **Indemnities/Insurance.** The parties shall each indemnify the other with respect to claims, loss or injury as a result of negligence, willful misconduct or breach of the agreement, provided that neither party shall be responsible for special, indirect, consequential or punitive damages or loss of profit incurred by the other, however caused. The Board shall insure the Facility and its operations. Allstream shall under the Agreement carry and maintain, and provide the Board with proof thereof:
- (I) commercial general liability insurance in an amount of no less than five-million dollars (\$5,000,000) per occurrence to which the Owner and the City of Toronto shall be added as an additional insured, which shall be primary, noncontributory with, and not excess of, any insurance available to the Owner and which shall contain:
    - (i) a waiver by the insurer of any rights of subrogation or indemnity or any other claim as against the Owner;
    - (ii) a severability of interest/cross-liability clause, and
    - (iii) an undertaking by the insurer that it shall provide Owner with thirty (30) days written notice of any intention to cancel the insurance except in the case of non-payment in which case it shall provide Owner with fifteen (15) days written notice of any intention to cancel as a result thereof.
  - (II) commercial general liability insurance in an amount of no less than five- “all risks” property insurance covering the property, trade fixtures and equipment of Allstream in the Facility or at Exhibition Place on a full replacement basis; and
  - (III) standard owner's automobile liability insurance with limits of not less than one million dollars (\$1,000,000.00) in respect of any one accident.
- (o) **Other Commercial Terms.** The parties shall negotiate and include such other commercial terms and conditions as may be satisfactory to the CEO and the City Solicitor for the purposes of a final agreement.

Schedule to Appendix "A"  
Communications Products and Services

- (a) Long Distance Services. Long distance voice (including toll-free), data, facsimile, video telephone telecommunications transmission services (including without limitation dedicated, switched, fast-packet, ATM, sonnet service, trunk lines, dial-tone and usage minutes).
- (b) Local Services. Local voice, data, video telephone and facsimile local exchange services (including without limitation dedicated, switched, fast-packet, ATM sonnet service, trunk lines, Internet-protocol based voice, dial-tone and usage minutes). Local services include enhancements to such telecommunications services and such exchange services such as, by way of example but without limitation, call waiting, caller identification, and call forwarding.
- (c) Wireless Services. Digital cellular band voice and data services, cellular telephony, PCS services, and paging services, but excluding house walkie-talkie system and event communication system.
- (d) Data Services. Digital Subscriber Line, Asynchronous Transfer Mode, Frame Relay and other data transmission services whether transmitted through the use of copper cabling, fiber optics, coaxial cable, or wireless service.
- (e) Calling Cards. Any identifying number or code unique to an individual which constitutes an account that may be charged for telecommunications services, including prepaid calling cards and telephone debit cards, excluding any commercial or bank debit or credit cards.
- (f) Public Communications. Pay telephones, whether operated by coin, calling card or credit card.
- (g) Network Integration Services. Consulting on network security, design and project management. Installation, wiring and/or maintenance of communications services, but not including personal computer installation.
- (h) Telecommunications Hardware. Telephone handsets, paging devices, cellular telephones, PCS handsets, PBX equipment, data networking equipment including hubs, routers, switches, bridges, CSU/DSUs but not including: workstations, facsimile machines, personal computers, modems, or any other form of telecommunications hardware now in existence or hereafter developed.
- (i) Internet Service Provisioning. Providing customers access to the Internet (including dial-up, dedicated line, wireless, lineshare, cable, Wi-Fi or other access) and/or providing customers web site hosting services.
- (j) Video Conferencing Equipment and Services. Consultation, leasing and sales of video conferencing equipment and services.
- (k) Integration Services for Unified Communications. Integration of IP Telephony and Video products with presence, collaboration & calendar applications.
- (l) Network Infrastructure Services. Deployment and support of wired & wireless LAN infrastructure for real-time and mobile applications.

- (m) Fixed Mobile Convergence Applications. Provide ability to transfer calls between wired and cellular services.
- (n) Managed Services. Remote monitoring and trouble resolution for LAN, WAN & Unified Communications products.
- (o) Contact Centre Products and Services. Consulting and implementation of multi-media contact centre applications.
- (p) Information Technology Consulting and Professional Services Develop and implement information/data management and security strategies, plans and practices including the review of processes in order to recommend plans to automate, integrate or introduce internal/external practices including business continuity, document retention, compliance, privacy management, application or business process integration, content management, identity and access management, and security risk management to name a few. Services include consulting, assessment, planning, implementing and ongoing management of solutions.
- (q) Business Application Services. Design, develop, test and deploy business applications including custom applications (e.g. parking, ticketing automation), enterprise application integration, enterprise resource planning, customer relationship management, supply chain management, product life cycle management and content intelligence.
- (r) Information Technology Project Management and Coordination Services Project manage and coordinate solutions delivery including developing project plans, coordinating and managing resources, customer reporting and managing milestones through to delivery of solution and post-implementation review.
- (s) Network and Application Security Services. Plan, install, and configure network and application security technology as well as provide managed security services to offload day-to-day security administration, monitoring and analysis.
- (t) Managed Hosting Services. Managed Hosting, Colocation, Third Party Occupancy services to provide customers with space, power, and various levels of hardware and management.