

Form PTO 1594
(Rev. 6-93)
OMB No. 0651-0011 (exp. 4/94)

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Teleglobe Inc.

- Individual(s) Association
- General Partnership Limited Partnership
- Corporation-Canada
- Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

DOCUMENT ID NO.: 70028870

Other - **Correction of Notice of Recordation Document Recorded at Reel 002638 Frame 0637 in order to correct the Reg. No. for GLOBESYSTEM ATLANTIC incorrectly shown as 2,279,145 to the correct Reg. No. of 2,279,135**

Execution Date: October 31, 2000

2. Name and address of receiving party(ies):

Name: **TELEGLOBE CANADA LIMITED PARTNERSHIP**

Address: 1000 de La Gauchetiere Street West
Montreal Quebec Canada H3B 4X5

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership - Canada
- Corporation
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from Assignment)
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Applications

| | |
|-------------|-------------------|
| <u>Mark</u> | <u>Serial No.</u> |
|-------------|-------------------|

Additional numbers attached? Yes No

B. Trademark Registrations

| | |
|-----------------------------|------------------|
| <u>Mark</u> | <u>Reg. No.</u> |
| GLOBESYSTEM ATLANTIC | 2,279,135 |

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Darby & Darby P.C.

Street Address: Post Office Box 5257

City: New York State: New York Zip: 10150-5257

3152/8B499

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 3.41):.....\$40.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: 04-0100

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Paul Fields
Name of Person Signing

Signature

May 22, 2003
Date

Total number of pages including cover sheet, attachments, and document::

28

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

04/23/2003
700028694

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

Form PTO 1504
(Rev. 6-93)
OMB No. 0551-0011 (exp. 4/94)

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Teleglobe Inc.

- Individual(s)
- General Partnership
- Corporation-Canada
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other - Contribution Agreement
- Merger
- Change of Name

Execution Date: October 31, 2000

2. Name and address of receiving party(ies):

Name: **TELEGLOBE CANADA LIMITED PARTNERSHIP**
Address: 1000 de La Gauchetiere Street West
Montreal Quebec
Canada H3B 4X5

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership - Canada
- Corporation
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from Assignment)
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Applications

| | |
|-------------|-------------------|
| <u>Mark</u> | <u>Serial No.</u> |
|-------------|-------------------|

B. Trademark Registrations

| | |
|-------------------------|-----------------|
| <u>Mark</u> | <u>Reg. No.</u> |
| SEE ATTACHED SCHEDULE A | |

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Darby & Darby P.C.
Street Address: Post Office Box 5257
City: New York State: New York Zip: 10150-5257
3162/8B499

6. Total number of applications and registrations involved:

13

7. Total fee (37 CFR 3.41):.....\$340.00

- Enclosed
- Authorized to be charged to deposit account

B. Deposit account number: 04-0100

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Paul Fields
Name of Person Signing


Signature

April 23, 2003
Date

Total number of pages including cover sheet, attachments, and document:

22

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

1352/8B499

SCHEDULE A

| <u>TRADEMARK</u> | <u>REG. NO.</u> | <u>REGISTERED</u> |
|---|--------------------------|--------------------|
| GLOBESYSTEM ATLANTIC | 2,279,145 ¹³⁵ | September 21, 1999 |
| GLOBESYSTEM | 2,279,132 | September 21, 1999 |
| CANUS 1 & DESIGN | 2,277,739 | September 14, 1999 |
| CANUS 1 | 2,277,731 | September 14, 1999 |
| TELEGLOBE MEDIA ENTERPRISES | 2,212,079 | December 22, 1998 |
| GLOBETEL | 2,117,260 | December 2, 1997 |
| CANADA DIRECT & DESIGN | 2,032,489 | January 21, 1997 |
| CANADA DIRECT | 2,032,478 | January 21, 1997 |
| A LITTLE INGENUITY THAT THAT GOES A LONG WAY | 2,012,236 | October 29, 1996 |
| TELEGLOBE | 1,750,545 | February 2, 1993 |
| GLOBESTREAM | 1,530,113 | March 14, 1989 |
| GLOBESAT | 1,393,537 | May 13, 1986 |
| TELEGLOBE | 1,323,722 | March 5, 1985 |

TELEGLOBE CONTRIBUTION AGREEMENT

MEMORANDUM OF CONTRIBUTION AGREEMENT dated as of the 31st day of October, 2000.

BETWEEN: **TELEGLOBE INC.**, a corporation duly incorporated under the laws of Canada, herein acting and represented by André Bourbonnais;

(the "Owner")

PARTY OF THE FIRST PART

AND: **SOCIÉTÉ EN COMMANDITE TÉLÉGLOBE CANADA/TELEGLOBE CANADA LIMITED PARTNERSHIP**, a limited partnership duly constituted under the laws of Québec, herein acting and represented by its general partner, Teleglobe Inc., a corporation duly incorporated under the laws of Canada, herein acting and represented by André Bourbonnais;

(the "Partnership")

PARTY OF THE SECOND PART

(the Owner and the Partnership are sometimes hereinafter collectively referred to as the "Parties")

WHEREAS by virtue of a Limited Partnership Agreement dated the 30th day of October, 2000 (the "Partnership Agreement"), the Owner, as general partner, and Teleglobe Financial Holdings Ltd., as the sole limited (special) partner, have formed a limited partnership which constitutes the Partnership;

WHEREAS the Owner agrees to contribute, assign and transfer to the Partnership its ownership interest in and to certain assets (subject to assumption of certain associated liabilities) used in carrying on the business (the "Business") of a global carrier providing international long distance telecommunications services, including Internet connectivity, data transmission, broadcast, voice and other value-added services, and the Partnership agrees to accept such contribution, assignment and transfer in exchange for the issuance to the Owner of a general partnership interest in the Partnership; and

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WHEREAS the Parties hereto have agreed to execute this Agreement to more fully set forth their understanding with regard to the contribution, assignment and transfer of the Business to the Partnership;

NOW THEREFORE, THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants herein set forth, the Parties agree as follows :

1 - INTERPRETATION

1.1 Preamble

The preamble shall form an integral part of this Agreement.

1.2 Definitions

As used in this Agreement the following words and phrases have the following meanings:

- 1.2.1 "Accounts Payable" means all trade accounts payable of the Business;
- 1.2.2 "Accounts Receivable" means the accounts receivable, bills or notes receivable and book debts and other debts or amounts payable, which are due or accruing to the Owner with respect to the Business or the Business Assets;
- 1.2.3 "Act" means the *Income Tax Act*, R.S.C., 1985 (5th suppl.), c. 1, together with the regulations promulgated thereunder, as amended or supplemented from time to time;
- 1.2.4 "Affiliate" has the meaning assigned to such term in the *Canada Business Corporations Act*, R.S.C., 1985, c. C-44, as in effect on the date hereof;
- 1.2.5 "Agreed Amount" has the meaning assigned thereto in Section 6.1 hereof;
- 1.2.6 "Agreement" means this contribution agreement, together with (where the context so requires) the Schedules appended hereto, as supplemented, amended, restated or replaced from time to time;
- 1.2.7 "Applicable Law" means, as to any Person, any federal, provincial, state, municipal and local law, statute, ordinance, by-law and regulation, and order, directive, policy and decision having the force of law rendered by any Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject or pertaining to any or all of the transactions contemplated or referred to herein;
- 1.2.8 "Assigned Contracts" means all contracts, orders, agreements, leases, commitments, contractual obligations and other rights relating exclusively to the Business;
- 1.2.9 "Assumed Liabilities" has the meaning assigned thereto in Section 4.1 hereof;
- 1.2.10 "Business" has the meaning assigned thereto in the second recital hereof;

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- 1.2.11 **"Business Assets"** has the meaning assigned thereto in Section 2.1 hereof;
- 1.2.12 **"Cost Amount"** shall, except for depreciable property and eligible capital property (as such terms are used in the Act), have the meaning assigned to such term in the Act. In the case of depreciable property, "Cost Amount" shall mean the lesser of:
- 1.2.12.1 the portion of the undepreciated capital cost to the Vendor of all the property of the prescribed class of which the depreciable property concerned forms part (within the meaning of the Act immediately before the Effective Date) that the capital cost to the Vendor of the property of that class transferred is of the capital cost to the Vendor of all property of that class and subject to the application of paragraph 85(1)(e.1) of the Act;
 - 1.2.12.2 the cost to the Vendor of the depreciable property within the meaning of the Act; and
 - 1.2.12.3 the fair market value of the depreciable property as at the Effective Date;
- and in the case of eligible capital property, "Cost Amount" shall mean the lesser of:
- 1.2.12.4 $\frac{4}{3}$ (or such other amount as may be prescribed for purposes of subparagraph 85(1)(d)(i) of the Act and which is effective at the Effective Time) of the Vendor's cumulative eligible capital (within the meaning of the Act) in respect of each business forming part of the Purchased Assets immediately before the Effective Date and subject to the application of paragraph 85(1)(e.1) of the Act;
 - 1.2.12.5 the greater of the cost to the Vendor of the eligible capital property and 1.00, and
 - 1.2.12.6 the fair market value of the eligible capital property as at the Effective Date.
- 1.2.13 **"Effective Date"** has the meaning assigned thereto in Section 2.1 hereof;
- 1.2.14 **"Electable Assets"** has the meaning assigned thereto in Section 6.1 hereof;
- 1.2.15 **"Environmental Laws"** means all Applicable Laws relating to the protection of the environment, occupational health and safety or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, emission, deposit, issuance, elimination, transport or handling of any Hazardous Substances;
- 1.2.16 **"Excise Tax Act"** means the *Excise Tax Act*, R.S.C., 1985, c. E-15, together with the regulations promulgated thereunder, as amended or supplemented from time to time;

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1.2.17 **"Excluded Liabilities"** has the meaning assigned thereto in Section 4.2 hereof;

1.2.18 **"Final Determination"** means a final determination by a Taxation Authority after all appeal rights with respect to the decision of such Taxation Authority have been exhausted or all time periods for appeals from the decision of such Taxation Authority have expired without appeals having been taken or a final determination by a Taxation Authority consented to by the Owner or the Partnership, as applicable, or a determination by the Parties as a result of obtaining additional information as to the value of the Business Assets;

1.2.19 **"Goodwill"** means the goodwill related exclusively or primarily to the Business, including, without limitation, supplier and customer lists and files, and the books and records of the Business located at the Owned Properties or the Leased Properties, together with the right of the Partnership to represent itself as carrying on the Business in continuation of and in succession to the Owner;

1.2.20 **"Governmental Authority"** means the government of any nation, province, state, city, locality or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

1.2.21 **"GST"** means the Goods and Services Tax levied under Part IX of the *Excise Tax Act*;

1.2.22 **"Hazardous Substances"** means any pollutants, contaminants, chemicals or industrial, toxic or hazardous waste, materials or substances designated as such under Environmental Laws;

1.2.23 **"Intellectual Property"** means trademarks and trademark rights, service marks, and service mark rights, trade names and trade name rights, copyrights, patents, trade secrets, know-how, inventions, brand names, formulae, trade dress, licenses, franchise and other intellectual property rights, registered or not registered, all business and product names, processes, designs and methods, computer software, computer programs, internet domain names and other computer user identifiers, rights in and to sites on the world wide web, including rights in and to any text, graphics, audio and video films and similar intangible property;

1.2.24 **"Inventories"** means all raw materials, work-in-process and finished goods inventories of the Business, wherever located;

1.2.25 **"Leased Properties"** means the real and immovable properties, including land, buildings and premises, leased by the Owner, including those premises listed in Schedule 1.2.25;

1.2.26 **"Licenses"** has the meaning assigned thereto in Subsection 2.1.9 hereof;

1.2.27 **"Other Transaction Agreements"** has the meaning assigned thereto in Section 4.3 hereof;

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- 1.2.28 "Owned Properties" means all real and immoveable properties, including land and buildings, owned by the Owner, including those properties listed and described in Schedule 1.2.28;
- 1.2.29 "Owner's Closing Balance Sheet" has the meaning assigned thereto in Section 3.2 hereof;
- 1.2.30 "Partnership Agreement" has the meaning assigned thereto in the first recital hereof;
- 1.2.31 "Person" means an individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, unlimited liability company, Governmental Authority or other entity of any kind, and shall include any successor (by merger, amalgamation or otherwise) of such entity;
- 1.2.32 "QST" means the Québec Sales Tax levied under Title I of the *Québec Sales Tax Act*;
- 1.2.33 "Québec Act" means the *Taxation Act*, R.S.Q., c. I-3, together with the regulations promulgated thereunder, as amended or supplemented from time to time;
- 1.2.34 "Québec Sales Tax Act" means the *Act respecting the Québec Sales Tax*, R.S.Q., c. T-0.1, together with the regulations promulgated thereunder, as amended or supplemented from time to time;
- 1.2.35 "Real Property" means the real and immoveable property owned or leased by the Owner including, without limitation, the Owned Properties and the Leased Properties and all buildings, structures, improvements and fixtures on, in, over or under such real and immoveable property;
- 1.2.36 "Taxation Authority" means Revenue Canada - Customs, Excise and Taxation, the Ministère du Revenu du Québec, or any other taxation authority or a court of competent jurisdiction from which no further appeal may be made if the determination of Revenue Canada - Customs, Excise and Taxation, the Ministère du Revenu du Québec or such other taxation authority is appealed.

1.3 Headings

The inclusion of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.4 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice-versa and words importing one gender include all genders.

1.5 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Québec and the laws of Canada applicable therein.

2 - CONTRIBUTION, ASSIGNMENT AND TRANSFER

2.1 Business Assets

In furtherance of the Partnership Agreement, the Owner hereby contributes, assigns and transfers to the Partnership, hereto present and accepting, as of the date hereof (the "Effective Date"), as a going concern, the undertaking and all of the property and assets owned, held for use or used in the Business, and all of the Owner's right, title and interest in and to all property and assets owned, held for use or used, licensed to or leased by the Owner and used by the Owner in carrying on the Business, whether real or immovable, personal or moveable, tangible or intangible of every kind and description and wheresoever situate, but excluding the Excluded Assets (collectively, the "Business Assets") including, without limitation:

- 2.1.1 all cash as shown in the Owner's Closing Balance Sheet;
- 2.1.2 the Accounts Receivable;
- 2.1.3 all prepaid expenses and other prepayments of every kind, security deposits and other deposits of the Owner, related exclusively to the Business;
- 2.1.4 the Inventories;
- 2.1.5 all operating assets located at the Owned Properties or Leased Properties or used or held for use exclusively or primarily in the Business, including, without limitation, all machinery, equipment, tools, fixtures, furniture, computers, vehicles, spare parts and operating supplies and other moveables or personalty, including those held pursuant to equipment leases (to the extent such leases are assumed by the Partnership), together with the benefit of all manufacturers' warranties relating thereto;
- 2.1.6 all operating assets located at the 1000 de La Gauchetière Street West building that are not used or held for use exclusively or primarily in the Business;
- 2.1.7 the Real Property (save and except for the Real Property located in Québec, in respect of which the Owner hereby contributes the said Real Property to the common stock of the Partnership and abandons in favour of the Partnership its right of ownership in the said Real Property as contemplated by Article 2199 of the *Civil Code of Québec*, the Partnership hereto present and accepting);
- 2.1.8 all Assigned Contracts and Intellectual Property;
- 2.1.9 to the full extent transferable to the Partnership, all licenses, permits and registrations, relating exclusively or primarily to the Business, together with all waivers which the Owner currently has, if any, of the requirements pertaining to

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such licenses, permits and registrations including, without limitation, those referred to in Schedule 2.1.9 annexed hereto (collectively, the "Licenses");

2.1.10 Goodwill;

2.1.11 to the extent it has rights thereto, its rights to use the name "Teleglobe"; and

2.1.12 all assets, other than those referred in Sections 2.1.1 to 2.1.11 and Section 2.2, used or held for use exclusively or primarily in the Business.

2.2 Excluded Assets

The contribution, assignment and transfer to the Partnership of the Business Assets contemplated hereby shall not include the following:

2.2.1 any securities registered in the name of the Owner;

2.2.2 the Owner's right, title and interest in and to the 1000 de La Gauchetière Street West building;

2.2.3 the Owner's signatory status as the Canadian Signatory to the INTELSAT Operating Agreement and the Owner's investment in INTELSAT; and

2.2.4 all inter-company receivables.

3 - CONSIDERATION

3.1 Consideration

In accordance with and pursuant to the Partnership Agreement, the consideration for the contribution, assignment and transfer of the Business Assets shall be paid and satisfied by the Partnership as follows:

3.1.1 The Partnership agrees to assume, discharge, satisfy, perform and fulfil in a timely manner, in accordance with Section 4.1 hereof, the Assumed Liabilities; and

3.1.2 The Partnership undertakes to credit to the capital account maintained by the Partnership for the Owner the amount by which the aggregate book value of the Business Assets contributed hereby exceeds the amount of the Assumed Liabilities.

3.2 Closing Balance Sheet

The Owner shall, on or before December 31, 2000, deliver to the Partnership a closing balance sheet as at October 31, 2000 prepared in Canadian dollars, based on Canadian generally accepted accounting principles (the "Owner's Closing Balance Sheet"), which shall be prepared as at the close of business on the Effective Date.

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3.3 Transfer and Sales Taxes

The Partnership shall be liable for and shall pay all land transfer taxes, federal and provincial sales taxes, notary fees and all other taxes or other like charges payable upon and in connection with the conveyance, sale, contribution, assignment or transfer of the Business Assets by the Owner to the Partnership, including the amounts of GST and QST, if any, payable.

3.4 Goods and Services Tax and Québec Sales Tax

3.4.1 Both the Owner and the Partnership shall cooperate fully with each other and make any and all elections required in order to minimize the GST and QST, if any, payable in connection with the transactions contemplated hereby. At the request of the Partnership, the Owner and the Partnership shall jointly elect in prescribed form under subsection 167(1) of the *Excise Tax Act* (and under sections 75 and 75.1 of the *Québec Sales Tax Act*) that no tax be payable pursuant to (a) Part IX of the *Excise Tax Act* or (b) the *Québec Sales Tax Act* with respect to the transactions contemplated hereby. The Owner and the Partnership shall make such elections in prescribed form containing the prescribed information pursuant to the *Excise Tax Act* and the *Québec Sales Tax Act*, as the case may be. The Partnership shall file the joint elections with the returns required to be filed by the Partnership under the *Excise Tax Act* and the *Québec Sales Tax Act* for the Partnership's reporting period in which the present transaction occurs.

3.4.2 Pursuant to the provisions of subsection 221(2)(b) of the *Excise Tax Act* and section 423(2) of the *Québec Sales Tax Act*, the Owner is hereby relieved of its obligation to collect from the Partnership the GST imposed, *inter alia*, pursuant to subsections 165(1) and 221(1) of the *Excise Tax Act*, and QST imposed, *inter alia*, pursuant to section 16 of the *Québec Sales Tax Act* in respect of the contribution to the Partnership of the real or immoveable property forming part of the Business Assets.

4- ASSUMED LIABILITIES AND UNDERTAKINGS

4.1 Assumption of Assumed Liabilities

The Partnership hereby assumes as of the Effective Date and hereby covenants and agrees thereafter to discharge, fulfil and perform strictly in accordance with their terms, from and after the Effective Date, all of the liabilities and obligations of the Owner as at the Effective Date and whether accrued, absolute or contingent and whether known or unknown relating to the Business or the Business Assets (except Excluded Liabilities), including without limitation the following liabilities and obligations of the Owner with respect to the Business as at the Effective Date (collectively, the "Assumed Liabilities"):

4.1.1 all trade payables, other accounts payable, amounts due to employees, including all earned but unpaid vacation pay, capital lease payments and other liabilities of the Owner related to the Business as at the Effective Date;

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- 4.1.2 all liabilities or obligations of the Owner under the Assigned Contracts and the Licenses;
- 4.1.3 all employment, benefit and retirement obligations relating to the Business;
- 4.1.4 all product warranty obligations; and
- 4.1.5 the pro rata share of the Owner's capital tax related to the Business.

The Partnership shall indemnify the Owner and hold the Owner harmless in respect of any and all claims made against the Owner with regard to the Assumed Liabilities. The Partnership shall be entitled to all of the advantages available to the Owner under the Assumed Liabilities prior to their assumption by the Partnership.

4.2 Excluded Liabilities

The Partnership shall not assume and shall have no obligation to discharge, perform or fulfil, and the Owner will indemnify the Partnership from and against, any and all liabilities and obligations contingent or otherwise of the Owner except for the Assumed Liabilities (collectively, the "Excluded Liabilities"), including:

4.2.1 All liabilities or obligations of the Owner under:

- 4.2.1.1 the US\$500 Million Facility A 364-Day Revolving Credit Agreement between the Owner, Bank of Montréal and the Lenders named therein dated July 24, 2000;
- 4.2.1.2 the US\$750 Million Facility B 364-Day Revolving Credit Agreement between the Owner, Teleglobe Holdings (U.S.) Corporation, Excel Communications, Inc., Bank of Montréal and the Lenders named therein dated July 24, 2000;
- 4.2.1.3 the Indenture between the Owner, Teleglobe Holdings (U.S.) Corporation, Excel Communications, Inc. and Bank of New York dated July 20, 1999, as amended;
- 4.2.1.4 each of the Trust Indentures between the Owner (as successor of Teleglobe Canada Inc.) and Montréal Trust dated November 16, 1992, April 7, 1993, and October 23, 1996;

4.2.2 any liabilities related to the Owner's ownership in the 1000 de La Gauchetière Street West building, the Owner's status as the Canadian Signatory to the INTELSAT Operating Agreement and the Owner's investment in INTELSAT;

4.2.3 the Owner's federal capital tax under Part 1.3 of the Act; and

4.2.4 all inter-company liabilities.

4.3 Other Transaction Agreements

To further reflect the transactions contemplated hereby, the Owner and the Partnership undertake to sign and deliver, at any time concurrently herewith or thereafter at the request of

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the Partnership, the following agreements, contracts or instruments (collectively defined as the "Other Transaction Agreements"):

- 4.3.1 one or more deeds of sale of the Real Property forming part of the Business Assets, to be executed for registration purposes, in the form and content required by the Partnership;
- 4.3.2 a bill of sale of the Business Assets (other than the Real Property) and of the other related rights and assets to be transferred pursuant to the transactions contemplated hereby, in the form and content required by the Partnership;
- 4.3.3 a general assignment relating to the Accounts Receivable, in the form and content required by the Partnership; and
- 4.3.4 any other assignment agreement, bill of sale or similar instrument which may be necessary to give effect to the transactions contemplated hereby.

4.4 Undertaking Regarding Consents

The Owner and the Partnership hereby undertake to cooperate and use their best efforts to obtain any and all consents or approvals that may be required from a third party in respect of the transfer of any of the Business Assets as soon as possible following the execution of this Agreement. All costs associated in obtaining any required consents or approvals shall be for the account of the Partnership.

4.5 Other Instruments

The Parties shall, from time to time and without further consideration, execute such further instruments of conveyance and take such other actions as may reasonably be required to contribute, transfer and assign more effectively to the Partnership all of the Business Assets herein contributed, transferred and assigned. The Parties will furthermore sign all documents and do all things necessary to give effect to the present Agreement, including, without limitation, the assumption by the Partnership of the Assumed Liabilities.

5- REPRESENTATIONS AND WARRANTIES

5.1 Limited Representations and Warranties

The contribution, assignment and transfer contemplated hereby are being made on an "as is, where is basis", at the sole risk and peril of the Partnership, with all faults, without any warranties whatsoever, express or implied, legal or conventional and without any warranty of marketability or fitness for a particular purpose, except for the representations and warranties of the Owner set forth in Section 5.2 hereof or in any Other Transaction Agreement (the Owner specifically excepting in particular, but without limitation, the warranty provided in Article 1733 of the *Civil Code of Québec*). For greater certainty, the excepting by the Owner of the warranty provided in Article 1733 of the *Civil Code of Québec* shall in no way diminish any of the representations and warranties of the Owner in Section 5.2 hereof and in the event of any inconsistency between the accepting by the Owner of the warranty provided in Article 1733 and the representations and warranties of the Owner in Section 5.2 hereof, the latter shall prevail.

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5.2 Owner's Representations and Warranties

The Owner expressly represents and warrants to the Partnership the following:

- 5.2.1 the Owner is a company duly incorporated and validly existing under the laws of the jurisdiction of its incorporation and has all the legal right, power, authority and capacity to enter into and to perform its obligations under this Agreement and the Other Transaction Agreements to which the Owner is a party;
- 5.2.2 the execution of this Agreement and the Other Transaction Agreements to which the Owner is a party has been authorized by all necessary corporate action of the Owner;
- 5.2.3 this Agreement and the Other Transaction Agreements to which the Owner is a party have been duly executed and delivered by the Owner and constitute legal, valid and binding obligations of the Owner enforceable against the Owner in accordance with their respective terms, except that enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights generally, by the availability of injunctive proceedings or other similar remedy and by general principles of equity relating to enforceability;
- 5.2.4 the entering into of this Agreement and the Other Transaction Agreements, the sale of the Business Assets or the performance by the Owner of any of its obligations under this Agreement and the Other Transaction Agreements will not contravene, breach or result in any material default under the articles, by-laws, or other organizational documents of the Owner;
- 5.2.5 the Owner is duly registered under subdivision (d) of Division V of Part IX of the *Excise Tax Act* with respect to GST and under Division I of Chapter VIII of Title 1 of the *Québec Sales Tax Act* with respect to QST, and its registration numbers are as follows: GST #: 105166466 and QST #: 1003250730TQ0001; and
- 5.2.6 the Owner is not a "non-resident" person for purposes of the Act.

5.3 Partnership Representations and Warranties

The Partnership expressly represents and warrants to the Owner the following:

- 5.3.1 the Partnership is duly constituted and validly existing under the laws of Québec and has the legal right, power, authority and capacity to enter into and to perform its obligations under this Agreement and the Other Transaction Agreements to which the Partnership is a party;
- 5.3.2 the execution of this Agreement and the Other Transaction Agreements to which the Partnership is a party has been authorized by all necessary action of the Partnership;
- 5.3.3 this Agreement and the Other Transaction Agreements to which the Partnership is a party have been duly executed and delivered by the Partnership and constitute legal, valid and binding obligations of the Partnership enforceable

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against the Partnership in accordance with their respective terms, except that enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights generally, by the availability of injunctive proceedings or other similar remedy and by general principles of equity relating to enforceability;

- 5.3.4 the Partnership is duly registered under subdivision (d) of Division V of Part IX of the *Excise Tax Act* with respect to the GST and under Division I of Chapter VIII of Title I of the *Québec Sales Tax Act* with respect to QST, and its registration numbers are as follows: GST #: 892084419 and QST #: 1023879618TQ0001.

5.4 Duration of Representations and Warranties

The representations and warranties contained in this Agreement and in all certificates and documents delivered pursuant to or contemplated by this Agreement shall survive the Effective Date and shall continue for the benefit of the Partnership or the Owner, as applicable, for the following periods:

- 5.4.1 representations and warranties shall terminate at the expiration of one (1) year following the Effective Date; and
- 5.4.2 no claim for breach of representation or warranty shall be valid unless the party against whom such claim is made has been given notice thereof before the date on which the applicable representation or warranty shall have terminated in accordance with the foregoing.

6 - TAX MATTERS

6.1 Elections

The Owner and the Partnership hereby agree to make all available elections under the provisions of the Act and the Québec Act as they may deem appropriate in the circumstances and without limiting or restricting the generality of the foregoing, the Owner and the Partnership shall jointly elect an amount (the "Agreed Amount"), under subsection 97(2) of the Act and section 614 of the Québec Act in respect of the transfers of the Business Assets, other than property that is not eligible for such election (the "Electable Assets"), so that the cost to the Partnership of such Electable Assets will equal the Agreed Amount in respect thereof. For greater certainty, it is the intention of the parties that the Agreed Amount in respect of each of the Electable Assets be equivalent to their Cost Amount.

6.2 Final Determination of the Agreed Amount

If as a consequence of a Final Determination it is determined that the Agreed Amount (prior to the application of this Section 6.2) with respect to any of the Electable Assets was greater than the Cost Amount to the Owner of such Electable Asset, then the elections contemplated in Section 6.1 hereof shall be deemed to have been made under a condition such that the amount so determined pursuant to the Final Determination as being the Cost Amount of such Electable Assets shall be deemed to be the amount agreed upon and elected by the Parties, the whole with effect as of the Effective Date.

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6.3 Adjustments

The Parties hereby acknowledge and confirm that it is their intention that (i) the amount to be credited to the capital account maintained by the Partnership for the Owner, as described in Section 3.1.2 hereof, shall be equal to the amount by which (A) the aggregate book value of the Business Assets, as stipulated in the Owner's Closing Balance Sheet, exceeds (B) the Assumed Liabilities, as stipulated in the Owner's Closing Balance Sheet, and (ii) the fair market value of the consideration given by the Partnership to the Owner in consideration for the contribution of the Business Assets shall be equal to the fair market value of the Business Assets.

- 6.3.1 If, as a consequence of a Final Determination it is determined that the book value of any of the Business Assets is not equivalent to the amount stipulated for such Business Assets in the Owner's Closing Balance Sheet, prior to the application of this Section 6.3, the Parties agree that the amounts stipulated therein for such Business Assets shall be automatically adjusted, *nunc pro tunc*, as at the Effective Date, to conform with the book value determined pursuant to such Final Determination. The Parties further agree to make all adjustments they deem appropriate in the circumstances to reflect that Final Determination, including adjustments to the capital account maintained by the Partnership for the Owner, with effect as at the Effective Date, *nunc pro tunc*; and
- 6.3.2 In the event that a Taxation Authority makes a Final Determination for the taxation year of the Owner in which the present contribution occurs, on a basis that is, directly or indirectly, related to the allegation that the fair market value as at the Effective Date of the consideration given by the Partnership to the Owner in consideration of the Business Assets was not equivalent to the fair market value of the Business Assets as at the Effective Date, then, if the parties concur with that Final Determination, the parties shall make such adjustments to the consideration payable by the Partnership as they deem appropriate in the circumstances to reflect the final determination, the whole with effect as at the Effective Date, *nunc pro tunc*.

6.4 Tax Returns

The Owner and the Partnership covenant and agree to complete and file all tax returns and financial statements for the relevant fiscal periods in a manner consistent with the Owner's Closing Balance Sheet and that they will not take a position on any federal, provincial, state or local tax return, before any Governmental Authority charged with the collection of any tax, or any legal proceeding, that is in any manner inconsistent with the provisions of this Agreement.

7- INDEMNIFICATION

7.1 Indemnification by the Owner

The Owner shall indemnify and hold harmless the Partnership and its partners, present and future, (without any duplication for damages) and their respective directors, officers, employees and agents from and against:

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- 7.1.1 all losses, costs and damages, suffered by the Partnership as a result of any breach of any representation or warranty (to the extent any claim is made during the survival period thereof) or failure to perform any covenant on the part of the Owner contained in this Agreement, any Other Transaction Agreement or any certificate, document or instrument delivered to the Partnership hereunder;
- 7.1.2 all losses, costs and damages suffered by the Partnership arising out of, based upon, or related to the Excluded Liabilities; and
- 7.1.3 all losses, costs and damages suffered by the Partnership arising out of, based upon, or relating to any failure by the Partnership or the Owner or its predecessor in title to comply with any applicable bulk sales legislation.

7.2 Indemnification by the Partnership

The Partnership shall indemnify and hold harmless the Owner, its directors, officers, employees and agents from and against:

- 7.2.1 all losses, costs and damages suffered by the Owner as a result of any breach of any representation or warranty (to the extent any claim is made during the survival period thereof) or failure to perform any covenant on the part of the Partnership contained in this Agreement, in any Other Transaction Agreement, or any certificate, document or instrument delivered to the Owner hereunder or thereunder;
- 7.2.2 all losses, costs and damages suffered by the Owner as a result of the transfer of any of the Business Assets to the Partnership without having obtained any required consents for such transfer; and
- 7.2.3 all losses, costs and damages suffered by the Owner as a result of the Partnership's failure to pay, discharge or perform any of the Assumed Liabilities.

8 - MISCELLANEOUS

8.1 Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered to the addresses set forth below by hand, by prepaid registered mail, by facsimile or by private courier nationally recognized in both the United States and Canada:

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8.1.1 if to the Owner:

Teleglobe Inc.
1000 de la Gauchetière Street West
Montréal, Québec
H3B 4X5

Attention: Assistant Secretary

Telecopier number: (514) 391-8389

8.1.2 if to the Partnership:

Société en Commandité Téléglobe Canada/
Teleglobe Canada Limited Partnership
1000 de la Gauchetière Street West
Montréal, Québec
H3B 4X5

Attention: General Partner

Telecopier number: (514) 391-8389

with a copy to any Person (other than the Owner) who may become a partner of the Partnership.

8.2 Expenses

Each Party hereto shall assume and pay its respective costs and expenses incurred in respect of this Agreement and the transactions and other documents contemplated hereby and thereby.

8.3 Severability

If at any time subsequent to the date hereof, any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the illegality or unenforceability of such provision shall have no effect upon and shall not impair the enforceability of any other provision of this Agreement.

8.4 No Waivers

The failure on the part of either Party to exercise or delay in exercising any right or remedy hereunder shall not operate as a waiver of such right or remedy. Any single or partial exercise by a Party of any right or remedy hereunder shall not preclude the exercise of any other right or remedy or further exercise thereof of such right or remedy.

8.5 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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8.6 Benefit

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors, representatives and assigns; provided that neither Party may assign this Agreement without the prior written consent of the other, such consent not to be unreasonably withheld. Nothing in this Agreement, express or implied, is intended to confer on any person other than the Parties hereto and their respective successors, representatives and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, including, without limitation, any third party beneficiary rights.

8.7 Public Announcements

None of the Parties hereto shall make any public announcement nor issue any press release in respect of this Agreement, or the transactions contemplated hereby, without the prior notification of the other Parties hereto and a mutual agreement as to the timing and contents of such announcement, except as may be required by law or pursuant to any listing agreement with, or any rules or policies of, any recognized securities exchange.

8.8 Amendment

This Agreement may not be modified except by written agreement of all Parties hereto.

8.9 Entire Agreement

This Agreement, the Other Transaction Agreements and the agreements, instruments and documents entered into and delivered pursuant hereto and thereto, constitute the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersede all prior understandings among the Parties (or any of their Affiliates or Subsidiaries), whether written or oral, relating to such subject matter.

8.10 Waiver

The Parties hereby waive the application of section 1797 of the *Civil Code of Québec* to this Agreement and the Owner's contribution thereunder.

8.11 Language

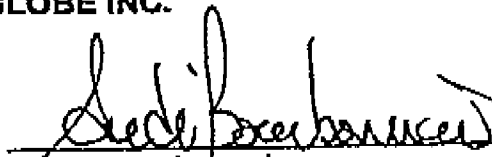
The Parties acknowledge that they have requested that the foregoing, together with all documents and notices incidental thereto be drawn up in English only. *Les parties aux présentes reconnaissent qu'elles ont exigé que ce qui précède ainsi que tout document et avis s'y rapportant soit rédigé en anglais seulement.*

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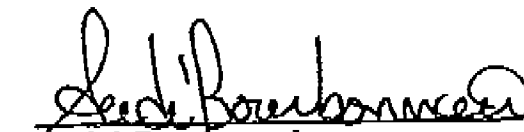
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IN WITNESS WHEREOF, the Parties have executed the present Agreement.

TELEGLOBE INC.

Per: 
André Bourbonnais

SOCIÉTÉ EN COMMANDITE TÉLÉGLOBE CANADA/
TELEGLOBE CANADA, LIMITED PARTNERSHIP
herein represented by Teleglobe Inc., its General Partner

Per: 
André Bourbonnais

Schedule 1.2.25
LEASED PROPERTIES

| COUNTRY | ENTITY | ADDRESS | TERM | LANDLORD | AREA |
|-----------------|----------------|---|---|---|-------------------|
| CANADA | Teleglobe Inc. | 1100 René-Lévesque Suite 720 Montreal (Québec) | 5 years 3 months 29-03/1999 to 31-05/2004 | Oxford MRC Inc. | 6825 sq.f. |
| CANADA | Teleglobe Inc. | 70 York Street Suite 1210 Toronto (Ontario) | 10 years expiring 31-12/2000 | 70 York Street Limited | 10,173 sq.f. |
| CANADA | Teleglobe Inc. | 185 The West Mall Suite 620 Toronto (Ontario) | 23 months 29-03/1999 to 27-02/2001 | Sub-Landlord Mastech Corporation | 4181 sq.f. |
| CANADA | Teleglobe Inc. | 350 rue Albert Suite 2150 Ottawa (Ontario) | 10 years 11-02/94 to 28-02/2004 | OMERS Realty Corporation | 2,650 sq.f. |
| CANADA (POP) | Teleglobe Inc. | 150 Laurier West Ottawa (Ontario) | 2 year 5-08/1998 to 5-08/1999 | Server Hotel Agreement MetroNet Communications Group Inc. | 180 sq.f. |
| CANADA | Teleglobe Inc. | Centre Molson 1260 rue de la Gauchetière ouest Suite 3.45 Montréal (Québec) | | L'arena des Canadiens Inc. Centre Molson | Loge corporate |

Schedule 1.2.28
Owned Properties

British Columbia

3033 Beta Avenue Burnaby
Lake Cowichan
2180 Mallory Drive Port Alberni

Ontario

825 Milner Toronto

Québec

200 Chemin Larose Weir
1441 Carrie-Derrick Montréal

Nova Scotia

233 Sambo Creek Rd. at Sambo Creek (Pennant Point)
Queen's County (land only)

Schedule 2.1.9
Licenses

1. Class A license for the provision of international telecommunications services (issued by the Canadian Radio-television and Telecommunications Commission under the Telecommunications Act).
2. External Submarine Cable Licenses (issued by Industry Canada under the Radiocommunication Act).
3. Radio Licenses (issued by Industry Canada under the Radiocommunication Act).