

POLE ATTACHMENT AGREEMENT

BETWEEN

**FIBER TECHNOLOGIES NETWORKS,
LLC.**

AND

UNITIL ENERGY SYSTEMS, INC.

AND

VERIZON NEW ENGLAND INC.

EXETER & HAMPTON ELECTRIC COMPANY

AERIAL LICENSE AGREEMENT

DATED May 7, 2001

BETWEEN

VERIZON NEW ENGLAND INC.
(LICENSOR)

AND

EXETER & HAMPTON ELECTRIC COMPANY
(LICENSOR)

AND

FIBER SYSTEMS, LLC
(LICENSEE)

CONTENTS

<u>ARTICLE</u>	<u>TITLE</u>	<u>PAGE</u>
I	Definitions	2
II	Scope of Agreement	4
III	Fees and Charges	4
IV	Advance Payment	5
V	Specifications	6
VI	Legal Requirements	6
VII	Issuance of Licenses	7
VIII	Pole Make-Ready Work	7
IX	Construction, Maintenance and Removal of Attachments	9
X	Termination of License	10
XI	Inspections of Licensee's Attachments	10
XII	Unauthorized Attachments	11
XIII	Liability and Damages	11
XIV	Insurance	12
XV	Authorization Not Exclusive	13
XVI	Assignment of Rights	13
XVII	Failure to Enforce	13
XVIII	Termination of Agreement	14
XIX	Term of Agreement	14
XX	Notices	15
 <u>APPENDIXES</u>		
I	Schedule of Fees and Charges	
II	Multiple Pole Attachment License Applications	
III	Administrative Forms and Notices	

LICENSE AGREEMENT

THIS AGREEMENT, made this 7th day of May, 2001, by and between Exeter & Hampton Electric Company, a New Hampshire public utility corporation, organized and existing under the laws of the State of New Hampshire, having its principal office in the Town of Kingston, New Hampshire and Verizon New England Inc., a corporation organized and existing under the laws of the State of New York, having its principal office in the City of Boston, Massachusetts (either or both hereinafter referred to as the "Licensor") and Fiber Systems, LLC, organized and existing under the laws of the State of New York, having its principal office in Rochester, New York, (hereinafter called the "Licensee").

WITNESSETH

WHEREAS, Licensee proposes to furnish communications services Verizon New England Inc.'s service area in the State of New Hampshire; and

WHEREAS, Licensee will need to place and maintain attachments within the area described above and desires to place such attachments on poles of Licensor; which poles are either jointly or solely owned by the Licensors; and

WHEREAS, Licensor is willing to permit, to the extent they may lawfully do so, the placement of said attachments on Licensor's facilities where reasonably available and where such use will not interfere with Licensor's service requirements or the use of its facilities by others subject to the terms of this agreement;

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties do hereby mutually covenant and agree as follows:

ARTICLE I
DEFINITIONS

As Used in This Agreement

A) Anchor Rod

A metal rod connected to an anchor and to which a guy strand is attached. Also known as a "guy rod".

B) Attachment

Any single strand, hardware, cable, wires and/or apparatus attached to a pole and owned by the Licensee.

C) Guy Strand

A metal cable of high tensile strength which is attached to a pole and anchor rod (or another pole) for the purpose of reducing pole stress.

D) Joint Owner

A person, firm or corporation having an ownership interest in a pole and/or anchor rod with Licensor.

E) Make-Ready Work

The work required (rearrangement and/or transfer of existing facilities on a pole, replacement of pole or any other changes) to accommodate the Licensee's attachments on Licensor's pole.

F) Field Survey Work or Survey Work

A survey of the poles on which Licensee wishes to attach in order to determine what work, if any, is required to make the pole ready to accommodate the required attachment, and to provide the basis for estimating the cost of this work.

G) Other Licensee

Any entity, other than Licensee herein or a joint user, to whom Licensor has or hereafter shall extend the privilege of attaching communications facilities to Licensor's poles.

H) Joint User

A party with whom Licensor has entered into, or may hereafter enter into, a written agreement covering the rights and obligations of the parties thereto with respect to the use of poles and anchor rods owned by each party.

I) Suspension Strand

A metal cable of high tensile strength attached to pole and used to support communications facilities. Also known as "Messenger Cable".

J) Identification Tags

Identification tags are used to identify Licensee's plant. Identification tags shall be made of polyethylene and polyvinyl chloride with ultraviolet inhibitors. The two types of Identification tags are cable and apparatus tags as described in Appendix III, Form G.

K) Overlash

Any single strand, hardware, cable, wires and/or apparatus owned by Licensee which is attached to any strand, hardware, cable, wires and/or apparatus which is owned by either the individual licensee or another licensee.

ARTICLE II

SCOPE OF AGREEMENT

- (A) Subject to the provisions of this Agreement, Licensor agrees to issue to Licensee for any lawful communications purpose, revocable, nonexclusive licenses authorizing the attachment of Licensee's attachments to Licensor's poles within that portion of Verizon New England's service area in the State of New Hampshire.
- (B) No use, however extended, of Licensor's poles or payment of any fees or charges required under this Agreement shall create or vest in Licensee any ownership or property rights in such poles. Licensee's rights herein shall be and remain a license. Neither this Agreement nor any license granted hereunder shall constitute an assignment of any of Licensor's rights to use the public or private property at the location of Licensor's poles.
- (C) Nothing contained in this Agreement shall be construed to compel Licensor to construct, retain, extend, place or maintain any pole, or other facilities not needed for Licensor's own service requirements.
- (D) Nothing contained in this Agreement shall be construed as a limitation, restriction, or prohibition against Licensor with respect to any agreement(s) and arrangement(s) which Licensor has heretofore entered into, or may in the future enter into with others not parties to this Agreement regarding the poles covered by this Agreement. The rights of Licensee shall at all times be subject to any such existing agreement(s) or arrangement(s) between Licensor and any joint owner(s) or joint user(s) of Licensor's poles.

ARTICLE III

FEES AND CHARGES

- (A) Licensee agrees to pay to Licensor the fees and charges as specified in and in accordance with the terms and conditions of APPENDIX I, attached hereto and made a part hereof.
- (B) Nonpayment of any amount due under this Agreement shall constitute a default of this Agreement.
- (C) Licensee shall furnish bond or other satisfactory evidence of financial security in such form (Appendix III Form F hereto attached) and amount as Licensor from time to time may require, in an initial amount of \$ -0- , but not exceeding \$50,000.00, to guarantee the payment of any sums which may become due to Licensor for fees due hereunder or charges for work performed for the benefit of Licensee under this Agreement, including the removal of Licensee's attachments upon termination of this Agreement or upon termination of any License issued hereunder. The financial security requirement may be waived in writing by Licensor or either of them and reinstated if waived.

- (D) The Licensor may change the amount of fees and charges specified in APPENDIX I by giving the Licensee not less than sixty (60) days' written notice prior to the date the change is to become effective. Notwithstanding any other provision of this Agreement, Licensee may terminate this Agreement at the end of such sixty-day notice period if the change in fees and charges is not acceptable to Licensee; provided Licensee gives Licensor written notice of its election to terminate this Agreement at least thirty (30) days prior to the end of such sixty-day period.
- (E) Changes or amendments to APPENDIX I shall be effected by the separate execution of APPENDIX I as so notified. The separately executed APPENDIX I shall become a part of and be governed by the terms and conditions of this Agreement. Such changes or amendments shall become effective within sixty (60) days and shall be presumed acceptable unless within that period Licensee advises Licensor in writing that the changes and amendments are unacceptable and, in addition, within thirty (30) days thereafter submits the issue to the regulatory body asserting jurisdiction over this agreement for decision.

ARTICLE IV

ADVANCE PAYMENT

- (A) Licensee shall make an advance payment to the Licensor prior to:
 - (1) any undertaking by Licensor of the required field survey [See Article VIII para. (A)] in an amount specified by Licensor sufficient to cover the estimated cost to be incurred by Licensor to complete such survey.
 - (2) any performance by Licensor of any make-ready work required in an amount specified by Licensor sufficient to cover the estimated cost to be incurred by Licensor to complete the required make-ready work.
- (B) The amount of the advance payment required will be credited against the full cost to Licensor for performing such work or having such work performed by others plus, unless waived by Licensor or either of them, an amount equal to ten (10%) percent of Licensor's full cost.
- (C) Where the advance payment made by Licensee to Licensor for field survey or make-ready work is less than the full cost to Licensor for such work, Licensee agrees to pay Licensor all sums due in excess of the amount of the advance payment.
- (D) Where the advance payment made by Licensee to Licensor for field survey or make-ready work exceeds the full cost to Licensor for such work, Licensor shall refund the difference to Licensee.

ARTICLE V

SPECIFICATIONS

- (A) Licensee's attachments shall be placed and maintained in accordance with the requirements and specifications of the latest editions of the Manual of Construction Procedures (Blue Book), Electric Company Standards, the National Electrical Code (NEC), the National Electrical Safety Code (NESC) and rules and regulations of the Occupational Safety and Health Act (OSHA) or any governing authority having jurisdiction over the subject matter. Where a difference in specifications may exist, the more stringent shall apply.
- (B) If any part of Licensee's attachments is not so placed and maintained, Licensor may upon ten (10) days written notice to Licensee and in addition to any other remedies Licensor may have hereunder, remove Licensee's attachments from any or all of the Licensor's poles or perform such other work and take such other action in connection with said attachments that Licensor deems necessary or advisable to provide for the safety of Licensor's employees or performance of Licensor's service obligations at the cost and expense to Licensee and without any liability therefor; provided, however, that when in the sole judgement of Licensor such a condition may endanger the safety of Licensor's employees or interfere with the performance of Licensor's service obligations, Licensor may take such action without prior notice to Licensee.
- (C) As described in Appendix III, Form G, Licensee shall place Identification cable tags on cables located on poles and Identification Apparatus tags on any associated items of Licensee's Plant, e.g., guys, anchors or terminals. The Telephone Company, in its sole determination, has the right to approve all identification tags that are different than those described in Appendix III, Form G.

ARTICLE VI

LEGAL REQUIREMENTS

- (A) Licensee shall be responsible for obtaining from the appropriate public and/or private authority any required authorization to construct, operate and/or maintain its attachment on public and private property at the location of Licensor's poles which Licensee uses and shall submit to Licensor evidence of such authority before making attachments on such public and/or private property.
- (B) The applicable provisions in the attachment entitled "Non-Discrimination Compliance Agreement" shall form a part of this agreement and any amendments thereto.
(Attachment A)
- (C) The parties hereto shall at all times observe and comply with, and the provisions of the Agreement are subject to, all laws, ordinances, and regulations which in any manner affect the rights and obligations of the parties hereto under this Agreement, so long as such laws, ordinances or regulations remain in effect.

- (D) No license granted under this Agreement shall extend to any of Licensor's poles where the placement of Licensee's attachments would result in a forfeiture of the rights of Licensor or joint users to occupy the property on which such poles are located. If placement of Licensee's attachments would result in a forfeiture of the rights of Licensor or joint users, or both, to occupy such property, Licensee agrees to remove its attachments forthwith; and Licensee agrees to pay Licensor or joint users, or both, all losses, damages, and costs incurred as a result thereof.

ARTICLE VII

ISSUANCE OF LICENSES

- (A) Before Licensee shall attach to any pole, Licensee shall make application for and have received a license therefor in the form of APPENDIX III, Forms A-1 and A-2.
- (B) Licensee agrees to limit the filing of applications for pole attachment licenses to include not more than 200 poles on any one application and 2,000 poles on all applications which are pending approval by Licensor at any one time. Such limitations will apply to Licensor's poles located within a single plant construction district of Licensor. Licensee further agrees to designate a desired priority of completion of the field survey and make-ready work for each application relative to all other of its applications on file with Licensor at the same time.

ARTICLE VIII

POLE MAKE-READY WORK

- (A) A field survey will be required for each pole for which attachment is requested to determine the adequacy of the pole to accommodate Licensee's attachments. The field survey will be performed jointly by representatives of Licensor, joint owner and/or joint user and Licensee.
- (B) Licensor reserves the right to refuse to grant a license for attachment to a pole when Licensor determines that the communications space on such pole is required for its exclusive use or that the pole may not reasonably be rearranged or replaced to accommodate Licensee's attachments.
- (C) In the event Licensor determines that a pole to which Licensee desires to make attachments is inadequate or otherwise needs rearrangement of the existing facilities thereon to accommodate the attachments of Licensee in accordance with the specifications set forth in Article V, Licensor will indicate on the Authorization for Pole Make-Ready Work (Appendix III, Form B2) the estimated cost of the required make-ready work and return it to Licensee.

- (D) Any required make-ready work will be performed following receipt by Licensor of completed Form B2. Licensee shall pay Licensor for all make-ready work completed in accordance with the provisions of APPENDIX I, and shall also reimburse the owner(s) of other facilities attached to said poles for any expense incurred by it or them in transferring or rearranging such facilities to accommodate Licensee's pole attachments. Licensee shall not be entitled to reimbursement of any amounts paid to Licensor for pole replacements or for rearrangement of attachments on Licensor's poles by reason of the use by the Licensor or other authorized user(s) of any additional space resulting from such replacement or rearrangement.
- (E) Should Licensor, or another party with whom it has a joint use agreement, for its own service requirements, need to attach additional facilities to any of Licensor's poles, to which Licensee is attached, Licensee will either rearrange its attachments on the pole or transfer them to a replacement pole as determined by Licensor so that the additional facilities of Licensor or joint user may be attached. The rearrangement or transfer of Licensee's attachments will be made at Licensee's sole expense. If Licensee does not rearrange or transfer its attachments within fifteen (15) days after receipt of written notice from Licensor requesting such rearrangement or transfer, Licensor or joint user may perform or have performed such rearrangement or transfer and Licensee agrees to pay the costs thereof.
- (F) Licensor may, when it deems an emergency to exist, rearrange, transfer or remove Licensee's attachments to Licensor's poles, at Licensee's expense, and without any liability on the part of the Licensor for damage or injury to Licensee's attachments.
- (G) License applications received by Licensor from two or more licensees for attachment accommodations on the same pole, prior to the commencement of any field survey or make-ready work required to accommodate any licensee, will be processed by Licensor in accordance with the procedures detailed in APPENDIX II attached hereto.
- (H) In performing all make-ready work to accommodate Licensee's attachments, Licensor will endeavor to include such work in its normal work load schedule.
- (I) Licensee may attach its guy strand to Licensor's existing anchor rod at no charge where Licensor determines that adequate capacity is available; provided that Licensee agrees to secure any necessary right-of-way therefore from the appropriate property owner. Should Licensor, or joint user, if any, for its own service requirements, need to increase its load on the anchor rod to which Licensee's guy is attached, Licensee will either rearrange its guy strand on the anchor rod or transfer it to a replacement anchor as determined by Licensor. The cost of such rearrangement and/or transfer, and the placement of a new or replacing anchor will be at the sole expense of Licensee, which Licensee agrees to pay. If Licensee does not rearrange or transfer its guy strand within fifteen (15) days after receipt of written notice from Licensor regarding such requirement, Licensor or joint user may perform, or have performed, the work involved and Licensee agrees to pay the full costs thereof.

ARTICLE IX

CONSTRUCTION, MAINTENANCE AND REMOVAL OF ATTACHMENTS

- (A) Licensee shall, at its own expense, construct and maintain its attachments on Licensor's poles in a safe condition and in a manner acceptable to Licensor, so as not to conflict with the use of the Licensor's poles by Licensor or by other authorized users of Licensor's poles, nor electrically interfere with Licensor's facilities attached thereon.
- (B) Licensor shall specify the point of attachment on each of Licensor's poles to be occupied by Licensee's attachments. Where multiple licensees' attachments are involved, Licensor will attempt to the extent practical, to designate the same relative position on each pole for each licensee's attachments.
- (C) Licensee shall obtain specific written authorization from Licensor before relocating, materially altering, or replacing its attachments or overlashing its own cable on Licensor's poles.
- (D) All tree trimming made necessary, in the opinion of the Licensors, by reason of the Licensee's proposed attachments at the time of attachment or thereafter, provided the owner(s) of such trees grants permission to the Licensee, shall be performed by contractors approved by Licensors, at the sole cost, expense and direction of the Licensee, except such trimming as may be required on Licensee's customers' premises, to clear Licensee's cable drops, which trimming shall be done by the Licensee at its expense.
- (E) Licensee, at its expense, will remove its attachments from any of Licensor's poles within fifteen (15) days after termination of the license covering such attachments. If Licensee fails to remove its attachments within such fifteen (15) day period, Licensor shall have the right to remove such attachments at Licensee's expense and without any liability on the part of the Licensor for damage or injury to Licensee's attachments.

ARTICLE X

TERMINATION OF LICENSE

- (A) Any license issued under this Agreement shall automatically terminate when Licensee ceases to have authority to construct, operate and/or maintain its attachments on the public or private property at the location of the particular pole covered by the license.
- (B) Licensee may at any time remove its attachments from a pole after first giving Licensor written notice of such removal (APPENDIX III, Form D). Following such removal, no attachment shall again be made to such pole until Licensee shall have first complied with all of the provisions of this Agreement as though no such attachment had previously been made.

ARTICLE XI

INSPECTIONS OF LICENSEE'S ATTACHMENTS

- (A) Licensor reserves the right to make periodic inspections of any part of Licensee's attachments, including guying, attached to Licensor's poles, and Licensee shall reimburse Licensor for the expense of such inspections.
- (B) The frequency and extent of such inspections by Licensor will depend upon Licensee's adherence to the requirements of Articles V and VII herein.
- (C) Licensor will give Licensee advance written notice of such inspections, except in those instances where, in the sole judgement of Licensor, safety considerations justify the need for such an inspection without the delay of waiting until a written notice has been forwarded to Licensee.
- (D) The making of periodic inspections or the failure to do so shall not operate to relieve Licensee of any responsibility, obligation or liability assumed under this Agreement.
- (E) Any charge imposed by Licensor for such inspections shall be in addition to any other sums due and payable by Licensee under this Agreement. No act or failure to act by Licensor with regard to said charge or any unlicensed use by Licensee shall be deemed as a ratification or the licensing of the unlicensed use; and if any license should subsequently be issued, said license shall not operate retroactively or constitute a waiver by Licensor of any of its rights or privileges under this Agreement or otherwise.

ARTICLE XII

UNAUTHORIZED ATTACHMENTS

- (A) If any of Licensee's attachments shall be found attached to Licensor's poles for which no license is outstanding, Licensor, without prejudice to its other rights or remedies under this Agreement (including termination) or otherwise, may impose a charge and require Licensee to submit in writing, within fifteen (15) days after receipt of written notification from Licensor of the unauthorized attachment, a pole attachment application. If such application is not received by the Licensor within the specified time period, Licensee shall remove its unauthorized attachment within fifteen (15) days of the final date for submitting the required application, or Licensor may remove Licensee's facilities without liability, and the expense of such removal shall be borne by Licensee.
- (B) For the purpose of determining the applicable charge, absent satisfactory evidence to the contrary, the unauthorized pole attachment shall be deemed as having existed since the date of this agreement, and the fees and charges as specified in APPENDIX I, shall be applicable thereto and due and payable forthwith whether or not Licensee is permitted to continue the pole attachment.

ARTICLE XIII

LIABILITY AND DAMAGES

- (A) Licensor reserves to itself, its successors and assigns, the right to locate and maintain its poles and to operate its facilities in conjunction therewith in such a manner as will best enable it to fulfill its own service requirements. Licensor shall not be liable to Licensee for any interruption of Licensee's service or for interference with the operation of Licensee's communications services arising in any manner, except from Licensor's sole negligence, out of the use of Licensor's poles.
- (B) Licensee shall exercise precaution to avoid damaging the facilities of Licensor and of others attached to Licensor's poles, and Licensee assumes all responsibility for any and all loss from such damage caused by Licensee's employees, agents or contractors. Licensee shall make an immediate report to Licensor and any other user of the occurrence of any such damage and agrees to reimburse the respective parties for all costs incurred in making repairs.
- (C) Except, as may be caused by the sole negligence of Licensor, or either of them, Licensee shall defend, indemnify and save harmless Licensor, or either of them, against and from any and all liabilities, claims, suits, fines, penalties, damages, losses, fees, costs and expenses arising from or in connection with this Agreement (including reasonable attorneys' fees) including, but not limited to, those which may be imposed upon, incurred by or asserted against Licensor, or either of them by reason of (a) any work or thing done upon the poles licensed hereunder or any part thereof performed by Licensee or any of its agents, contractors, servants, or employees; (b) any use, occupation, condition, operation of said poles or any part thereof by Licensee or any of its agents, contractors, servants, or employees;

(c) any act or omission on the part of Licensee or any of its agents, contractors, servants, or employees, for which Licensor may be found liable; (d) any accident, injury (including death) or damage to any person or property occurring upon said poles or any part thereof arising out of any use thereof by Licensee or any of its agents, contractors, servants, or employees; (e) any failure on the part of Licensee to perform or comply with any of the covenants, agreements, terms or conditions contained in this Agreement, (f) payments made under any Workers' Compensation Law or under any plan for employees disability and death benefits arising out of any use of the poles by Licensee or any of its agents, contractors, servants, employees or by (g) the erection, maintenance, presence, use, occupancy or removal of Licensee's attachments by Licensee or any of its agents, contractors, servants or employees or by their proximity to the facilities of other parties attached to Licensor's poles.

- (D) Licensee shall indemnify, save harmless and defend Licensor from any and all claims and demands of whatever kind which arise directly or indirectly from the operation of Licensee's attachments, including taxes, special charges by others, claims and demands for damages or loss for infringement of copyright, for libel and slander, for unauthorized use of television broadcast programs, and for unauthorized use of other program material, and from and against all claims and demands for infringement of patents with respect to the manufacture, use and operation of Licensee's attachments in combination with Licensor's poles, or otherwise.

The provisions of this Article shall survive the expiration or earlier termination of this Agreement or any license issued thereunder.

ARTICLE XIV

INSURANCE

- (A) Licensee shall carry insurance issued by an insurance carrier satisfactory to Licensor to protect the parties hereto from and against any and all claims, demands, actions, judgements, costs, expenses and liabilities of every kind and nature which may arise or result, directly or indirectly from or by reason of such loss, injury or damage as covered in Article XIII preceding.
- (B) The amounts of such insurance, without deductibles:
- (1) against liability due to damage to property shall not be less than \$1,000,000 as to any one occurrence and \$1,000,000 aggregate, and
 - (2) against liability due to injury to or death of persons shall be not less than \$3,000,000.00 as to any one person and \$3,000,000.00 as to any one occurrence.
- (C) Licensee shall also carry such insurance as will protect it from all claims under any Workers' Compensation Law in effect that may be applicable to it.
- (D) All insurance must be effective before Licensor will authorize Licensee to make attachments to any pole and shall remain in force until such attachments have been removed from all such poles.

- (E) Licensee shall submit to Licensor certificates of insurance including renewal thereof shown as Form E of Appendix III hereto annexed, by each company insuring Licensee to the effect that it has insured Licensee for all liabilities of Licensee covered by this Agreement; and that such certificates will name the Licensor as an additional insured under the public liability policy and that it will not cancel or change any such policy of insurance issued to Licensee except after the giving of not less than 30 days' written notice to Licensor.

ARTICLE XV

AUTHORIZATION NOT EXCLUSIVE

Nothing herein contained shall be construed as a grant of any exclusive authorization, right or privilege to Licensee. Licensor shall have the right to grant, renew and extend rights and privileges to others not parties to this Agreement, by contract or otherwise, to use any pole covered by this Agreement.

ARTICLE XVI

ASSIGNMENT OF RIGHTS

- (A) Licensee shall not assign or transfer this Agreement or any authorization granted hereunder, and this Agreement shall not inure to the benefit of Licensee's successors, without the prior written consent of Licensor.
- (B) In the event such consent or consents are granted by Licensor, then this Agreement shall extend to and bind the successors and assigns of the parties hereto.
- (C) Pole space licensed to Licensee hereunder is for Licensee's use only, and Licensee shall not lease, sublicense, share with, convey or resell to others any such space or rights granted hereunder.

ARTICLE XVII

FAILURE TO ENFORCE

Failure of Licensor to enforce or insist upon compliance with any of the terms or conditions of this Agreement or to give notice or declare this Agreement or any authorization granted hereunder terminated shall not constitute a general waiver or relinquishment of any term or condition of this Agreement, but the same shall be and remain at all times in full force and effect.

ARTICLE XVIII

TERMINATION OF AGREEMENT

- (A) If Licensee shall fail to comply with any of the terms or conditions of this Agreement or default in any of its obligations under this Agreement, or if Licensee's facilities are maintained or used in violation of any law and Licensee shall fail within thirty (30) days after written notice from Licensor to correct such default or noncompliance. Licensor may at its option forthwith terminate this Agreement and all authorizations granted hereunder, or the authorizations covering the poles as to which such default or noncompliance shall have occurred.
- (B) If an insurance carrier shall at any time notify Licensor that the policy or policies of insurance, required under ARTICLE XIV hereof, will be cancelled or changed so that the requirements of ARTICLE XIV will no longer be satisfied, then this Agreement terminates unless prior to the effective date thereof Licensee shall furnish to Licensor certificates of insurance including insurance coverage in accordance with the provisions of ARTICLE XIV hereof.
- (C) In the event of termination of this Agreement Licensee shall remove its attachments from Licensor's poles within six (6) months from date of termination; provided, however, that Licensee shall be liable for and pay all fees pursuant to the terms of this Agreement to Licensor until Licensee's attachments are removed from Licensor's poles.
- (D) If Licensee does not remove its attachments from Licensor's poles within the applicable time periods specified in this Agreement, Licensor shall have the right to remove them at the expense of Licensee and without any liability on the part of Licensor to Licensee therefor; and Licensee shall be liable for and pay all fees pursuant to the terms of this Agreement to Licensor until such attachments are removed.

ARTICLE XIX

TERM OF AGREEMENT

- (A) This Agreement shall remain in effect for a term of five (5) years from the date hereof.
- (B) Termination of this Agreement or any licenses issued hereunder shall not affect Licensee's liabilities and obligations incurred hereunder prior to the effective date of such termination.

ARTICLE XX

NOTICES

All written notices required under this Agreement shall be given by posting the same in first class mail as follows:

To Licensee: **Amendments/Agreements/Applications**

~~Ms. Jennifer Starks
Fiber Systems, LLC
720 Fairport Office Centre
Fairport, NY 14450~~

Julie Adams
Fiber technologies Networks, L.L.C.
140 Allens Creek Rd.
Schuylkill, NY 14618

Billing Notices

Same As Above

To Licensor: **Agreements/Amendments**

Verizon New England Inc.
125 High Street, Room: 1406
Boston, MA 02110-2721

Pole License Applications

Verizon New England Inc.
Reimbursable Construction
125 High Street, Room: 1406
Boston, MA 02110-2721

To Licensor: Ms. Kimberly Long
Exeter & Hampton Electric Company
114 Drinkwater Road
Kensington, NH 03833

This Agreement cancels and supersedes any and all previous pole attachment agreement between the Licensor and Licensee insofar as the aforementioned municipality is concerned except as to liabilities already accrued, if any.

In WITNESS WHEREOF, the parties hereto have executed this Agreement in triplicate on the day and year first above written.

FIBER SYSTEMS, LLC

(Licensee)

By: 
(Name)

Title: Vice President and Corporate Counsel

Date: 5/2/01

VERIZON NEW ENGLAND INC.

(Licensor)

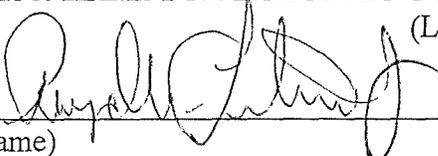
By: 
(Name)

Title: (for) Director IFC&A

Date: 5/7/01

EXETER & HAMPTON ELECTRIC COMPANY

(Licensor)

By: 
(Name)

Raymond A. Letourneau, Jr.

Title: Director, Distribution Operations

Date: February 22, 2001

Schedule of Fees and Charges
POLE ATTACHMENTS

(A) Attachments

1. General

The licensee shall pay the Licensor as rental for use of each and every pole covered by this Agreement, any portion of which is occupied or reserved at the Licensee's request for its attachment during a calendar year or any portion thereof, an attachment fee as herein specified. Such fee shall be payable to the Licensor as detailed below:

2. Annual Attachment Fee

Electric Company:

- (a) Attachment fees commence on the first day of the month following the date the license is issued.
- (b) Fees shall be payable quarterly in advance on the first day of February, May, August, and November.
- (c) For the purpose of computing the attachment fees due hereunder, the fee shall be based upon the number of poles for which licenses have been issued on the first day of each quarter. The first advance payment of the quarterly fee for licenses issued under this Agreement shall include a proration from the first day of the month following the date the license was issued to the first regular quarterly payment date.
- (d) For each pole solely owned by the Licensor and on which space has been reserved or occupied by the Licensee pursuant to this Agreement shall be as follows:
 - * \$ 10.06 per solely owned Exeter & Hampton Electric Company pole.
 - * \$ 5.64 per pole on jointly owned or used Telephone Company and Electric Company poles.

3. Unauthorized Attachment Fee

For each Exeter & Hampton Electric Company pole on which the Licensee has made an unauthorized attachment, payment shall be made by the Licensee to Exeter & Hampton Electric Company as follows:

Solely owned pole* \$56.44

Jointly owned pole* \$31.64

(B) Other Charges

Computation

All charges for field survey, inspections, removal of Licensee's facilities from Licensor's poles and any other work performed for Licensee shall be based upon the full cost and expense to Licensor of such work or for having such work performed by an authorized representative plus an amount equal to ten (10%) percent of Licensor's full cost.

(C) Cost of Pole Replacements, Rearrangements and Changes

- (1) Whenever any pole is, or becomes, after initial Licensee's attachments, in the opinion of the Licensor, insufficient in height or strength for the Licensee's existing or proposed attachments thereon in addition to the existing attachments of the Licensor (s) and the municipality, the Licensor shall replace such pole with a new pole of the necessary height and class and shall make such other changes in the existing pole line in which such pole is included as the conditions may then require. The Licensee shall pay the Licensor for the expense thereof including but not limited to the following:
 - (A) The net loss to the Licensor on the replaced pole based on its reproduction cost less depreciation plus cost removal.
 - (B) Excess height or strength of the new pole, over the existing pole necessary by reason of the Licensee's attachments.
 - (C) Transferring Licensor's attachments from the old to the new pole.
 - (D) Any other rearrangements and changes necessary by reason of the Licensee's proposed or existing attachments.

- (2) In the event that the Licensors or either of them shall permit the Licensee to place its attachments in space reserved by either of them for any municipality and the Licensors or either of them or any municipality shall deem it necessary to use such space, or the pole is to be replaced at any time because of obsolescence, public requirement or other reason, then the Licensors shall replace the pole with a suitable pole to provide the basic space reservation where necessary and the Licensee shall be billed in accordance with Appendix 1, C, 1 (A-D), inclusive.

(D) Payment Date and Interest Charges

Failure to pay all fees and charges within 30 days after presentment of the bill therefore or on the specified payment date, whichever is later, shall constitute a default of this Agreement.

Interest - Electric Company

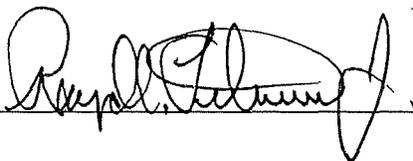
Exeter & Hampton Electric Company will include an interest charge of one and one-half percent (1 1/2%) per month (equivalent to an eighteen percent (18%) annual rate) on all charges outstanding beyond thirty (30) days after the payment date as defined above. The payment of any such interest charge shall no cure or excuse any default by Licensee under this agreement.

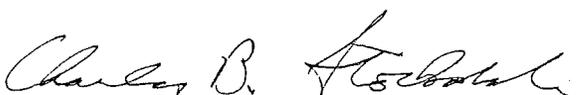
(E) Fee Revisions*

The Annual Attachment Fee (s) set forth in (A) 2 and the Unauthorized Attachment Fee (s) set forth in (A) 3 payable to Exeter & Hampton Electric Company shall be computed in accordance with the formulas attached hereto as Exhibit A and Exhibit B, respectively. The fees will be calculated annually, based on data for the preceding calendar year.

* The rates on this First Revised Appendix I become effective May 1, 2001, and amends the Original Appendix I of the License Agreement.

EXETER & HAMPTON ELECTRIC COMPANY FIBER SYSTEMS, LLC





**EXETER & HAMPTON ELECTRIC COMPANY
CALCULATION OF ANNUAL POLE RENTAL FEES
FOR LICENSEE ATTACHMENTS**

1. Net Investment in Bare Poles. Net investment in bare poles for solely and jointly owned poles may be expressed as gross pole investment minus depreciation reserve minus accumulated deferred income taxes. Gross pole investment is the appropriate portion of A/C 364 represented by poles, anchors, stubs, and pushbraces based on the Company's Pole Accountability Reporting (A/C 364). The percentage of gross pole investment to the total of A/C 364 has been allocated to the depreciation reserve for A/C 364. The percentage of gross pole investment less depreciation reserve to gross plant investment less depreciation reserve has been allocated to the total accumulated deferred income tax.

Gross Pole Investment - Depreciation Reserve - Accumulated Deferred Income Taxes = Net Investment in Bare Pole

Sole Investment: $\$1,303,408 - \$587,813 - \$83,197 = \$632,398$

Joint Investment: $\$8,651,943 - \$3,901,868 - \$552,258 = \$4,197,817$

2. Net Investment Per Bare Pole. Net investment per bare pole for solely and jointly owned poles may be expressed as the quotient of net investment in bare poles divided by the number of poles.

$\frac{\text{Net Investment in Bare Poles}}{\text{Number of Poles}} = \text{Net Investment Per Bare Pole}$

Sole Investment: $\frac{\$632,398}{3,062} = \206.53

Joint Investment: $\frac{\$4,197,817}{26,859} = \156.29

3. Average Number of Attaching Entities. The average number of attaching entities is determined by comparing the total existing attachments to poles including electric and telephone, plus an estimate of expected attachments during the year, to total number of poles.

Average Number of Attaching Entities Solely Owned Pole = 1.5

Average Number of Attaching Entities Jointly Owned Pole = 3.5

Net Investment Per Bare Pole ÷ Average Number of Attaching Entities:

Solely Owned Pole = $\$206.53 \div 1.5 = \137.69

Jointly Owned Pole = $\$156.29 \div 3.5 = \44.65

4. Carrying Charge. The carrying charge consists of maintenance expense, depreciation, administrative expense, property taxes, cost of capital, and federal income taxes.

- a. Maintenance Expense. Maintenance expense for poles may be expressed as a percentage of net investment by dividing the sum of overhead lines (A/C 593) and overhead lines expense (A/C 583) by the net investment in pole (A/C 364), in overhead conductors (A/C 365), and in services (A/C 369). Net pole investment is gross pole investment less depreciation reserve less accumulated deferred income taxes. Net conductor and services investment is gross investment in conductors and services less depreciation less accumulated deferred income taxes. The percentage of gross investment in Accounts 364, 365, 369 less depreciation to gross plant investment less depreciation reserve has been allocated to total accumulated deferred income tax.

$$\begin{array}{r}
 \text{Overhead Lines + Overhead Lines Expense} \\
 \text{(Gross Pole - Depreciation- Accumulated Deferred)} \\
 \text{(Investment Reserve Income Taxes)} \\
 + \\
 \text{(Gross Conductor - Depreciation - Accumulated Deferred)} \\
 \text{(Investment Reserve Income Taxes)} \\
 + \\
 \text{(Gross Services - Depreciation - Accumulated Deferred)} \\
 \text{(Investment Reserve Income Taxes)} \\
 \hline
 \$491,139 + \$82,982 = 3.53\% \\
 (\$9,955,351 - \$4,489,681 - \$635,455)+ \\
 (\$13,453,394 - \$4,095,645 - \$1,087,960)+ \\
 (\$5,159,513 - \$1,591,064 - \$414,879)
 \end{array}$$

- b. Depreciation. The depreciation rate may be adjusted for application to net by multiplying by the ratio of gross to net pole investment.

$$\frac{\text{Distribution Plant A/C 364 Depreciation Expense}}{\text{Average Gross Depreciable Distribution Plant A/C 364}} = \text{Depreciation Rate}$$

$$\frac{\$556,803}{\$11,892,413} = 4.682\%$$

$$\frac{\text{Depreciation Rate for}}{\text{Gross Pole Investment}} \times \frac{\text{Gross Pole Investment}}{\text{Net Pole Investment}} = \text{Depreciation} \\
 \text{(expressed as a percentage of net pole investment)}$$

$$4.682\% \times \frac{\$9,955,351}{(\$9,955,351 - \$4,489,681 - \$635,455)} = 9.65\%$$

- c. Administrative Expense. The administrative expense may be expressed as a percentage of net plant investment by dividing the total administrative and general expense by the net plant investment. Net plant investment equals gross plant investment less depreciation reserve less accumulated deferred income taxes.

$$\frac{\text{Administrative and General Expense}}{\text{(Gross Plant - Plant Depreciation - Accumulated Deferred) (Investment Reserve Income Taxes)}} = \text{Administrative Expense (expressed as a percentage of net plant investment)}$$

$$\frac{\$1,616,565}{(\$62,218,202 - \$22,626,095 - \$4,603,096)} = 4.62\%$$

- d. Property Taxes. Property Tax expense may be expressed as a percentage of net plant by dividing taxes other than income (A/C 408) by net plant investment.

$$\frac{\text{Taxes Other Than Income}}{\text{(Gross Plant - Depreciation - Accumulated Deferred) (Investment Reserve Income Taxes)}} = \text{Taxes (expressed as a percentage of net investment)}$$

$$\frac{\$1,388,374}{(\$62,218,202 - \$22,626,095 - \$4,603,096)} = 3.97\%$$

- e. Cost of Capital. Cost of Capital (return on equity and interest on debt) shall be the most recent authorized rate of return.

11.49%

- f. Income Taxes. The income tax rate may be expressed as the product of return on equity and the ratio of the federal income tax rate to one minus the federal income tax rate. The return on equity shall be the most recent authorized rate.

$$\text{Return on Equity} * \frac{\text{Federal Income Tax Rate}}{(1 - \text{Federal Income Tax Rate})}$$

$$7.53\% * \frac{.34}{(1 - .34)} = 3.88\%$$

- g. Total Carrying Charge. Adding the various percentage components, the appropriate carrying charge is:

Maintenance Expense	3.53%
Depreciation	9.65%
Administrative Expense	4.62%
Property Taxes	3.97%
Cost of Capital	11.49%
Federal Income Taxes	<u>3.88%</u>
TOTAL CARRYING CHARGE	37.14%

5. Use Ratio. The use ratio may be expressed as the quotient of the space occupied per pole by cable and the average usable space per pole. (Exhibit A-1)

$$\frac{\text{Space Per Pole Occupied by CATV}}{\text{Average Usable Space Per Pole}} = \text{Use Ratio} \quad \frac{1 \text{ Foot}}{12.08 \text{ Feet}} = 8.28\%$$

6. Usable Space by Pole Height. The usable space by pole height may be expressed as the quotient of total usable space and pole height. (Exhibit A-1)

$$\frac{\text{Total Usable Space}}{\text{Pole Height}} = \text{Usable Space by Pole Height} = 33.05\%$$

7. Unusable Space by Pole Height. The unusable space by pole height may be expressed as the quotient of total unusable space and pole height. (Exhibit A-1)

$$\frac{\text{Total Unusable Space}}{\text{Pole Height}} = \text{Unusable Space by Pole Height} = 66.95\%$$

8. Calculated Pole Usable Space Factor. The calculated pole usable space factor is the product of net investment per bare pole times carrying charge times use ratio times usable space by pole height.

$$\text{Net Investment Per Bare Pole} \times \text{Carrying Charge} \times \text{Use Ratio} \times \text{Usable Space by Pole Height} = \text{Usable Space Factor}$$

$$\text{Solely Owned Pole: } \$206.53 \times 37.14\% \times 8.28\% \times 33.05\% = \$2.10$$

$$\text{Jointly Owned Pole: } \$156.29 \times 37.14\% \times 8.28\% \times 33.05\% = \$1.59$$

9. Calculated Pole Unusable Space Factor. The calculated pole unusable space factor is the product of a set factor of 2/3 to apportion costs times carrying charge times net investment per bare pole per average number of attaching entities times unusable space by pole height.

2/3 *
 x Carrying Charge
 x Net Investment Per Bare Pole per Average Number of Attaching Entities
x Unusable Space by Pole Height
 = Unusable Space Factor

Solely Owned Pole: $2/3 \times 37.14\% \times \$137.69 \times 66.95\% = \22.82

Jointly Owned Pole: $2/3 \times 37.14\% \times \$44.65 \times 66.95\% = \$7.40$

10. Maximum Pole Rate = Usable Space Factor + Unusable Space Factor
 Maximum Solely Owned Pole Rate = $\$2.10 + \$22.82 = \$24.92$
 Maximum Jointly Owned Pole Rate = $\$1.59 + \$7.40 = \$8.99$

Solely Owned Pole Rate calculated using Cable Provider Formula = \$6.35

Jointly Owned Pole Rate calculated using Cable Provider Formula = \$4.80

Effective Solely Owned Pole Rate ** =
 $(\$24.92 - \$6.35) \times 1/5 = \$3.71 + \$6.35 = \$10.06$

Effective Jointly Owned Pole Rate ** =
 $(\$8.99 - \$4.80) \times 1/5 = \$0.84 + \$4.80 = \$5.64$

* Factor to apportion costs per Telecommunications Act of 1996.

** Pursuant to the Telecommunications Act of 1996, any increases in pole attachment rates shall be phased in by equal annual increments over 5 years.

EXETER & HAMPTON ELECTRIC COMPANY
 CALCULATION OF AVERAGE USABLE SPACE PER POLE

The average usable space is calculated by multiplying the number of poles of a given height (actual survey count) by the usable space per pole and dividing the total footage by the total number of poles, as follows:

Pole Height	Number of Poles	Usable Space Per Pole	Total Usable Space	Total Usable Space ÷ Pole Height	Unusable Space Per Pole	Total Unusable Space	Total Unusable Space ÷ Pole Height
25 Feet	244	X 4 Feet	= 976	16%	21 Feet	5,124	84%
30 "	4,789	X 6 "	= 28,734	20%	24 "	114,936	80%
35 "	13,416	X 11 "	= 147,576	31%	24 "	321,984	69%
40 "	8,888	X 16 "	= 142,208	40%	24 "	213,312	60%
45 "	2,198	X 16 "	= 35,168	36%	29 "	63,742	64%
50 "	302	X 16 "	= 4,832	32%	34 "	10,268	68%
55 "	40	X 21 "	= 840	38%	34 "	1,360	62%
60 "	<u>44</u>	X 26 "	= <u>1,144</u>	<u>43%</u>	34 "	<u>1,496</u>	<u>57%</u>
Totals	29,921 Poles		361,478 Feet	33.05%		732,222 Feet	66.95%

$$\text{Average Usable space per pole} = \frac{\text{total usable space}}{\text{total number of poles with attachments}}$$

$$\text{Average Usable space per pole} = \frac{361,478}{29,921} = 12.08 \text{ feet}$$

**EXETER & HAMPTON ELECTRIC COMPANY
PROCEDURE FOR CALCULATION OF
UNAUTHORIZED ATTACHMENT FEES**

Calculation of the Unauthorized Attachment Fee:

The unauthorized attachment per pole fee to be paid to Exeter & Hampton by the Licensee for unauthorized attachment to Exeter & Hampton's pole plant will be calculated for the two categories of pole ownership; sole and joint. The fees will be calculated annually to be effective for the period May 1 through April 30, based on data of the preceding calendar year. The fees are the product of (a) times (b) plus (c) where (a) equals the annual rental fee for the appropriate pole ownership category, (b) equals a three year rental compound factor and (c) equals an inspection and administration fee. The three year rental compound factor shall be determined by the following formula:

$$b = (1+d) + (1+d)^2 + (1+d)^3$$

wherein (d) equals the fixed charge Rate of Return herein.

The inspection and administration fee (c) shall be 50% of the product of (a) times (b).

Computations of the Unauthorized Attachment Fees in implementation of this Exhibit are shown on Exhibit B-1 attached hereto.

**EXETER & HAMPTON ELECTRIC COMPANY
CALCULATION OF PER POLE
UNAUTHORIZED ATTACHMENT FEES**

Sole Owned Pole

(a) Annual Rental Fee = \$10.06

(b) Rate of Return Compound Factor
 $(1 + d) + (1 + d)^2 + (1+d)^3$ = 3.74

(a) x (b) = \$37.62

Plus

(c) .50 (a x b) = \$18.81

Sole Owned Pole Unauthorized Attachment Fee = \$56.44

Joint Owned Pole

(a') Annual Rental Fee = \$5.64

(b') Rate of Return Compound Factor
 $(1 + d) + (1 + d)^2 + (1+d)^3$ = 3.74

(a') x (b') = \$21.09

Plus

(c') .50 (a' x b') = \$10.55

Joint Owned Pole Unauthorized Attachment Fee = \$31.64

APPENDIX I

SCHEDULE OF FEES AND CHARGES

Pole Attachments

(A) Attachment

1. General

- (a) Attachment fees commence on the first day of the month following the date the license is issued.
- (b) Fees shall be payable annually in advance on the first day of January.
- (c) For the purpose of computing the Attachment fees due hereunder, the fee shall be based upon the number of poles for which licenses have been issued. The advance payment of the fee for licenses under this Agreement shall include a proration from the first day of the month following the date the license was issued.

2. Annual Attachment Fee

For each pole solely owned by the Licensor and on which space has been reserved or occupied by the Licensee pursuant to this Agreement payment shall be as follows:

\$9.67 per attachment per solely owned Verizon New England Inc. pole.

\$4.84 per attachment per pole on jointly owned or used Verizon New England Inc. pole.

\$ _____ per attachment per solely owned Exeter & Hampton Electric Company pole.

\$ _____ per attachment per pole on jointly owned or used Exeter & Hampton Electric Company pole.

(B) Other Charges

1. Computation

All charges for field survey, inspections, removal of Licensee's facilities from Licensor's poles and any other work performed for Licensee shall be based upon the full cost and expense to Licensor of such work or having such work performed by an authorized representative plus, unless waived by Licensor or either of them, an amount equal to ten (10%) percent of Licensor's full cost.

(C) Cost of Replacement, Rearrangements and Changes

1. Whenever any pole is, or becomes, after initial Licensee's Attachments, in the opinion of the Licensor, insufficient in height or strength for the Licensee's proposed Attachments thereon in addition to the existing Attachments of the Licensor and municipality, the Licensor shall replace such pole with a new pole of the necessary height and class and shall make such other changes in the existing pole line in which such pole is included as the conditions may then require. The Licensee shall pay the Licensor for the expense thereof, including, but not limited, to the following:
 - (a) The net loss to the Licensor on the replaced pole based on its reproduction cost less depreciation plus cost of removal.
 - (b) Excess height or strength of the new pole over the existing pole necessary by reason of the Licensee's Attachments
 - (c) Transferring Licensor's Attachments from the old to the new pole.
 - (d) Any other rearrangements and changes necessary by reason of the Licensee's proposed or existing attachments.

2. In the event that the Licensors or either of them shall permit the Licensee to place its Attachments in space reserved by either of them or for any] municipality and the Licensors or either of them or any municipality shall deem it necessary to use such space, or the pole is to be replaced at any time because of obsolescence, public requirement or other reason, then the Licensors shall replace the pole with a suitable pole to provide the basic space reservation where necessary, and the Licensee shall be billed, as provided for in Section (C) 1, a-d, inclusive, above.

(D) Payment Date

Failure to pay all fees and charges within 30 days after presentment of the bill therefor or on the specified payment date, whichever is later, shall constitute a default of this Agreement.

For bills rendered by Licensor, Verizon New England Telephone Inc., the following shall be applicable:

"Interest shall accrue and be payable to Licensor at the rate set by the Commissioner of Internal Revenue pursuant to Internal Revenue Code, Section 6621; Treasury Regulation Section 301.6621-1, from and after the payment date of any payment required by this License. The payment of any interest shall not cure or excuse any default by Licensee under this License."

APPENDIX II

MULTIPLE POLE ATTACHMENT LICENSE APPLICATIONS

Procedure for Processing
Multiple Pole Attachment License Applications

The following procedure shall be adhered to in processing applications to attach to Licensor's poles by multiple licensees.

A. DEFINITIONS

Simultaneous license applications

Properly completed pole license applications relative to the same pole which are received by the Licensor from multiple applicants on the same business day.

Non-Simultaneous license applications

Properly completed pole license applications relative to the same pole which are received by the Licensor from multiple applicants on different business days.

Initial applicant

The applicant filing the first properly completed license application (non-simultaneous) for attachment to a specific pole.

Additional applicant

Each applicant filing a properly completed license application (non-simultaneous) for attachment to a specific pole for which a prior license application has been received by the Licensor.

Make-Ready Work

The work required (including rearrangement and transfer of existing facilities on a pole, replacement of poles or any other changes) to accommodate the Licensee's attachments on Licensor's pole.

Option 1

An arrangement whereby Licensor will process the license application of initial applicant as if there is no other license application on file for the same pole.

Option 2

An arrangement whereby Licensor will process license applications of initial and additional applicant in accordance with the procedure applicable for simultaneous multiple license applications.

B. MULTIPLE LICENSE APPLICATION PROCESSING

Both simultaneous and non-simultaneous multiple license applications for the same pole will be processed by the Licensor in accordance with the procedures set forth in the flow chart which comprises pages 5 to 7 inclusive, of this Appendix.

C. OPTION ARRANGEMENTS

1. Upon being offered Options 1 and 2, the initial applicant will be advised that he may make an immediate selection of the option he desires or he may delay his selection until the required make-ready survey work has been completed and the estimate of make-ready charges quoted by the Licensor. Where the initial applicant elects to delay his decision, he shall be required to indicate the option he desires within 15 days after the Licensor has quoted the estimate of the make-ready charges that will apply, otherwise, the Licensor will deem the initial applicant to have selected Option 1.
2. The license application processing procedure to be adhered to in accordance with Option 2 will be subject to acceptance by all of the multiple applicants involved. The additional applicant(s) will have 15 days from the date he is advised by the Licensor that the initial applicant has selected Option 2 to accept or reject the conditions applicable under Option 2, otherwise, the Licensor will deem the additional applicant(s) to have rejected such conditions.
3. All work in progress on the initial applicant's license application involving multiple pole attachments will be suspended by the Licensor from the time that the initial applicant is offered Options 1 and 2 until he notifies the Licensor of the option he elects in accordance with C.1. above.

D. MAKE-READY SURVEY REQUIREMENT

1. Where required make-ready survey is to be completed on two bases, the multiple applicants shall be so advised before such survey is commenced.
2. The make-ready survey required to develop the estimated charges applicable for Options 1 and 2 will include a determination of the work requirements necessary to:
 - a. issue licenses simultaneously to the multiple applicants and,
 - b. issue licenses to the initial applicant before commencing the required make-ready work necessary to accommodate the additional applicant(s).

3. Licensor will consider any license application involving simultaneous multiple attachments as cancelled upon the failure of an applicant to notify the Licensor in writing of his acceptance of the estimate of make-ready charges and accompany such acceptance with the advance payment within 15 days following his receipt of such estimate from the Licensor.
4. Licensor or his authorized representative will perform the make-ready survey in all situations involving simultaneous license applications.
5. Where an initial applicant has been authorized by Licensor to perform its own make-ready survey, and properly completed pole applications are received from an additional applicant(s), establishing a non-simultaneous license application situation, the conditions of Option 1 will automatically apply and the option arrangements, detailed in Section C of this Appendix, will not be applicable.

E. MAKE-READY WORK SCHEDULE

Any simultaneous multiple applicant who cannot agree with the alternative arrangement that provides for the Licensor to complete ALL make-ready work before simultaneously granting licenses to all multiple applicants will be deemed by the Licensor to have cancelled his application.

F. CHANGES IN APPENDIX

This Appendix may be changed in whole or in part at any time during the term of this Agreement at the sole option of the Licensor upon the giving of not less than 30 days written notice thereof to the Licensee(s) and to substitute in place thereof such other provisions as the Licensor may deem necessary as relative to multiple attachments to poles of the Licensor.

PROCEDURE FOR PROCESSING
MULTIPLE POLE ATTACHMENT LICENSE APPLICATIONS

<p><u>1. WHERE NO MAKE-READY SURVEY EXPENSE HAS BEEN INCURRED BY LICENSOR</u></p>	<p align="center"><u>MAKE-READY SURVEY REQUIREMENT</u></p>	<p align="center"><u>MAKE-READY SURVEY COST ALLOCATION</u></p>	<p align="center"><u>MAKE-READY WORK SCHEDULE</u></p>	<p align="center"><u>MAKE-READY COST ALLOCATIONS</u></p>
<p><u>A. SIMULTANEOUS APPLICATIONS</u></p>	<p>TO BE DONE ON TWO BASES TO DETERMINE ACCOMMODATION REQUIREMENTS FOR:</p> <ol style="list-style-type: none"> 1. attachment by single licensee 2. attachment by multiple licensees 	<p>TOTAL COST TO BE SHARED EQUALLY BY MULTIPLE APPLICANTS.</p>	<p>MULTIPLE APPLICANTS MUST DEVELOP MUTUALLY AGREEABLE:</p> <ol style="list-style-type: none"> 1. order of pole availability and 2. overall completion schedule <p>-WHERE MULTIPLE APPLICANTS CANNOT AGREE WITHIN 15 DAYS FROM RECEIPT OF ESTIMATE FROM LICENSOR, LICENSOR WILL OFFER AS AN ALTERNATIVE, TO COMPLETE ALL MAKE-READY WORK INVOLVED BEFORE SIMULTANEOUSLY GRANTING LICENSES TO MULTIPLE APPLICANTS.</p>	<p>TOTAL COST SHARED EQUALLY BY MULTIPLE APPLICANTS.</p> <p>- IF ONLY ONE APPLICANT AGREES TO ESTIMATED SHARED PORTION OF TOTAL COST, THAT APPLICANT WILL BE QUOTED THE COST APPLICABLE TO ACCOMMODATE A SINGLE LICENSEE (SEE 1. UNDER MAKE-READY SURVEY REQUIREMENT)</p>
<p><u>1. NON-SIMULTANEOUS APPLICATIONS</u></p> <p>OPTIONS AVAILABLE INITIAL APPLICANT</p> <p><u>OPTION 1</u> LICENSOR WILL PROCESS AS NO MULTIPLE LICENSE APPLICATION EXIST.)</p> <p><u>OPTION 2</u> LICENSOR WILL PROCESS SIMULTANEOUS LICENSE APPLICATIONS.)</p>	<p align="center">↑</p> <p>TO BE DONE ON TWO BASIS TO DETERMINE ACCOMMODATION REQUIREMENTS FOR:</p> <ol style="list-style-type: none"> 1. attachment by single licensee 2. attachment by multiple licensees <p>(a) simultaneously (b) non-simultaneously</p> <p align="center">↓</p>	<p align="center">↑</p> <p>TOTAL COST TO BE SHARED EQUALLY BY MULTIPLE APPLICANTS</p> <p align="center">↓</p>	<p align="center"><u>INITIAL APPLICANT</u></p> <p>LICENSOR WILL TREAT AS A NON-MULTIPLE APPLICANT.</p> <p>- ANY CHANGE OF PRIORITY OF POLE AVAILABILITY OR OVERALL COMPLETION SCHEDULE THAT IS DESIRED AFTER EITHER HAS BEEN INITIALLY AGREED UPON WITH THE LICENSOR IS SUBJECT TO LICENSOR'S ABILITY TO ACCOMMODATE IN ITS ESTABLISHED WORK SCHEDULE.</p> <p align="center"><u>ADDITIONAL APPLICANT</u></p> <p>REQUIRED MAKE-READY WORK WILL NOT BE PERFORMED UNTIL LICENSES HAVE BEEN GRANTED TO INITIAL APPLICANT UNLESS THE PERFORMANCE OF SUCH WORK WILL NOT DELAY THE COMPLETION OF THE MAKE-READY WORK REQUIRED TO ACCOMMODATE THE INITIAL APPLICANT.</p> <p align="center">SAME AS I.A.</p>	<p align="center"><u>INITIAL APPLICANT</u></p> <p>IS CHARGED THE COST ATTRIBUTABLE TO THE WORK INVOLVED TO ACCOMMODATE ATTACHMENT BY ONE LICENSEE.</p> <p align="center"><u>ADDITIONAL APPLICANT</u></p> <p>IS CHARGED THE COST ATTRIBUTABLE TO THE WORK INVOLVED TO ACCOMMODATE ATTACHMENT BY AN ADDITIONAL LICENSEE ON A POLE ALREADY ATTACHED BY INITIAL LICENSEE.</p> <p align="center">SAME AS I.A.</p>

PROCEDURE FOR PROCESSING
MULTIPLE POLE ATTACHMENT LICENSE APPLICATIONS

WHERE PARTIAL MAKE-READY SURVEY
EXPENSE HAS BEEN INCURRED BY
LICENSOR

CTIONS AVAILABLE TO INITIAL
PLICANT

OPTION 1

LICENSOR WILL PROCESS AS IF
MULTIPLE LICENSE APPLICA-
IONS EXIST)

OPTION 2

LICENSOR WILL PROCESS
"SIMULTANEOUS" LICENSE
PLICATIONS).

MAKE-READY SURVEY TO
REQUIREMENT



BALANCE OF REQUIRED SURVEY
TO BE COMPLETED ON TWO BASES
DETERMINE ACCOMMODATION RE-
QUIREMENTS FOR:

1. attachment by single licensee
2. attachment by multiple licensees
 - (a) Simultaneously
 - (b) non-simultaneously

PORTION OF SURVEY ALREADY
COMPLETED FOR INITIAL APPLI-
CANT WILL BE RESURVEYED TO
DETERMINE THE REQUIREMENTS
TO ACCOMMODATE AN ADDITIONAL
LICENSEE.



MAKE-READY SURVEY
COST ALLOCATION



INITIAL APPLICANT

WILL BE CHARGED THE COST IN-
CURRED FOR THAT PORTION OF
THE SURVEY WHICH HAS ALREADY
BEEN COMPLETED.

ADDITIONAL APPLICANT

WILL BE CHARGED THE COST IN-
CURRED TO RESURVEY THE COM-
PLETED PORTION OF THE SURVEY
TO DETERMINE THE REQUIREMENTS
TO ACCOMMODATE ATTACHMENT BY
MULTIPLE LICENSEES.

TOTAL COST OF THE BALANCE OF
THE REQUIRED SURVEY WILL BE
SHARED EQUALLY BY THE MULTIPLE
APPLICANTS.



MAKE READY WORK SCHEDULE

SAME AS I.B.

SAME AS I.A.

MAKE-READY COST ALLOCATIONS

SAME AS I.B.

SAME AS I.A.

PROCEDURE FOR PROCESSING
MULTIPLE POLE ATTACHMENT LICENSE APPLICATIONS

WHERE MAKE-READY SURVEY IS
COMPLETE BUT MAKE-READY
WORK HAS NOT PHYSICALLY
COMMENCED

OPTIONS AVAILABLE TO
INITIAL APPLICANT

OPTION 1

(LICENSOR WILL PROCESS AS
IF NO MULTIPLE LICENSE
APPLICATIONS EXIST)

MAKE-READY SURVEY
REQUIREMENT



RESURVEY REQUIRED TO DETERMINE
ACCOMMODATION REQUIREMENTS
FOR ATTACHMENT BY MULTIPLE
LICENSEES:

1. SIMULTANEOUSLY
2. NON-SIMULTANEOUSLY



OPTION 2

(LICENSOR WILL PROCESS AS
"SIMULTANEOUS" MULTIPLE
LICENSE APPLICATIONS)

MAKE-READY SURVEY
COST ALLOCATION



INITIAL APPLICANT
WILL BE CHARGED THE COST OF
THE SURVEY WHICH HAS ALREADY
BEEN COMPLETED.

ADDITIONAL APPLICANT

WILL BE CHARGED THE COST TO
RESURVEY TO DETERMINE THE RE-
QUIREMENTS FOR ACCOMMODATING
MULTIPLE LICENSEES.



MAKE-READY WORK SCHEDULE

SAME AS I.B.

MAKE-READY COST ALLOCATIONS

SAME AS I.B.

SAME AS I.A.

SAME AS I.A.

APPENDIX III

Index of License Application Forms

Application and Pole Attachment License	A-1
Pole Details	A-2
Authorization for Field Survey Work	B-1
Authorization for Pole Make-Ready Work	B-2
Itemized Pole Make-Ready Work and Charges	C
Notification of Discontinuance of Use of Poles	D
Certificate of Insurance (Omitted 11/18/94)	E
Bond	F
Identification Tags	G

**EXPLANATION OF THE USE OF APPENDIX III
ADMINISTRATIVE FORMS**

1. At the time any Licensee anticipates a request for a new license, it should (pursuant to Article VII) submit to each Licensor: Form A-1 (Application and Pole Attachment License) and Form A-2 (Pole Details) - (pursuant to Article VIII) Form B-1 (Authorization for Field Survey Work), Form B-2 (Authorization for Pole Make-Ready Work) and Form C (Itemized Estimate of Pole Make -Ready Work and Charges, which will be completed by New England Telephone and Telegraph Company d/b/a Bell Atlantic-New England.
2. Each Licensor shall fill out Part I of Form B-1 (Authorization for Field Survey Work). If Licensee agrees to the field survey estimate, it will fill out, execute and return the form to the Licensor with the appropriate fee.
3. Each Licensor shall fill out Form B-2 (Authorization for Pole Make Ready Work) when appropriate. If Licensee agrees to the make ready changes, it will execute and return to the Licensor with the appropriate fee. (See Article VIII, para. D.)
4. Form C is used by New England Telephone and Telegraph Company d/b/a Bell Atlantic-New England to more fully explain the estimated charges. When requested by the Licensee, this breakdown of charges may be sent by New England Telephone and Telegraph Company d/b/a Bell Atlantic-New England.
5. After the completion of the Make Ready Work, the Licensor shall complete Form A-1 with a license number, date and signature. Licensee's receipt of this executed A-1 is its authorization to make the attachments described in the application.
6. Any time a Licensee discontinues the use of a pole or poles upon which it has a license, it shall submit Form D (Notification of Discontinuance of the Use of Poles) to each Licensor.
7. Form F (Bond) will be submitted by the Licensee to the appropriate Licensor from time to time as specified in Article III, para. C.
8. Form E (Certificate of Insurance) will be submitted by Licensee prior to the execution of the License Agreement.

APPLICATION AND POLE ATTACHMENT LICENSE

Licensee Fiber Systems, LLC
Street Address 720 Fairport Office Centre
City and State Fairport, NY 14450
Date _____

In accordance with the terms and conditions of the License Agreement between us, dated May 7, 2001, application is hereby made for a license to make _____ attachments to JO poles, _____ attachments to FO poles, _____ attachments to JU poles and _____ Power Supplies located in the municipality of _____, NH as indicated on Form A-2. This request will be designated Pole Attachment License Application Number _____.

Licensee's Name (Print) _____

Signature _____
Exeter & Hampton Electric Company
Power Company

Title _____

Tel. No. _____

Fax No. _____

*****For license use, do not write below this line*****

Pole Attachment License Application Number _____ is hereby granted to make the attachments described in this application to _____ attachments to JO poles, _____ attachments to FO poles, _____ attachments to JU poles and _____ Power Supplies located in the municipality of _____, NH as indicated on the attached form A-2. This request will be designated Pole Attachment License Application Number _____.

Licensor's Name (Print) _____

Signature _____

(AGREEMENT ID #)

Title _____

Date _____

Tel. No. _____

It is the Licensee's responsibility to submit an original copy of this application to New England Telephone and Telegraph Company d/b/a Bell Atlantic-New England and the appropriate Power Company. Individual applications to be numbered in sequential ascending order by Licensee for each License Agreement. Licensor will process applications in sequential ascending order according to the application numbers assigned by the Licensee.

POLE DETAILS

Fiber Systems. LLC _____

License Application Number _____

Licensee

Exeter & Hampton Electric Company

Power Company Involved

Municipality where poles are located

Note: Provide separate applications for each municipality

<u>Pole No.</u>	<u>Location</u> ¹	<u>Attach.</u> ²	<u>Tax</u> ³	<u>Lic.</u>	<u>Lic.</u>
			<u>Dist.</u> <td><u>No.</u></td> <td><u>Date</u></td>	<u>No.</u>	<u>Date</u>

LICENSOR WILL PROVIDE AN ITEMIZED ESTIMATE OF POLE MAKE READY WORK REQUIRED AND ASSOCIATED CHARGES (APPENDIX III FORM C).

Licensee's Signature _____

Title _____

- (1) Indicate location by providing name of street, highway, route, etc., e.g., South Street, north of (N/O) Jones Road. Private Property Poles should be identified as such e.g., P.P. (Lead off pole 1234 South).
- (2) A complete description of all facilities shall be given including quantities, sizes and types of all cables and equipment.
- (3) Completed by Licensor.

Note: Attach Additional sheets if necessary

AUTHORIZATION FOR FIELD SURVEY WORK

Licensee: Fiber Systems, LLC

In accordance with Article IV, Paragraph (A) (1) of the License Agreement, following is a summary of the estimated charges which will apply to complete a field survey covering Pole Attachment License Application Number _____.

	<u>Hours</u>	<u>Rate/Hour</u>	<u>Total</u>
Field Survey	_____	_____	\$ _____
Plus 10% Administrative Compensation			\$ _____
TOTAL			\$ _____

If you wish us to complete the required field survey, please sign this copy below and return with an advance payment in the amount of \$ _____. **Please note, this quote is only valid for 30 days.**

Licensor's Name (Print) _____

Signature _____

Title _____

Address _____

Tel. No. _____

Date _____

The required field survey covering License Application No. _____ is authorized and the costs therefore will be paid to Licensor in accordance with Appendix I to License Agreement. My anticipated date of attachment is _____.

Licensee's Name Print _____

Signature _____

Tel. No. _____

Date _____

AUTHORIZATION FOR POLE MAKE-READY WORK

Fiber Systems, LLC
Licensee

Field survey work associated with your License Application No. _____ dated _____, 2000, for attachment to poles has been completed.

Following is a summary of the estimated make ready charges which will apply.

<u>Make-Ready Work</u>	<u>Hours</u>	<u>Rate/Hour</u>	<u>Total</u>
Labor	_____	_____	\$ _____
Material			\$ _____
Sub Total			\$ _____
Plus 10% Administrative Compensation			\$ _____

Attached, as requested, is an itemized estimate (Form C) of required make-ready work and associated charges. If you wish us to complete the required make-ready work, please sign this copy below and return with an advance payment in the amount of \$ _____.

Licensor's Name (Print) _____
Signature _____
Title _____
Address _____
Tel. No. _____
Date _____

The replacements and rearrangements included in License Application No. _____ are authorized and the costs therefore will be paid to Licensor in accordance with Appendix I to License Agreement

Licensee's Name (Print) _____

Signature _____ Tel. No. _____

Title _____ Date _____

ITEMIZED SUMMARY OF POLE MAKE READY WORK AND CHARGES

Sheet _____ of _____

Licensee _____

Poles Located in Municipality, State _____

Date Prepared _____

License Application Number _____

Exchange or Wire Center _____

KC# _____

Keep Cost Order Number _____

Line No.	POLE INFO.		MAKE READY WORK REQUIREMENTS		MATERIAL (5)			LABOR (6)			HOA (7)
	Licensors Pole No. (1)	Location (2)	Description of Work (3)	Performed by (4)	No. & Item	Unit Cost	Total	Hours	Rate/Hour	Total	Attachment Height*
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											

* Height of Attachment=Height of Licensee Attachment shall be 40" below Elco MGN unless otherwise noted here by Verizon and Elco Surveyor

EXPLANATION OF COLUMNS for Form C

To be filled in by Licensee:

- (1) Designate pole number assigned by each utility company

T - Telephone E - Electric

- (2) Name of Street, Road, Highway, Route, etc.

To be filled in by Licensor:

- (3) Work Operation Description, e.g.

Lwr 2 Ca 1'	Rse Rack 2'
Lwr Top Ca 1'	Plc A & G
Lwr Ca & Term 18"	Lwr Fire Alm 1'
Rpl Pole	Rse Trnsf 1'

- (4) Indicate Company to perform work operation, e.g.,

T - Telephone	P - Police
E - Electric	M - Municipality
C - CATV	O - Other Licensee
F - Fire	
T/C - Option - Either Telephone or CATV	

- (5) List Non-exempt Material Only

- (6) Indicate labor hours and costs required to perform work operations listed in (3).

NOTIFICATION OF DISCONTINUANCE OF USE OF POLES

This form is to be completed and mailed to Verizon New England Inc. RC ADMINISTRATION at the address listed below and the appropriate power company:

Verizon New England Inc./RC ADMINISTRATION 125 High Street, Room 1406
Boston, Massachusetts 02110

Licensee _____
Street Address _____
City and State _____
Date _____

In accordance with the terms of License Agreement dated May 7
2001, (Article X, paragraph B) this serves as written notification from Licensee that attachment(s) to
the following pole(s) in the municipality of _____, State of
_____, are being discontinued (removed) on _____, 20____. These
attachments are covered by license application number _____.

<u>Pole Number</u>	<u>Location</u>	<u>Attachment</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total number of attachments to JO poles to be discontinued _____
Total number of attachments to FO poles to be discontinued _____
Total number of attachments to JU poles to be discontinued _____
Total number of Power Supplies to be discontinued _____

Said license is to be canceled **in its entirety/partially** as above.
(circle one)

Licensee _____ Print Name _____
Signature _____ Tel. No. _____
Fax No. _____
Title _____ Date _____

To be completed by Licensor :

It has been verified by Licensor that use of poles has been discontinued.

Licensor's Name _____ Print Name _____
Signature _____ Tel. No. _____
Fax No. _____
Title _____ Date _____

It is the Licensee's responsibility to submit an original copy of this form to Verizon New England Telephone Inc. and the appropriate Power Company.

APPENDIX III
FORM E, 2180AL
REV. 12-88

OMITTED 11/18/94

4
4

(NAME OF INSURANCE COMPANY)

BOND

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS, THAT _____
a corporation of the _____, located at
_____ (hereinafter called the Principal),
as the Principal and the _____, a
corporation organized under the laws of _____
and authorized to do business in the State/Commonwealth of _____
and having its office at _____ (hereinafter
called the Surety), as Surety, are held firmly bound unto the _____
_____ Corporation, and Verizon New England Inc., a New York corporation,
hereinafter referred to as Obligee, in the full and just sum of _____ to the payment of
which sum well and truly to be made, the Principal and Surety bind themselves, and each of their
successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a written Agreement wherein the Obligees have granted
permission to the Principal to make attachment of Cables together with the necessary Appurtenant
Facilities including attachments for service wires leading from poles to Principal's customers, to certain
poles of the Obligees, located in the City/Town of _____.

WHEREAS, THE OBLIGEES are willing to permit such attachments to be made subject to the terms and
conditions of the aforesaid Agreement and providing a bond is given by the Principal covering the true
and faithful performance of said Agreement, which Agreement is or may be attached hereto for reference.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal shall
well and truly perform and carry out the covenants, terms and conditions of said agreement, then this
obligation shall be void; otherwise it shall remain in full force and effect.

The surety may cancel and terminate this Bond by giving thirty (30) days written notice thereof by
Registered Mail to the Obligee, in which event the cancellation and termination shall be effected thirty
(30) days after said obligees received such notice, but notwithstanding said cancellation or said expiration
date, this bond shall remain in full force and effect as to attachments authorized under said agreement
prior to the effective date of cancellation or expiration date until all of said attachments shall have been
removed and as to any other obligations or responsibilities accrued prior to said cancellation date or said
expiration date.

SIGNED, SEALED AND DATED this _____ day of _____, 20 _____

(PRINCIPAL)

By _____
(SURETY)

ATTEST:

IDENTIFICATION TAGS

1. GENERAL

This Appendix provides a method for Licensee to follow in attaching identification tags to cables and other apparatus so that ownership of such cable and apparatus can be readily determined.

2. DESCRIPTION OF TAGS

CAUTION
NON - NET CABLE
CUSTOMER OWNED

Figure I
Identification Cable Tags

+ CAUTION +
NON - NET APPARATUS
+ CUSTOMER OWNED +

Figure II
Identification Apparatus Tags

The Identification Cable Tags, shown in Figure I are made of polyethylene and polyvinyl chloride and have ultraviolet inhibitors. The tags will be yellow with black lettering. The respective sizes are 1 3/4" x 4" and 1 1/4" x 3".

The cable tag will be used on cables, and will read as follows:
"CAUTION: NON-NET CABLE. CUSTOMER OWNED." There will be a section at the bottom of the tag to place the owner's name, using indelible ink.

The apparatus tags will be placed on Licensee's Plant, other than cables, including, but not limited to, guys, terminals, and terminal closures. The Identification Apparatus tag will read as follows:
"CAUTION: NON-NET APPARATUS. CUSTOMER OWNED." This tag will also have a place at the bottom on the tag to write the owner's name using indelible ink.

3. PROCUREMENT OF TAGS

It is the responsibility of the Licensee to obtain, place and maintain Identification tags.

4. INSTALLATION OF CABLE TAGS - AERIAL APPLICATION

The cable tag shall be placed on the bottom of the cable at the pole either under the suspension clamp or just between the suspension clamp and cable spacer. Such placement will make it visible from the ground that the cable is not owned by the Verizon New England Inc.. An E-Z twist cable tie shall be used to attach the cable tag.

At anchor and guy locations, the apparatus tag shall be placed between the device used to secure the strand (i.e., strandwise, guy, grips or clamps) and the eye of the rod. If a guy shield is in place, the apparatus tag can be attached at the top of the guy shield on the strand.

At terminal locations, the Identification tag shall be placed around the neck of the terminal, on the stub, An E-Z twist tie shall be used to attach this tag.

An Identification tag shall be placed on each cable at each pole that is on a separate suspension strand, if the lead is ten poles or less. If the lead is more than ten poles, it is permissible to place a tag on every fourth pole.

NON-DISCRIMINATION COMPLIANCE AGREEMENT

ATTACHMENT A

to the extent that this contract is subject to them, contractor shall comply with the applicable provisions of the following: Exec. Order No. 11246, Exec. Order No. 11625, Exec. Order No. 12138, Exec. Order No. 11701, Exec. Order No. 11758, Section 503 of the Rehabilitation Act of 1973 as amended by PL93-516, Vietnam Era Veteran's Readjustment Assistance Act of 1974 and the regulations and relevant Orders of the Secretary of Labor pertaining to the Executive Orders and Statutes listed above.

Contractor shall determine the appropriate amounts or contractual or purchasing relationships, together with the number of the contractor's employees, determine which Executive Order provisions are applicable. For contracts valued at less than \$2,500, none of the clauses shall be considered a part of this contract. However, for contracts of or which aggregate to 2,500 or more annually, the following describes the clauses which are included in the contract.

- Inclusion of the "Equal Employment Opportunity" clause in all contracts and orders.
- Certification of non-segregated facilities.
- Certification that an Affirmative Action program has been developed and is being followed.
- Certification that an annual Employers Information Report (EEO-1 Standard Form 100) is being filed.
- Inclusion of the "Utilization of Minority And Women's Business Enterprises" clause in all contracts and orders.
- Inclusion of the "Minority and Women's Business Contracting Program" clause in all contracts and orders.
- Inclusion of the "Listing of Employment Openings" clause in all contracts and orders.
- Inclusion of the "Employment of the Handicapped" clause in all contracts and orders.

\$2,500 to \$5,000	\$5,000 to \$10,000	\$10,000 to \$50,000
8	8	1, 2, 5, 6, 7, 8
\$50,000 to \$500,000		\$500,000 or more
1, 2, 3*, 4*, 5, 6, 7, 8		1, 2, 3*, 4*, 5, 6, 7, 8

* Applies only for businesses with 50 or more employees.

Equal Employment Opportunity Provisions
 In accordance with Executive Order 11246, dated September 24, 1965 and Part 60-1 of Title 41 of the Code of Federal Regulations (Public Contracts and Property Management, Office of Federal Contract Compliance, Obligations of Contractors and Subcontractors), as may be amended from time to time, the parties incorporate herein by this reference the regulations and contract clauses required by those provisions to be made a part of Government contracts and subcontracts.

Certification of Non-segregated Facilities
 Contractor certifies that it does not and will not maintain any facilities it provides for its employees in a segregated manner, or permit its employees to perform their services at any location under its control, where segregated facilities are maintained; and that it will obtain similar certification prior to the award of any nonexempt subcontract.

Certification of Affirmative Action Program
 Contractor affirms that it has developed and is maintaining an Affirmative Action Plan required by Part 60-2 of Title 41 of the Code of Federal Regulation.

Certification of Filing Employers Information Reports
 Contractor agrees to file annually on or before the 31st day of March complete and accurate reports on Standard Form 100 (EEO-1) or such forms as may be promulgated in its

Policy of Minority and Women's Business Enterprises
 It is the policy of the Government that minority and women's business enterprises shall have the maximum practicable opportunity to participate in the performance of the contract.

(b) The contractor agrees to use his best effort to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract the term "minority or women's business enterprise" means a business, at least 50 percent of which is owned, controlled and operated by minority group members or women, or in the case of publicly owned businesses, at least 51 percent of the stock which is owned by minorities or women. For the purposes of this definition, minority group members are American: Blacks, Hispanics, Asians, Pacific Islanders, American Indians and Alaskan Natives. Contractors may rely on written representations by subcontractors regarding their status as minority or women's business enterprises in lieu of an independent investigation.

6. Minority and Women's Business Enterprises Subcontracting Program

- (a) The contractor agrees to establish and conduct a program which will enable minority and women's business enterprises (as defined in paragraph 5) to be considered fairly as subcontractors and suppliers under the contract. In this connection, the Contractor shall:
 - (1) Designate a liaison officer who will administer the contractor's minority and women's business enterprises programs.
 - (2) Provide adequate and timely consideration of the potentialities of known minority and women's business enterprises in all "make or buy" decisions.
 - (3) Assure that known minority and women's business enterprises will have an equitable opportunity to compete for subcontracts, particularly by arranging solicitations, time for preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation of minority and women's business enterprises.
 - (4) Maintain records showing (I) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of minority and women's business enterprises, (II) awards to minority and women's business enterprises on the source list, and (III) specific efforts to identify and award contracts to minority and women's business enterprises.
 - (5) Include the Utilization Of Minority and Women's Business Enterprises clause in subcontracts which offer substantial minority and women's business enterprises subcontracting opportunities.
 - (6) Cooperate with the Government's Contracting Officer in any studies and surveys of the Contractor's minority and women's business enterprises procedures and practices that the Contracting Officer may from time to time conduct.
 - (7) Submit periodic reports of subcontracting to known minority and women's business enterprises with respect to the records referred to in subparagraph (4) above, in such a form and manner and at such time (not more often than quarterly) as the Contracting Officer may prescribe.
- (b) The contractor further agrees to insert, in any subcontract hereunder which may exceed \$500,000 (or in the case of WBE, \$1,000,000 in the case of contracts for the construction of any public facility and which offer substantial subcontracting possibilities) provisions which shall conform substantially to the language of this agreement, including this paragraph (b).

7. List of Employment Openings for Veterans

In accordance with Exec. Order 11701, dated January 24, 1973, and Part 60-250 of Title 41 of the Code of Federal Regulations, as may be amended from time to time, the parties incorporate herein by this reference the regulations and contract clauses required by those provisions to be made a part of Government contracts and subcontracts.

8. Employment of the Handicapped

In accordance with Exec. Order 11758, dated January 15, 1974, and Part 60-741 of Title 41 of the Code of Federal Regulations as may be amended from time to time, the parties incorporate herein by this reference the regulations and contract clauses required by those provisions to be made a part of Government contracts and subcontracts.