

**CLARK COUNTY
TELECOMMUNICATIONS UTILITY SYSTEM
FRANCHISE AGREEMENT
GRANTED TO
MCImetro ACCESS TRANSMISSION SERVICES LLC**

THIS FRANCHISE is granted this 3rd day of March, 2009, by Clark County, Nevada, a political subdivision of the State of Nevada, acting by and through its Board of County Commissioners which is its governing body (hereafter called "County"), to MCImetro Access Transmission Services LLC (formerly MCImetro Access Transmission Services, Inc.) (hereafter called "Franchisee"), authorized by the Public Utilities Commission of Nevada to do business in the State of Nevada.

WITNESSETH:

WHEREAS, the Franchisee, a limited liability company organized and existing under and by virtue of the laws of the State of Delaware, and duly qualified to transact business within the State of Nevada, is engaged in the business of operating a telecommunications utility system to provide subscription service, as defined by Clark County Code; and

WHEREAS, the County is authorized pursuant to Nevada Revised Statutes Chapter 709, to grant a franchise to install, maintain and operate facilities, as defined by Clark County Code, which requires the use of County's rights-of-way; and

WHEREAS, the Franchisee hereby attests that the information submitted in the Franchise's application to the County to obtain this Telecommunications Utility System Franchise, attached hereto as Exhibit A and made a part hereof, is true and correct.

NOW, THEREFORE, in consideration of the premises and of the performance by the Franchisee of the requirements hereinafter set forth, and subject to the following terms and conditions, the County hereby grants to the Franchisee this Telecommunications Utility System Franchise.

TERMS AND CONDITIONS:

1. DEFINITIONS

Definitions of terms in this Franchise Agreement shall be the same as those definitions listed in Clark County Code Chapter 5.01, as amended from time to time.

**2. FRANCHISE AGREEMENT DURATION, CONDITIONS,
EXTENSION**

- A. This Franchise shall be non-exclusive and shall be in force and effect from the date first written above until the 3rd day of March, 2019.
- B. All provisions of Titles 5, 6 and 30 of the Clark County Code, as amended from time to time, and all provisions of this Franchise Agreement shall be binding upon the Franchisee, its successors or assignees. In the event of any conflict between any provisions in Titles 5, 6 or 30 of the Clark County Code, as amended from time to time, and any provisions of this Franchise Agreement, the Code provision shall control.
- C. The Franchisee shall not permit use by other persons of its facilities located in County rights-of-way, including, but not limited to the use by other persons who are required to obtain a business license, Franchise or Rights-of-Way License Agreement from the County for such use, unless and until the other persons obtain such licenses or franchises. The Franchisee shall not permit another person to install its own facilities in, on, under, along or above the Franchisee's facilities.
- D. The Franchisee is hereby granted, during the term of this Agreement, a Franchise to install, operate and maintain its facilities in rights-of-way in unincorporated Clark County, as identified in the map attached hereto, labeled Exhibit B and made a part hereof, and pursuant to Clark County Code Titles 5, 6 and 30. On the effective date of this Franchise Agreement, the Franchisee shall provide the County with a written description of the locations of facilities the Franchisee will install in County rights-of-way during the first year of this Franchise Agreement of which it is aware.
- E. The Franchisee may expand this Franchise Agreement to install, operate and maintain its facilities in the County's rights-of-way beyond the original geographic area identified in this Agreement only by obtaining approval of an amended Franchise Agreement from the County. The County Commission may grant, with or without conditions, or deny such amendment in its sole discretion.

In the event that an amendment to this Franchise Agreement is approved by the County Commission, such amendment shall be subject to all the terms and conditions of this Franchise Agreement and the terms and conditions of any amended agreement, and Titles 5, 6 and 30 of the Clark County Code, as amended from time to time.

- F. This Franchisee Agreement may be extended beyond its original expiration date by the Franchisee under the terms and conditions of Clark County Code Chapter 5.01, and as amended from time to time. Failure to extend this Franchise Agreement shall automatically terminate this Agreement on its expiration date.
- G. This Franchise Agreement does not grant the Franchisee permission to offer subscription Video Services in the County, unless and until the Franchisee has applied for and is granted a separate Certificate of Authority granted by the Nevada Secretary of State in accordance with Clark County Code Titles 5 and 6 and Nevada Revised Statutes Chapter 711 authorizing the Franchisee to provide video services within the unincorporated areas of Clark County.
- H. The Franchisee acknowledges that this Franchise Agreement is for installation of facilities in County rights-of-way only, and that installation in, on, under, along or above other County property may be permitted only through separate agreement and payment of rental fees.
- I. The Franchisee is responsible for the maintenance and upkeep of any of the Franchisee's above surface facilities located immediately adjacent to the rights-of-way granted by this Agreement.

3. *FRANCHISEE'S WORK IN COUNTY RIGHTS-OF-WAY*

The Franchisee shall, in the installation, construction, operation, maintenance, reconstruction, removal, relocation or abandonment of its facilities in the County rights-of-way, comply with all applicable provisions of Clark County Titles 5 and 6, and the improvement standards adopted in Title 30, as set forth and hereafter amended and the "Uniform Standard Specifications for Off-Site Construction, Clark County Area" (latest edition) as adopted by the County Commission.

4. *FRANCHISE PAYMENTS AND FEES*

The Franchisee shall pay all payments and fees assessed in accordance with its County business license(s) pursuant to Clark County Code Title 6, as amended from time to time.

5. *FRANCHISE REPORTING*

Each year during the term of the Franchise Agreement, the Franchisee shall submit a written report to the County's Director of Business License as required by Clark County Code Section 5.01.110.

6. *REVOCATION AND PENALTIES*

- A. After providing notice and an opportunity for the Franchisee to be heard and a reasonable opportunity to cure, the County Commission may impose fines or penalties in an amount deemed appropriate by the County Commission, but not exceeding the amount of the security deposit established in Section 9 of this Franchise Agreement, upon the Franchisee if the County Commission finds that the Franchisee has failed to comply with the provisions of this Franchise Agreement or the applicable sections of Clark County Code Titles 5, 6 or 30. Any such fines or penalties shall be due within thirty (30) days of written notification by the County, made payable to the County Treasurer, and delivered to the Director of Business License at the County's address indicated in Section 13 of this Franchise Agreement. A late charge of five percent (5%) of the fine or penalty imposed shall be assessed if the fine or penalty is not paid within thirty (30) days of the written notification.

If a fine or penalty which has been imposed by the County Commission is not paid within thirty (30) days from the date of written notification, Franchisee hereby grants the County authorization to deduct that amount of the fine or penalty plus late charges, if any, from the security deposit provided for such purposes pursuant to Section 9 of this Franchise Agreement and the applicable sections of Clark County Code Titles 5 and 6. If at any time the Director of Business License has drawn upon such security deposit, the Franchisee shall within thirty (30) days of notification from the Director of Business License replenish such security deposit to the original minimum amount established in Section 9 of this Franchise Agreement.

- B. In addition to the grounds for revocation set forth in the applicable sections of Clark County Code Titles 5 and 6, this Franchise Agreement may be revoked if, after providing notice and an opportunity for the Franchisee to be heard, and a reasonable opportunity to cure, the County Commission finds that the Franchisee failed to make payment of fines or penalties due under this Franchise Agreement or to comply with the provisions of this Franchise Agreement.

7. *TRANSFERS AND ASSIGNMENTS*

The terms and conditions for transfer and assignment of franchises pursuant to the applicable sections of Clark County Code Chapter 5.01, and as amended from time to time, shall apply to this Franchise Agreement.

8. *INDEMNIFICATION*

The Franchisee shall indemnify, save harmless and defend the County, its officers and employees in accordance with the indemnification provisions of the applicable sections of Clark County Code Chapter 5.01.

9. *INSURANCE AND SECURITY PERFORMANCE*

A. The Franchisee shall secure, maintain and provide certification of all insurance coverages in the amounts, kinds and form required pursuant to the applicable sections of Clark County Code Chapter 5.01 prior to commencement of any work in County's rights-of-way.

B. The Franchisee shall provide to the Director of Business License security for performance pursuant to the applicable sections of Clark County Code Chapter 5.01 in the amount of two hundred fifty thousand dollars (\$250,000). The Franchisee hereby grants the County authorization to deduct assessed fines or penalties and late charges, if any, pursuant to Section 6 of this Franchise Agreement and the applicable sections of Clark County Code Chapter 5.01, from such security deposit.

10. *RIGHTS RESERVED TO COUNTY*

The County does hereby expressly reserve its rights, powers and authorities pursuant to the applicable sections of Clark County Code Title 5, as amended from time to time. The County expressly reserves the right to amend this Franchise Agreement by amendment to the Clark County Code to the maximum extent permitted by law.

11. *SEVERABILITY*

If any provision, section, paragraph, sentence, clause or phrase of this Franchise Agreement is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the remaining portions of this Franchise Agreement. It is the intent of the Franchisee in requesting this Franchise Agreement and the County Commission in approving this Franchise Agreement that no portion or provision thereof shall become inoperative or fail by reason of any invalidity or unconstitutionality of any other portion or provision, and to this end all provisions of this Franchise Agreement are declared to be severable.

12. GIFTS

No officer or employee of the Franchisee shall offer to any officer or employee of the County, either directly or indirectly, any rebate, contribution, gift, money, service without charge or other thing of value whatsoever, except where given for the use and benefit of the County.

13. NOTICE

All notices shall be sent to the County or Franchisee at the addresses indicated below. The Franchisee shall notify the County's Director of Business License of any change of address within ten (10) working days of such occurrence. Failure to provide notification, and any resulting delay in receipt of notice, shall not excuse the Franchisee from any obligation imposed by this Franchise Agreement, nor shall it serve as cause for reduction or removal of any restriction, fine or penalty imposed by the County.

COUNTY:
Director of Business License
Clark County
500 S. Grand Central Pky., 3rd Floor
PO Box 551810
Las Vegas, NV 89155-1810

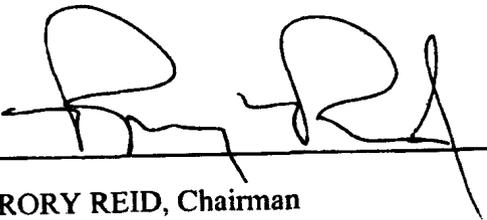
FRANCHISEE:
MCImetro Access Transmission Services LLC
Legal and External Affairs
2400 N. Glenville Drive
Richardson, Texas 75082

14. MAPS

Franchisee shall maintain on file maps and operational data pertaining to its operations in the rights-of-way, which the County may inspect at any time during normal business hours upon reasonable notice to Franchisee. Upon request of the County, Franchisee shall furnish to the Public Works Director, as soon as practical and without charge, current maps either in a hard-copy printed form or in the County's geographical information system format or compatible database, showing the location and dimension of any existing and proposed facilities, but not other proprietary information, used in operating Franchisee's facilities in the rights-of-way.

IN WITNESS WHEREOF the parties hereto have set their hands the day and year first above written.

CLARK COUNTY BOARD OF COMMISSIONERS

By 
RORY REID, Chairman

ATTEST:


SHIRLEY B. PARRAGUIRRE, Clerk

APPROVED AS TO FORM:
DISTRICT ATTORNEY


By: MARK E. WOOD
Deputy District Attorney

MCImetro ACCESS TRANSMISSION SERVICES LLC

By 
Name: ROBERT H. BOHNE
Title: DIRECTOR

EXHIBIT A – Page 1



Municipal Affairs
2400 N. Glenville Drive
Richardson, TX 75082

January 21, 2009

Mr. Michael Harwell
Franchise Manager
Clark County Business License Department
500 S. Grand Central Parkway, 3rd Floor
Las Vegas, Nevada 89106

Re: MCImetro Access Transmission Services LLC ("MCImetro") Franchise Request

Dear Mr. Harwell:

MCImetro formally requests issuance of a telecommunications franchise pursuant to NRS § 709.060 and Clark County Code Titles 5.6 and 30. MCImetro requests that the franchise be issued for a ten (10) year period, for all rights-of-way in unincorporated Clark County. As required by Clark County Code Chapter 5.01 MCImetro provides and states the following:

1. The applicant is "MCImetro". A copy of the MCImetro business license is attached hereto as Exhibit "A".
2. Copies of the order and certificate issued by the Public Utilities Commission of Nevada are attached hereto as Exhibit "B".
3. There are no agreements or understandings existing between MCImetro and any other person with respect to the applicant acting as an agent or representative of another person regarding use of rights-of-way.
4. The Certificate of Existence issued by the Nevada Secretary of State is attached hereto as Exhibit "C". MCImetro is not a corporation or a partnership. Instead, it is a limited liability company organized under the laws of the State of Delaware.
5. A list of the officers and managers of MCImetro is attached hereto as Exhibit "D".
6. None of the persons as stated above has had a franchise or rights-of-way use declined, suspended, or revoked.

EXHIBIT A - Page 2

MCImetro does not have any current plans to expand its telecommunication network in Clark County rights-of-way at this time. However, customer requirements may necessitate network expansion at any time. Standard permitting efforts will be completed when such a project is initiated.

MCImetro understands that when this request is certified as complete by the Clark County Director of Administrative Services, MCImetro will be notified and notice of the application will be published at MCImetro's expense pursuant to NRS 709.070. Please advise us as soon as possible whether Clark County will cause notice to be published. Please also advise us as to whether MCImetro must provide any other information in support of its request.

Clark County's prompt assistance in processing this request is appreciated. If you have any questions or comments, please call the undersigned.

Very truly yours,



Jeff Markiewicz
Municipal Affairs

EXHIBIT A - Page 3

PUBLIC UTILITIES COMMISSION OF NEVADA

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

MCImetro Access Transmission Services LLC

CPC 2209 Sub 2
(supersedes and replaces
CPC 2209 Sub 1)
Docket No. 08-02029

The Public Utilities Commission of Nevada ("Commission") hereby grants MCImetro Access Transmission Services LLC the authority to operate as a competitive supplier of telecommunication service within the State of Nevada, pursuant to Assembly Bill 518 passed by the Nevada Legislature in 2007.

MCImetro Access Transmission Services LLC is hereby granted this Certificate of Public Convenience and Necessity as evidence of its authority to operate as a competitive supplier of telecommunication service within the State of Nevada. As a condition of this Certificate, MCImetro Access Transmission Services LLC shall render reasonably continuous and adequate service to the public within the State of Nevada. Failure to comply with all applicable provisions of the Nevada Revised Statutes; all applicable rules, regulations and orders of the Commission; and any applicable terms, conditions and limitations pertaining to the privileges granted in this Certificate shall comprise sufficient grounds for the suspension or revocation of this Certificate. Nothing contained in this Certificate shall be construed to create a franchise or to constitute the grant of an irrevocable Certificate.

This Certificate of Public Convenience and Necessity supersedes and replaces, in all respects, CPC 2209 Sub 1. CPC 2209 Sub 1 shall be, and the same is hereby, cancelled.

This Certificate of Public Convenience and Necessity shall not be conveyed or transferred without the Commission's prior approval.

Any errors in the drafting of this Certificate of Public Convenience and Necessity may be corrected without further proceedings by the Commission.

By the Commission,

Jo Ann Kelly
JO ANN P. KELLY, Chairman

Crystal Jackson

Attest: CRYSTAL JACKSON, Commission Secretary

Dated: Carson City, Nevada

4-3-08
(SEAL)

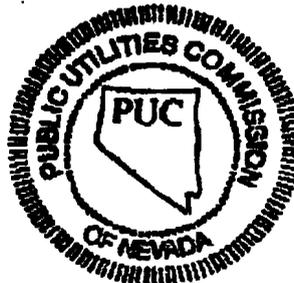
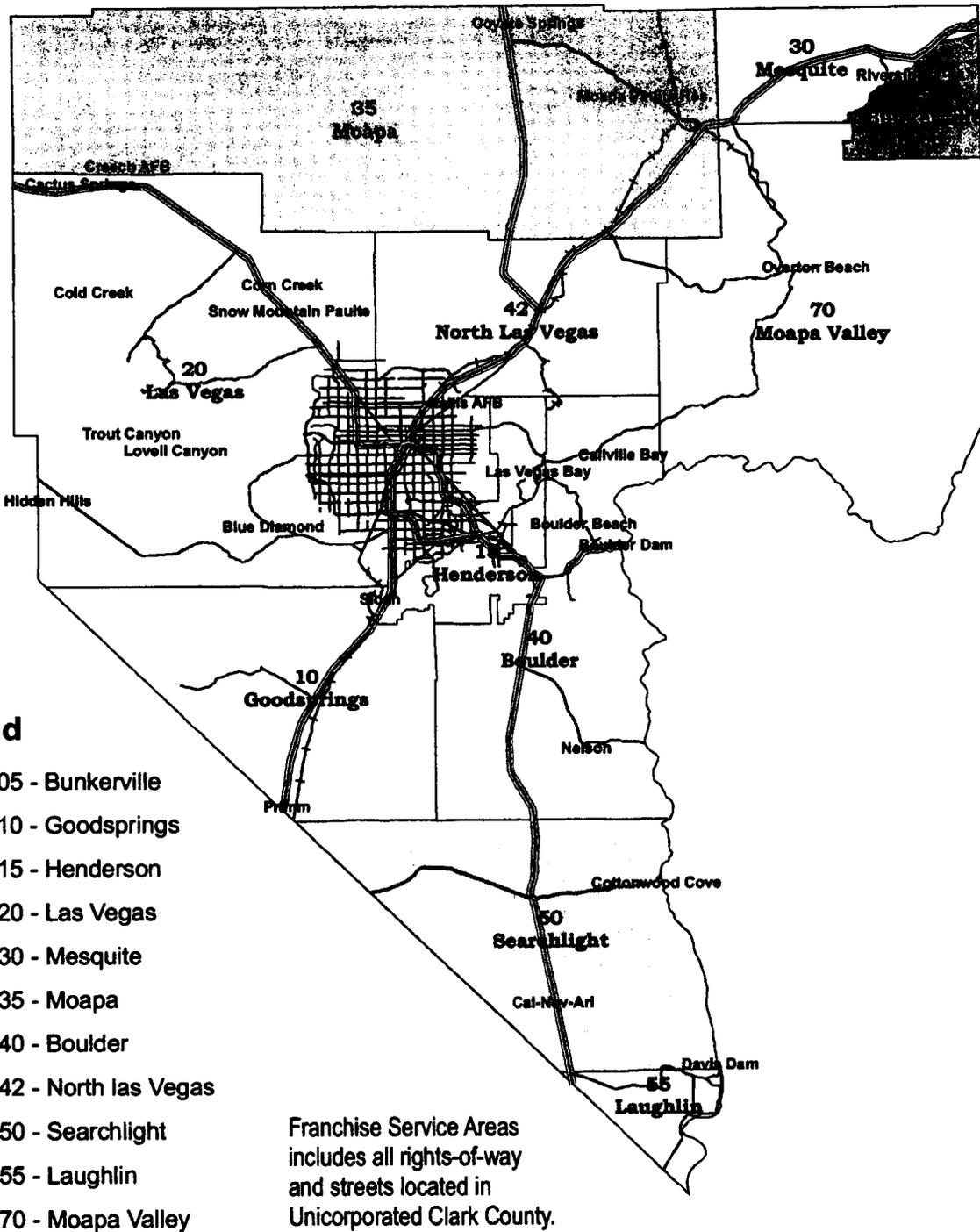


Exhibit B



1 inch equals 87,718 feet

Date: August 4, 2008



Exhibit B

Clark County, Nevada



Vicinity Map - No Scale

This information is for display purposes only. No liability is assumed as to the accuracy of the data delineated herein.

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Type of Business

Individual Partnership Limited Liability Company Corporation Trust Other

Business Name: MCimetro Access Transmission Services LLC

(Include d.b.a., if applicable) _____

Business Address: 2400 North Glenville Drive

Richardson, TX 75082

Business Telephone: 972.729.7000

Disclosure of Ownership and Principals:

All non-publicly traded corporate business entities must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board. "Business entities" include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations. Corporate entities shall list all Corporate Officers and Board of Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use transactions, extends to the applicant and the landowner(s).

Full Name	Title
<u>100% wholly owned subsidiary of Verizon Business Network Services, Inc.</u>	_____
_____	_____
_____	_____
_____	_____
_____	_____

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Jeff Markiewicz
Signature/Capacity

JEFF MARKIEWICZ
Print Name

2.9.09
Date