

**CLARK COUNTY, NEVADA
REVOCABLE RIGHTS-OF-WAY LICENSE AGREEMENT
GRANTED TO
SWITCH BUSINESS SOLUTIONS, LLC**

THIS RIGHTS-OF-WAY LICENSE AGREEMENT (hereafter called "Agreement") is granted this 21st day of October, 2008, by Clark County, Nevada, a political subdivision of the State of Nevada, acting by and through the Board of County Commissioners which is its governing body (hereafter called "County"), and Switch Business Solutions, LLC (hereafter called "Licensee"), authorized to do business in the State of Nevada.

WITNESSETH:

WHEREAS, the Licensee, organized and existing under and by virtue of the laws of the State of Nevada, has applied to the County for permission to construct, maintain and operate facilities to provide non-subscription services within the County's rights-of-way, as defined by Clark County Code; and

WHEREAS, the County is prepared to grant a non-exclusive right and privilege to construct, maintain and operate facilities in certain specified streets within unincorporated areas of Clark County, under the conditions and requirements defined by Clark County Code; and

WHEREAS, the Licensee hereby attests that the information submitted in Licensee's application to the County to obtain this Agreement, 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 Licensee of the requirements hereinafter set forth, and subject to the following terms and conditions, the County hereby grants to the Licensee this License Agreement.

TERMS AND CONDITIONS:

1. Definitions

Definitions of terms in this Agreement shall be the same as those definitions listed in Clark County Code Chapter 5.01.

2. Agreement Duration, Conditions and Extension

2.1 This Agreement shall be non-exclusive and revocable pursuant to Section 6 of this Agreement, and shall be in force and effect from the date first written above until October 21, 2018.

2.2 All applicable provisions of Clark County Code, as amended from time to time, and all provisions of this Agreement shall be binding upon the Licensee, its successors, or assignees. In the event of any conflict between

any provisions in Clark County Code, as amended from time to time, and any provisions of this Agreement, the Code provision shall control; provided that, to the extent the Code provision materially changes the obligations or liabilities of Licensee, Licensee may terminate this License Agreement by providing the County with thirty (30) days' written notice. The Licensee's giving of such notice of termination constitutes Licensee's agreement that, its facilities installed in rights-of-way are abandoned and subject to removal as provided in Clark County Code Chapter 5.01.

- 2.3 Licensee shall not knowingly permit use by other persons of its facilities located in 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. Licensee shall not permit another person to install its own facilities in, on, along, above or below the Licensee's facilities.
- 2.4 Licensee is hereby licensed, during the term of this Agreement, to install, operate and maintain its facilities in the specific rights-of-way identified in the map attached hereto, labeled Exhibit B and made a part of this Agreement by reference, and pursuant to Clark County Code Title 5. On the effective date of this Agreement, Licensee shall provide the County with the location of the facilities Licensee will install in County rights-of-way during the first 12-month period of this Agreement, of which it is aware at that time.
- 2.5 Licensee may apply to expand its license to include additional rights-of-way by submitting in writing to the County Manager a request to amend the Agreement. Such a request shall include an amendment to the map labeled as Exhibit B, identifying rights-of-way approved in this Agreement and the expanded rights-of-way being requested. The County Manager may approve a request for expansion of license based on rights-of-way availability, street cut limitations, and public improvements planned in the rights-of-ways requested.
- 2.6 Licensee acknowledges that this Agreement is for installation of facilities in rights-of-way only, and that installation in, on, along, above or below other County property may be permitted only through separate agreement and payment of rental fees.
- 2.7 Licensee acknowledges that this Agreement is for installation of facilities in the rights-of-way as identified in Exhibit B to provide interconnectivity for its data center colocation facilities located at 7135 S. Decatur Boulevard and, other than Licensee's customers, does not authorize Licensee, or permit the use by other persons, to provide any other services,

without first amending this Agreement or applying for a franchise agreement and complying with the provisions of NRS 709.050 through 709.170.

2.8 In the event that the Licensee receives a franchise granted by the County Commission to construct, maintain and operate its facilities in the rights-of-way of the County, the provisions of this Agreement shall be superseded by the terms and conditions of the franchise so granted.

2.9 Licensee is responsible for the maintenance and upkeep of any Licensee's above surface facilities located immediately adjacent to the rights-of-way granted by this Agreement.

3. Licensee's Work in County Rights-of- Way

The Licensee shall, in the installation, construction, operation, maintenance, reconstruction, removal, relocation or abandonment of its facilities in the County's rights-of-way, comply with all applicable provisions of Clark County Code Title 5 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. Rights-Of-Way License Payments and Fees

The Licensee shall pay to the County an annual rental fee of the greater of \$1,500 or \$1.50 for each linear foot of rights-of-way in, on, along, above or below which Licensee has installed its facilities under this Agreement. The annual rental fee shall be subject to annual adjustment based on the change in the annual average of the All Urban Consumers Price Index (CPI-U) for the previous calendar year. The adjustment of the annual rental fee shall apply to the annual rental fee that is due on or after July 1 of each year following the calendar year that determined the rate increase. Licensee shall pay all payments and fees assessed in accordance with its County business license pursuant to Clark County Code Title 6, as amended from time to time.

5. Rights-Of-Way License Reporting

Each year during the term of this Agreement, within thirty (30) days of the anniversary date of this Agreement, the Licensee shall submit a written report to the County's Director of Business License which shall be deemed confidential,

shall be maintained by the Director of Business License in a confidential file, and shall be made available only to County officers and employees in the performance of their duties. In addition to any reporting requirements of Clark County Code Title 5, the written report shall include the following information:

- 5.1 The number of linear feet of County rights-of-way in, on, along, above or below which the Licensee has installed its facilities during the previous 12-month period. The information shall include copies of encroachment permits, as-built maps indicating stationing and actual lengths of facilities installed, and any other relevant information necessary to verify the number of linear feet claimed.
- 5.2 A list of persons who used the Licensee's facilities in rights-of-way to provide subscription services during the previous 12-month period, of which the Licensee was not aware at time of previous year's reporting and thus did not report
- 5.3 The location of facilities to be installed in authorized County rights-of-way, pursuant to Exhibit B, during the next 12-month period of the Agreement, of which the Licensee is aware at time of reporting.

Upon verification, the Director of Business License shall issue an invoice to the Licensee for annual rental of County rights-of-way in which Licensee has installed its facilities, including current year's and past years' installations, at the rate per linear foot specified in Section 4. The rental fee shall be delivered to the Director of Business License, and made payable to the Clark County Department of Business License, within thirty (30) days of date of invoice.

6. Revocation and Penalties

- 6.1 After providing notice and an opportunity for the Licensee to be heard and
and
a reasonable opportunity to cure, the County Commission may impose fines or penalties upon the Licensee in an amount deemed appropriate by the County Commission, but not exceeding the amount of the security deposit established in Section 9 of this Agreement, if the County Commission finds that the Licensee has failed to comply with the provisions of this Agreement or applicable provisions of Clark County Code Titles 5 and 6. Any such fines or penalties shall be due within thirty (30) days of written notification by County, made payable to the County Treasurer, and delivered to the County's Director of Business License at the County's address indicated in Section 13 of this 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, Licensee hereby grants the County authorization to deduct the 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 Agreement and Clark County Code Title 5. If at any time the County has drawn upon such security deposit, the Licensee 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 Agreement.

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

7. Transfers and Assignments

The terms and conditions for transfer and assignment of Rights-of-Way License Agreements pursuant to Clark County Code Chapter 5.01 shall apply to this Agreement. Transfer or assignment of control of this Agreement shall be subject to the same provisions as transfer and assignment of the license itself pursuant to Clark County Code Chapter 5.01.

8. Indemnification

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

9. Insurance and Security for Performance

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

9.2 The Licensee shall provide to the Director of Business License security for performance pursuant to Clark County Code Chapter 5.01, in the amount of twenty-five thousand dollars (\$25,000). Licensee hereby grants the County authorization to deduct assessed fines or penalties

and late charges, if any, pursuant to Section 6 of this Agreement and 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 Clark County Code Title 5 and as it may be amended. The County expressly reserves the right to amend this 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 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 Agreement. It is the intent of the Licensee in requesting this Agreement and the County Commission in approving this 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 Agreement are declared to be severable.

12. Gifts

No officer or employee of Licensee 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

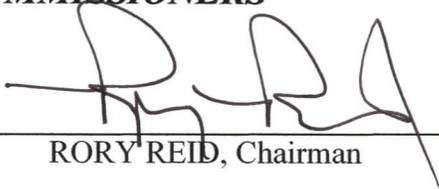
All notices shall be sent to the County or the Licensee at the addresses indicated below. The Licensee shall notify the County's Director of Business License of any change of address within ten (10) working days of such occurrence. Failure to provide notification, and any resulting delay in receipt of notice, shall not excuse the Licensee from any obligation imposed by this 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 Business License
500 S. Grand Central Pkwy, 3rd Fl.
P.O. Box 551810
Las Vegas, NV 89155-1810
(702) 455-4252

LICENSEE:
Switch Business Solutions, LLC
P.O. Box 42250
Las Vegas, NV 89116
(702) 444-4112

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

SWITCH BUSINESS SOLUTIONS, LLC

By: 
Name: ROB ROY
Title: Manager

EXHIBIT A

September 3, 2008

Clark County Administrative Services
Franchise Services Division
500 S. Grand Central Parkway, 6th Floor
Las Vegas, NV 89155-1712

Re: Clark County Franchise Application

Dear Sir/Madam,

I am writing today in connection with the application by Switch Business Solutions, LLC ("SBS") to Clark County for a Rights-of-Way License Agreement (the "License Agreement"). The License Agreement would permit SBS to install fiber optic cable within certain public rights of way located in the Beltway Business Park in Las Vegas, Nevada (the "Licensed Area").

SBS's parent company, Switch Communications Group L.L.C. ("Switch"), is the owner of an existing data center located at 4495 East Sahara Ave., Las Vegas, Nevada, 89104 and commonly known as "NAP4." Switch is also constructing a new data center located at 7135 South Decatur Blvd., Las Vegas, Nevada 89118 and commonly known as "NAP7". The purpose of the requested License Agreement is to facilitate the installation of fiber optic cable interconnecting NAP4 and NAP7.

SBS is licensed by the Clark County Business License Department to provide internet and data services within Clark County (license no. 2000067-413-103).

SBS has no agreements or understandings with respect to SBS acting as an agent or representative of another person regarding the Licensed Area.

SBS is a limited liability company organized under the laws of the State of Nevada. The following is a list of certain current officers: Rob Roy, Chief Executive Officer; Jeff Ames, Chief Technology Officer; Darren Adair, Chief Financial Officer; Thomas Morton, General Counsel.

None of the officers of SBS or Switch has had a franchise or rights-of-way license declined, suspended or revoked.

Switch Business Solutions, LLC
P.O. Box 42260, Las Vegas, NV 89116

Phone: 702-444-4000

Fax 702-444-9546

4495 E. Sahara Avenue, Las Vegas, NV 89104

**Clark County Administrative Services
Franchise Services Division
September 3, 2008
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No persons at this time will be using SBS's facilities within the License Area to provide subscription service.

Rob Roy, Chief Executive Officer, makes this application on behalf of SBS. The License Agreement is to be exercised within Las Vegas, Nevada.

SBS respectfully requests that the security for performance bond be set by the Clark County Board of Commissioners at twenty-five thousand dollars (\$25,000). This is SBS' first application for a License Agreement and it is for a small area. SBS does not plan to make any additional requests of this nature in the foreseeable future.

Thank you for your time and consideration of this application.

Respectfully submitted,

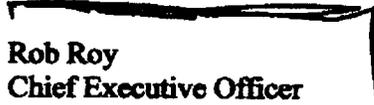
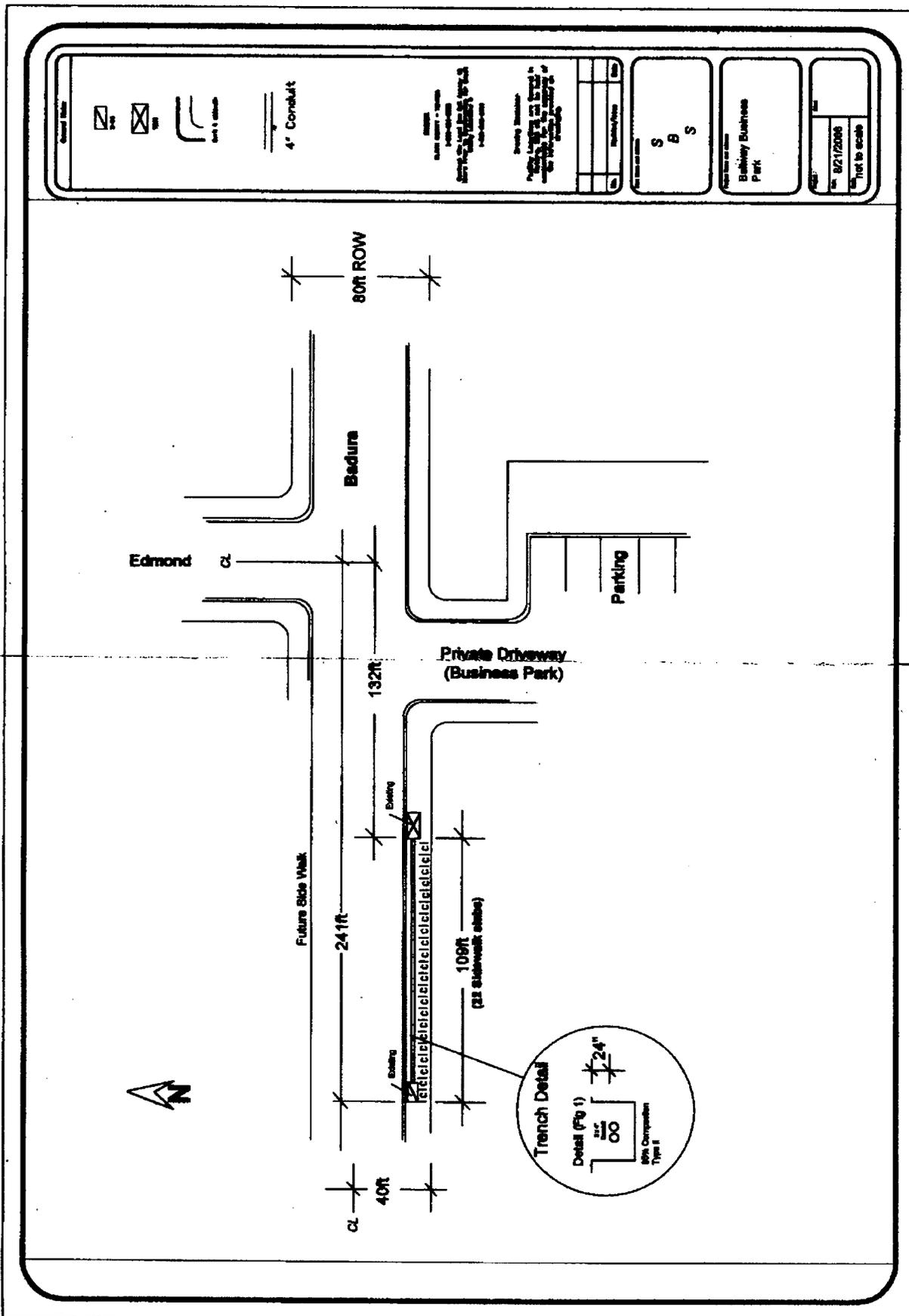

**Rob Roy
Chief Executive Officer
Switch Business Solutions, LLC**

EXHIBIT B



 4" Conduit	NOTES: 1. ALL TRENCHES TO BE 24" WIDE. 2. ALL TRENCHES TO BE 6" DEEP. 3. ALL TRENCHES TO BE 6" DEEP. 4. ALL TRENCHES TO BE 6" DEEP.	<table border="1"> <tr><th>No.</th><th>Material/Notes</th><th>Qty</th></tr> <tr><td> </td><td> </td><td> </td></tr> </table>	No.	Material/Notes	Qty				<table border="1"> <tr><td> </td><td>S</td></tr> <tr><td> </td><td>B</td></tr> <tr><td> </td><td>S</td></tr> </table>		S		B		S	Project Name: Ballway Business Park	Date: 8/21/2008 Not to scale
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