

**CLARK COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM**

Issue: NextG Networks Wireless Use Agreement	Back-up:
Petitioner: Donald G. Burnette, Chief Administrative Officer	Clerk Ref. #
Recommendation: That the Board of County Commissioners approve and authorize the Chairman to sign a Wireless Use Agreement between Clark County and NextG Networks of California, Inc., dba NextG Networks West, allowing NextG to install its antennas on County streetlight poles to provide telecommunications services for a period of five years.	

FISCAL IMPACT:

A use fee of 5% of gross revenue and streetlight pole rental fee of \$500 per pole per year shall be deposited into the General Fund.

BACKGROUND:

NextG Networks is a wireless communications service common carrier that installs antennas on streetlight poles and leases its system to wireless communications service providers as a backup to their systems. Under the Telecommunications Act of 1996, wireless providers have a right to install their facilities in public rights-of-way just as wired communications service providers do.

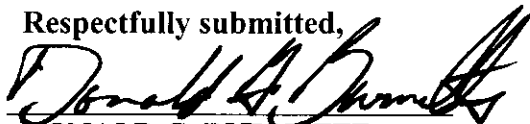
NextG has requested that it be allowed to use space on public streetlight poles rather than install its own poles in rights-of-way. The County and Cities of Las Vegas, Henderson and North Las Vegas have been meeting with NextG to jointly develop a draft agreement. Public Works staff of the jurisdictions has determined that using public streetlight poles, where feasible, would be preferable to having additional poles installed in rights-of-way.

The agreement will allow NextG to install its antennas on a maximum of 12 streetlight poles per square mile. In exchange, NextG will pay the County \$500 per year for each pole it uses, plus 5% of its gross revenue collected in the County. The terms of this agreement are similar to agreements entered into by other municipalities, such as San Diego, CA.

The Board is requested to approve the attached Wireless Use Agreement with NextG Networks.

APPROVED/AUTHORIZED AS RECOMMENDED

Respectfully submitted,



DONALD G. BURNETTE
Chief Administrative Officer

Cleared for Agenda

1/17/06 dsu

/RHH:dsu

Agenda
Item #

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WIRELESS USE AGREEMENT

THIS WIRELESS USE AGREEMENT (the "Agreement") is dated as of January 17, 2006 (the "Effective Date"), and entered into by and between the County of Clark, a political subdivision of the State of Nevada (the "County"), and NextG Networks of California, Inc., a Delaware corporation, dba NextG Networks West ("NextG").

Recitals

A. WHEREAS, the County is the owner of Streetlight Poles (as defined in §1.15, below) located in the Rights-of-Way of the unincorporated County; and

B. WHEREAS, NextG desires to use space on certain of the County's Streetlight Poles for construction, operation and maintenance of its telecommunications Network (as defined in §1.11, below) serving NextG's wireless customers and utilizing Equipment (as defined in §1.7, below), certified by the Federal Communications Commission ("FCC") and in accordance with FCC rules and regulations; and

C. WHEREAS, for the purpose of operating the Network, NextG wishes to locate, place, attach, install, operate, control, and maintain Equipment on the Streetlight Poles in the ROW (as defined in §1.14, below), owned by the County, and on other facilities owned by third parties; and

D. WHEREAS, NextG is willing to compensate the County in exchange for a grant and right to use and physically occupy portions of the Streetlight Poles.

Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to the following covenants, terms, and conditions:

1. DEFINITIONS. The following definitions shall apply generally to the provisions of this Agreement:

1.1 *Affiliate.* Affiliate means each person or entity which falls into one or more of the following categories: (a) each person or entity having, directly or indirectly, a controlling interest in NextG; (b) each person or entity in which NextG has, directly or indirectly, a controlling interest; or (c) each person or entity that, directly or indirectly, is controlled by a third party which also directly or indirectly controls NextG. An "Affiliate" shall in no event mean any creditor of NextG solely by virtue of its status as a creditor and which is not otherwise an Affiliate by reason of owning a controlling interest in, being owned by, or being under common ownership, common management, or common control with, NextG.

1.2 Assignment or Transfer. “Assignment” or “Transfer” means any transaction in which: (a) any ownership or other right, title or interest of more than 10% in NextG or its Network is transferred, sold, assigned, leased or sublet, directly or indirectly, in whole or in part; (b) there is any change or transfer of control of NextG or its Network; (c) the rights and/or obligations held by NextG under this Agreement are transferred, directly or indirectly, to another party; or (d) any change or substitution occurs in the managing general partners of NextG, if applicable. An “Assignment” shall not include a mortgage, pledge or other encumbrance as security for money owed.

1.3 County. “County” means the County of Clark, a political subdivision of the State of Nevada.

1.4 Commence Installation. “Commence Installation” shall mean the date that NextG commences to install its Network, or any expansion thereof, in County ROW.

1.5 Commence Operation. “Commence Operation” shall mean the date that Equipment is installed and operational by NextG pursuant to this Agreement.

1.6 Decorative Streetlight Pole. “Decorative Streetlight Pole” shall mean any streetlight pole that: (a) is made from a material other than metal; or (b) incorporates artistic design elements not typically found in standard metal streetlight poles. Decorative Streetlight Poles may not be used for the Network without prior written approval by County. The term Decorative Streetlight Pole includes any historically or architecturally significant or designated streetlight poles owned by the County located in ROW.

1.7 Equipment. “Equipment” means the optical repeaters, Wave Division Multiplexers, antennae, fiber optic cables, wires, and related equipment, whether referred to singly or collectively, to be installed and operated by NextG hereunder. All Equipment and installation configurations that have been pre-approved by the County are shown in the drawings and photographs attached hereto as **Exhibit A** and incorporated herein by reference. Any Equipment and installation configuration not contained within **Exhibit A** must receive additional written approval by the County Manager before it may be used on any County Municipal Facility or placed on or in the ROW.

1.8 Gross Revenue. “Gross Revenue” shall mean and include any and all income and other consideration of whatever nature in any manner gained or derived by NextG or its Affiliates from or in connection with the provision of Telecommunications Services (as defined in §1.16, below), either directly by NextG or indirectly through its Affiliates, to customers of such Telecommunications Services within the County, including any imputed revenue derived from commercial trades and barter equivalent to the full retail value of goods and services provided by NextG. Gross Revenue shall not include: (a) sales, ad valorem, or other types of “add-on” taxes, levies, or fees calculated by gross receipts or gross revenues which might have to be paid to or collected for federal, state, or local government (b) non-collectable amounts due NextG or its Affiliates; (c) refunds

or rebates; and (d) non-operating revenues such as interest income or gain from the sale of an asset.

1.9 Laws. “Laws” means any and all statutes, constitutions, ordinances, resolutions, regulations, judicial decisions, rules, tariffs, administrative orders, certificates, orders, or other requirements of the County or other governmental agency having joint or several jurisdiction over the parties to this Agreement as such laws may be amended from time to time.

1.10 Municipal Facilities. “Municipal Facilities” means County-owned Streetlight Poles, Decorative Streetlight Poles, lighting fixtures, or electroliers located within the ROW and may refer to such facilities in the singular or plural, as appropriate to the context in which used. Municipal Facilities does not include traffic signal poles or school zone flashers, or any related appurtenances.

1.11 Network. “Network” or collectively “Networks” means one or more of the neutral-host, protocol-agnostic, fiber-based optical repeater networks operated by NextG to serve its customers in the County.

1.12 NextG. “NextG” means NextG Networks of California, Inc., a corporation duly organized and existing under the laws of the State of Delaware, dba NextG Networks West, and its lawful successors, assigns, and transferees, registered with the PUCN as a Telecommunications Services provider.

1.13 PUCN. “PUCN” means the Public Utilities Commission of Nevada.

1.14 Rights-of-Way. “Rights-of-Way” or “ROW” means public property including air space, dedicated, granted, held, prescriptively used, or authorized by patent of the United States of America, for County public street and public utility purposes, except as limited by any underlying grant, including rights-of-way granted by the United States Bureau of Land Management, United States Bureau of Reclamation or the Nevada Department of Transportation, and except public streets predominantly used for public freeway or expressway purposes, including without limitation the Clark County 215 Bruce Woodbury Beltway.

1.15 Streetlight Pole. “Streetlight Pole” shall mean any standard-design metal pole that has a mast arm for the support of a light fixture, is owned by the County and is used for street lighting purposes. Streetlight Pole does not include traffic signal poles, school zone flashers, or any related appurtenances nor any pole supporting a streetlight that is made from any material other than metal.

1.16 Telecommunications Services. “Telecommunications Services” or “Services” has the same meaning as that term is defined in the United States Code, 47 U.S.C. 153(46).

2. TERM. This Agreement shall be effective as of the Effective Date and shall extend for a term of five years, unless it is earlier terminated by either party in accordance with the provisions herein. The parties may upon mutual agreement extend the term of this Agreement for one additional term of five years on the same terms and conditions as set forth herein, provided that NextG is not in default of any of its obligations under this Agreement at the time of renewal.

3. REPRESENTATION CONCERNING SERVICES; TERMINATION WITHOUT CAUSE. NextG acknowledges that its rights to use the ROW under this Agreement arise out of its status under Title 47 of the United States Code as a provider of Telecommunications Services, and NextG represents that it will at all times remain a provider of Telecommunications Services as so defined. At any time that NextG ceases to operate as a provider of Telecommunications Services under Federal law, the County shall have the option, in its sole discretion and upon six months' written notice to NextG, to terminate this Agreement and to require the removal of NextG's Equipment from the ROW and from Municipal Facilities, including the cost of any site remediation, at no cost to the County, without any liability to NextG related directly or indirectly to such termination.

4. SCOPE OF AGREEMENT. Any and all rights expressly granted to NextG under this Agreement, which shall be exercised at NextG's sole cost and expense, shall be subject to the prior and continuing right of the County under applicable Laws to use any and all parts of the ROW exclusively or concurrently with any other person or entity and shall be further subject to all deeds, easements, dedications, conditions, covenants, restrictions, encumbrances, and claims of title of record which may affect the ROW. Nothing in this Agreement shall be deemed to grant, convey, create, or vest in NextG a real property interest in land, including any fee, leasehold interest, or easement.

4.1 Attachment to Municipal Facilities. NextG will submit to the authorized representative of the County a proposed design for any proposed Network or Networks that will include Equipment and Municipal Facilities NextG proposes to use. Once the County verifies that the Equipment proposed in the design complies with the pre-approved configurations and the Equipment specifications set forth in **Exhibit A**, the County will identify those Municipal Facilities to which NextG can attach its Equipment.

4.1.1 If adequate Municipal Facilities do not exist for the attachment of Equipment, NextG will be required to install its Equipment on other poles in the ROW lawfully owned and operated by third parties or on its own poles.

4.1.2 NextG shall not attach its Equipment to more than a total of 12 streetlight poles in the ROW within one square mile, regardless of whether such streetlight poles are owned by the County, NextG or third parties.

4.1.3 Subject to the conditions herein, the County hereby authorizes and permits NextG to enter upon the ROW and to locate, place, attach, install, operate, maintain, control, remove, reattach, reinstall, relocate, and replace Equipment in or on identified Municipal Facilities for the purposes of operating the Network and providing Telecommunications Services.

4.1.4 NextG will be solely responsible for establishing electrical power services for all of its Equipment and for the payment of all electrical utility charges to the applicable utility company based upon the Equipment's usage of electricity and applicable tariffs. Electrical energy from Municipal Facilities will not be used to power Equipment. NextG shall not connect its Equipment to nor draw any power from any traffic signal device or school zone flasher.

4.1.5 A denial of an application for the attachment of Equipment to Municipal Facilities shall not be based upon the size, quantity, shape, color, weight, configuration, or other physical properties of NextG's Equipment if the Equipment proposed for such application conforms to one of the pre-approved configurations and the Equipment specifications set forth in **Exhibit A**, except that Equipment must conform as closely as practicable with the design and color of the Municipal Facility.

4.1.6 If NextG selects a Municipal Facility that is structurally inadequate to accommodate Equipment, NextG may at its sole cost and expense replace the Municipal Facility with one that is acceptable to and approved by the County and dedicate such Municipal Facility to the County.

4.1.7 NextG may apply to the County to expand its initial Network installation through the same process as specified in this §4.1.

4.1.8 In the event of an emergency or to protect the public health or safety, prior to the County accessing or performing any work on a Municipal Facility on which NextG has installed Equipment, the County may require NextG to deactivate such Equipment if any of County's employees or agents must move closer to the Equipment than the recommended one foot minimum distance. In such case, County will contact NextG at the contact telephone number referenced in §14.3 herein to request immediate deactivation. If NextG fails to respond in a timely manner, depending on the nature of the emergency, County may deactivate said Equipment to perform necessary work with no liability to County.

4.2 Attachment to Third-Party Property. Subject to obtaining the written permission of the owner(s) of the affected property, the County hereby authorizes and permits NextG to enter upon the ROW and to attach, install, operate, maintain, remove, reattach, reinstall, relocate, and replace such number of Equipment in or on poles or other structures lawfully owned and operated by public utility companies or other property owners located within or outside the ROW as may be permitted by the public utility company or property owner, as the case may be. NextG shall furnish to the County documentation in a form acceptable to the County of such permission from the individual utility or property owner responsible. A denial of an application for the attachment of Equipment to third-party-owned poles or structures, or installation of NextG's own poles, in the ROW shall not be based upon the size, quantity, shape, color, weight, configuration, or other physical properties of NextG's Equipment if the Equipment

proposed for such application conforms to one of the pre-approved configurations and the Equipment specifications set forth in **Exhibit A**, except that Equipment must conform as closely as practicable with the design and color of existing poles in the vicinity of NextG's Equipment and/or pole location.

4.3 Preference for Municipal Facilities. In any situation where NextG has a choice of attaching its Equipment to either Municipal Facilities or third-party-owned property in the ROW, NextG agrees to attach to the Municipal Facilities, provided that (a) such Municipal Facilities are at least equally suitable functionally for the operation of the Network and (b) the use fee and installation costs associated with such attachment over the length of the term are equal to or less than the fee or cost to NextG of attaching to the alternative third-party-owned property. In the event that no suitable Municipal Facilities or third-party-owned poles are functionally suitable, NextG may, at its sole cost and expense, install its own poles. Design, location and height of proposed NextG poles shall be reviewed and subject to administrative approval by the County prior to installation. NextG's Equipment and poles must conform as closely as practicable with the design and color of poles existing in the vicinity of NextG's Equipment or pole location. NextG will be responsible for all maintenance, repair and liability for all poles installed by NextG in the ROW.

4.4 No Interference. NextG in the performance and exercise of its rights and obligations under this Agreement shall not interfere in any manner with the existence and operation of any and all public and private rights-of-way, sanitary sewers, water mains, storm drains, gas mains, poles, aerial and underground electrical and telephone wires, traffic signals, communication facilities, electroliers, cable television, location monitoring services, public safety and other telecommunications, utility, or municipal property, without the express written approval of the owner or owners of the affected property or properties, except as permitted by applicable Laws or this Agreement.

4.5 Permits; Default. Whenever NextG is in default in any of its obligations under this Agreement, County may deny further encroachment, excavation or similar permits until such time as NextG cures all of its defaults.

4.6 Compliance with Laws. NextG shall comply with all applicable Laws in the exercise and performance of its rights and obligations under this Agreement.

4.7 No Authorization to Provide Other Services. NextG represents, warrants and covenants that its Equipment installed pursuant to this Agreement will be utilized solely for providing the Telecommunications Service identified herein and NextG is not authorized to and shall not use its Equipment to offer or provide any other services not specified herein.

4.8 Nonexclusive Use Rights. Notwithstanding any other provision of this Agreement, any and all rights expressly or impliedly granted to NextG under this Agreement shall be non-exclusive, and shall be subject and subordinate to (1) the continuing right of the County to use, and to allow any other person or persons to use, any and all parts of the ROW or Municipal Facilities, exclusively or concurrently with

any other person or persons, and (2) the public easement for streets and any and all other deeds, easements, dedications, conditions, covenants, restrictions, encumbrances and claims of title (collectively "Encumbrances") which may affect the ROW or Municipal Facilities now or at any time during the term of this Agreement, including, without limitation any Encumbrances granted, created or allowed by the County at any time.

5. COMPENSATION. NextG shall be solely responsible for the payment of all lawful fees in connection with NextG's performance under this Agreement, including those set forth below.

5.1 Use Fee. In order to compensate the County for NextG's entry upon and deployment of Equipment within the ROW or on any Municipal Facilities, NextG shall pay to the County, on a semiannual basis, an amount equal to five percent (5%) of Gross Revenues (the "Use Fee") collected during the six-month period ending June 30 and December 31 of each year. NextG shall make any payment of the Use Fee that may be due and owing within forty-five (45) days after June 30 and December 31 of each year. Within forty-five (45) days after the termination of this Agreement, the Use Fee shall be paid for the period elapsing since the end of the last semiannual period for which the Use Fee has been paid and for any past due amounts. NextG shall furnish to the County with each payment of the Use Fee a statement, executed by an authorized officer of NextG or his or her designee, showing the amount of Gross Revenues for the period covered by the payment. If NextG discovers any error in the amount of compensation due, the County shall be paid within thirty (30) days of discovery of the error or determination of the correct amount. Any overpayment to the County through error or otherwise shall be refunded or offset against the next payment due. Acceptance by the County of any payment of the Use Fee shall not be deemed to be a waiver by the County of any breach of this Use Agreement occurring prior thereto, nor shall the acceptance by the County of any such payments preclude the County from later establishing that a larger amount was actually due or from collecting any balance due to the County.

5.2 Municipal Facilities Quarterly Fee. NextG shall pay to the County a quarterly fee (the "Municipal Facilities Quarterly Fee") in the amount of One Hundred Twenty-five Dollars (\$125.00) for the use of each Municipal Facility, if any, upon which Equipment has been installed pursuant to this Agreement. The aggregate Municipal Facilities Quarterly Fee with respect to each calendar quarter of a year during the term shall be an amount equal to the total number of Municipal Facilities to which Equipment is attached at any time during the preceding calendar quarter multiplied by the Municipal Facilities Quarterly Fee and shall be due and payable not later than forty-five (45) days after each calendar quarter. County represents and covenants that County owns all Municipal Facilities for the use of which it is collecting from NextG the Municipal Facilities Quarterly Fee pursuant to this §5.2. The County and NextG may by mutual written consent agree upon the provision of NextG services to the County in lieu of payment of the Municipal Facilities Quarterly Fee and/or ROW Use Fee.

5.3 CPI Adjustment. Effective commencing on the first anniversary of the Effective Date and continuing annually thereafter during the term, the Municipal Facilities Quarterly Fee shall be adjusted by a percentage amount equal to the percentage of change

in the Annual Average Consumer Price Index, All Urban Consumers for All Items, U.S. City Average (1982–84=100), for the most recently completed calendar year as compared to the previous calendar year, as published by the U.S. Department of Labor, Bureau of Labor Statistics, Washington, D.C.

5.4 Business License Fee. The Use Fee in Subsection 5.1 of this Section includes any business license fee based on Gross Revenues pursuant to the applicable business licensing provisions of Clark County Code Title 6.

5.5 Services to County. NextG agrees that at all times during the term of this Agreement it shall reserve, at no cost to the County, one wavelength of capacity in the fiber owned or operated by NextG in the County for the County's exclusive use in operating a noncommercial, County-owned Wi-Fi network or for any other noncommercial, County-operated data network, traffic signal communication, or other communications function.

5.6 Payment. The Municipal Facilities Quarterly Fee and Use Fee shall be paid by check made payable to the Department of Business License and mailed or delivered to the Director of Business License, at the address provided for in Section 10 below. The place and time of payment may be changed at any time by County upon 30 days' written notice to NextG. Mailed payments shall be deemed paid upon the date such payment is postmarked by the postal authorities. If postmarks are illegible to read, the payment shall be deemed paid upon actual receipt by the County's Director of Business License. NextG assumes all risk of loss and responsibility for late payment charges if payments are made by mail.

5.7 Delinquent Payment. If NextG fails to pay any amounts due for Municipal Facilities Quarterly Fees within 30 days from the due date, NextG will pay, in addition to the unpaid fees, a sum of money equal to two percent of the amount due, including penalties and accrued interest, for each month and/or fraction thereof during which the payment is due and unpaid. If NextG fails to timely pay any Use Fees or business license fees, NextG will pay interest and penalties on such delinquent fees as specified by the applicable provisions of Clark County Code Title 6.

5.8 Additional Remedies. The remedy provisions set forth in §5.6 above are not exclusive, and do not preclude the County Manager or designee from pursuing any other or additional remedy in the event that payments become overdue by more than 60 days.

6. CONSTRUCTION. NextG shall comply with all applicable federal, State, and County technical specifications and requirements and all applicable State and local codes related to the construction, installation, operation, maintenance, and control of NextG's Equipment installed in the ROW and on Municipal Facilities in the County. NextG shall not attach, install, maintain, or operate any Equipment in or on the ROW and/or on Municipal Facilities without the prior written approval of an authorized representative of the County for each location, which approval shall not be unreasonably withheld or delayed.

6.1 Commencement of Installation and Operation. NextG shall Commence Installation of its initial Network approved by the County no later than six months after the date of issuance of the County permit to install NextG's initial Equipment Network and shall Commence Operation no later than 12 months after said permit date. Failure to Commence Operation of the initial Network within 12 months from said permit date shall be considered a default of a material covenant or term of this Agreement. In any case, NextG shall Commence Installation of its initial Network no later than two years after the Effective Date. Upon approval of any expansion of NextG's Network pursuant to Section 4 above, NextG shall Commence Installation of the approved expansion of its Network no later than six months after the approval date of such expansion by County and shall Commence Operation of the expansion no later than 12 months after the approval date by County.

6.2 Obtaining Required Permits. The attachment, installation, or location of the Equipment in the ROW shall require permits from the County. NextG shall apply for the appropriate permits and pay any standard and customary permit fees. County shall promptly respond to NextG's requests for permits and shall otherwise cooperate with NextG in facilitating the deployment of the Network in the ROW in a reasonable and timely manner. Permit conditions may include, without limitation, (a) approval by the County of traffic control plans prepared by NextG for NextG's work in County ROW, (b) approval by the Nevada Department of Transportation (NDOT) of traffic control plans prepared by NextG for NextG's work within ROW controlled by NDOT, and (c) adherence to time restrictions for work in streets as specified by the County and/or NDOT.

6.3 Location of Equipment. The proposed locations of NextG's planned initial installation of Equipment shall be provided to the County in the form of a map or on an annotated aerial photograph, either of which must be in a format acceptable to the County, promptly after NextG's field review of available Streetlight Poles and prior to deployment of the Equipment. Prior to Commencement of Installation of the Equipment in the ROW or upon any Municipal Facility, NextG shall obtain written approval from an authorized representative of the County for such installation in the ROW or upon such Municipal Facility from the County pursuant to §6.2 above. The County may approve or disapprove a location and installation, based upon reasonable regulatory factors, including but not limited to the ability of the Municipal Facility to structurally support the Equipment, the location of other present or future communication facilities, efficient use of scarce physical space to avoid premature exhaustion, potential interference with other communication facilities and services, the public safety and other critical services; provided however, that approval shall not be unreasonably conditioned, delayed, or withheld. Upon the completion of each installation, NextG promptly shall furnish to the County a current Streetlight Pole list and as-built map or annotated aerial photograph, either of which must be in a format acceptable to the County, showing the exact location of the Equipment in the ROW and on Municipal Facilities or third-party facilities.

6.4 Zoning Height Restrictions. Notwithstanding anything to the contrary in this Agreement (including the specifications attached hereto at **Exhibit A**), no portion of

NextG's Equipment shall extend higher than 24 inches above the height of any existing structure. In the case of a new installation by NextG, the overall height of NextG's pole and equipment shall not exceed 35 feet above grade unless otherwise approved by the County.

6.5 Street Furniture Cabinets. NextG understands that above-ground street furniture and equipment cabinets located in the ROW are discouraged and generally prohibited as a matter of County policy and that any such installation of above-ground street furniture or equipment cabinets will be required to be placed in an easement on private property adjacent the ROW, and will require additional approvals and/or permitting under applicable ordinances. Notwithstanding anything in the foregoing, the installation of below-ground vaults shall be allowed within the ROW pursuant to applicable provisions of Title 30 of the Clark County Code and provided that NextG will be responsible for all costs associated with such below-ground vaults, including without limitation relocation costs of any public improvements or public utilities facilities. NextG agrees to comply with the County's current ordinances regarding such installations as well as any future regulations that may be adopted by the County respecting such installations. In no instance shall the installation of any of NextG's Equipment or any appurtenant structures block pedestrian walkways in ROW or result in violation of the Americans with Disabilities Act, or obstruct sight visibility as defined by County ordinance or Regional Transportation Commission of Southern Nevada standard drawings.

6.6 Visual Impact of Cross-Arm Installations. NextG agrees that, in order to minimize the visual impact of its attachments on utility poles, in any instance where a cross-arm is set on a utility pole as the locus for attachment of Equipment, NextG shall use its best efforts to work with the applicable third parties to ensure that such Equipment shall be attached at the point on the cross-arm that is acceptable to the County. If, however, the third party does not accommodate the County's request, NextG shall be allowed to attach in whatever fashion is required by the third party.

6.7 Relocation and Displacement of Equipment. NextG understands and acknowledges that County may require NextG to relocate one or more of its Equipment installations. NextG shall at County's direction relocate such Equipment at NextG's sole cost and expense whenever County reasonably determines that the relocation is needed for any of the following purposes: (a) if required for the construction, modification, completion, repair, relocation, or maintenance of a County or other public agency project; (b) because the Equipment is interfering with or adversely affecting proper operation of County-owned Streetlight Poles, traffic signals, communications, or other Municipal Facilities; or (c) to protect or preserve the public health or safety. In any such case, County shall use reasonable efforts to afford NextG a reasonably equivalent alternate location. If NextG shall fail to relocate any Equipment as requested by the County within a reasonable time under the circumstances in accordance with the foregoing provision, County shall be entitled to remove or relocate the Equipment at NextG's sole cost and expense, without further notice to NextG. NextG shall pay to the County actual costs and expenses incurred by the County in performing any removal work and any storage of

NextG's property after removal within thirty days of the date of a written demand for this payment from the County. To the extent the County has actual knowledge thereof, the County will attempt promptly to inform NextG of the displacement or removal of any Streetlight Pole on which any Equipment is located. If the Municipal Facility is damaged or downed for any reason, and as a result is not able to safely hold the Equipment, the County will have no obligation to repair or replace such Municipal Facility for the use of NextG's Equipment. NextG shall bear all risk of loss as a result of damaged or downed Municipal Facilities pursuant to §6.12 below, and may choose to replace such Municipal Facilities pursuant to the provisions of §4.1.6 above.

6.8 Relocations at NextG's Request. In the event NextG desires to relocate any Equipment from one Municipal Facility to another, NextG shall so advise County. County will use reasonable efforts to accommodate NextG by making another reasonably equivalent Municipal Facility available for use in accordance with and subject to the terms and conditions of this Agreement.

6.9 Damages Caused by NextG. NextG shall, at its sole cost and expense and to the satisfaction of the County: (a) remove, repair or replace any of its Equipment that is damaged, becomes detached or has not been used for Telecommunications Services for a period of more than 90 days; and/or (b) repair any damage to ROW, Municipal Facilities or property, whether public or private, caused by NextG, its agents, employees or contractors in their actions relating to attachment, operation, repair or maintenance of Equipment. If NextG does not remove, repair or replace such damage to its Equipment or to ROW, Municipal Facilities or other property, the County shall have the option, upon 15 days' prior written notice to NextG, to perform or cause to be performed such removal, repair or replacement on behalf of NextG and shall charge NextG for the actual costs incurred by the County. If such damage causes a public health or safety emergency, as determined by the County, the County may immediately perform reasonable and necessary repair or removal work on behalf of NextG and will notify NextG as soon as practicable. Upon the receipt of a demand for payment by the County, NextG shall within 30 days of such receipt reimburse the County for such costs. The terms of this provision shall survive the expiration, completion or earlier termination of this Agreement.

6.10 Change in Equipment. If NextG proposes to install Equipment which is different in any material way from the pre-approved configurations and Equipment specifications attached hereto as **Exhibit A**, then NextG shall first obtain the written approval for the use and installation of the unauthorized Equipment from an authorized representative of the County. In addition to any other submittal requirements, NextG shall provide "load" (structural) calculations for all Streetlight Poles it intends to install in the ROW, notwithstanding original installation or by way of Equipment type changes. The County may approve or disapprove of the use of the different Equipment from the specifications set forth in **Exhibit A**, pursuant to the factors enumerated in §6.3 above, and such approval shall not be unreasonably withheld.

6.11 Removal of Equipment. Upon 60 days' written notice by the County pursuant to the expiration or earlier termination of this Agreement, NextG shall promptly, safely and carefully remove the Equipment from all Municipal Facilities and ROW. Such obligation of NextG shall survive the expiration or earlier termination of this Agreement. If NextG fails to complete this removal work on or before the 60 days subsequent to the issuance of notice pursuant to this Section, then the County, upon written notice to NextG, shall have the right at the County's sole election, but not the obligation, to perform this removal work and charge NextG for the actual costs and expenses, including, without limitation, reasonable administrative costs. NextG shall pay to the County actual costs and expenses incurred by the County in performing any removal work and any storage of NextG's property after removal within thirty days of the date of a written demand for this payment from the County. After the County receives the reimbursement payment from NextG for the removal work performed by the County, the County shall promptly make available to NextG the property belonging to NextG and removed by the County pursuant to this Section at no liability to the County. If the County does not receive reimbursement payment from NextG within such thirty days, or if County does not elect to remove such items at the County's cost after NextG's failure to so remove prior to 60 days subsequent to the issuance of notice pursuant to this Section, or if NextG does not remove NextG's property within 30 days of such property having been made available by the County after NextG's payment of removal reimbursement as described above, any items of NextG's property remaining on or about the ROW, Municipal Facilities, or stored by the County after the County's removal thereof may, at the County's option, be deemed abandoned and the County may dispose of such property in any manner by Law. Alternatively, the County may elect to take title to abandoned property, provided that NextG shall submit to the County an instrument satisfactory to the County transferring to the County the ownership of such property. The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

6.12 Risk of Loss. NextG acknowledges and agrees that NextG bears all risks of loss or damage or relocation or replacement of its Equipment and materials installed in the ROW or on Municipal Facilities pursuant to this Agreement from any cause, and the County shall not be liable for any cost of replacement or of repair to damaged Equipment, including, without limitation, damage caused by the County's removal of the Equipment, except to the extent that such loss or damage was solely caused by the willful misconduct or negligence of the County, including, without limitation, each of its elected officials, department directors, managers, officers, agents, employees, and contractors, subject to the limitation of liability provided in §7.2 below.

7. INDEMNIFICATION AND WAIVER. NextG agrees to indemnify, defend, protect, and hold harmless the County, its commission members, officers, and employees from and against any and all claims, demands, losses, including Streetlight Pole warranty invalidation, damages, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, and all costs and expenses incurred in connection therewith, including reasonable attorney's fees and costs of defense (collectively, the "Losses") directly or proximately resulting from NextG's activities undertaken pursuant to this Agreement, except to the extent arising from

or caused by the sole negligence or sole willful misconduct of the County, its County Commission members, officers, employees, agents, or contractors.

7.1 Waiver of Claims. NextG waives any and all claims, demands, causes of action, and rights it may assert against the County on account of any loss, damage, or injury to any Equipment or any loss or degradation of the Telecommunications Services as a result of any event or occurrence which is beyond the reasonable control of the County.

7.2 Limitation of County's Liability. The County shall be liable only for the cost of repair to damaged Equipment arising from the sole negligence or sole willful misconduct of County, its employees, agents, or contractors and shall in no event be liable for indirect or consequential damages. County's total liability under this Agreement shall be limited to the annual aggregate (Municipal Facilities Quarterly Fee and Use Fee) fees paid by NextG to the County in the year under which such liability arises.

8. SECURITY FOR PERFORMANCE. As security for compliance with the terms of this Agreement and applicable County Code provisions, NextG shall, no later than 10 days after the issuance of the first permit by the County to install an Equipment Network, and prior to any use of the ROW, provide security to the County in the form of either cash deposited with the County, or an irrevocable pledge of certificate of deposit, an irrevocable letter of credit, or a performance bond, payable in each instance to the County, in an amount of \$75,000 to remain in full force and effect for the term of this Agreement, any or all of which may be claimed by the County as payment for fees, liquidated damages and penalties, in accordance with Section 11 of this Agreement, and to recover losses resulting to the County from NextG's failure to perform. If bonds are used to satisfy these security requirements, they shall be in accordance with the following:

- (a) All bonds shall, in addition to all other costs, provide for payment of reasonable attorneys' fees.
- (b) All bonds shall be issued by a surety company authorized to do business in the State of Nevada, and which is listed in the U.S. Department of the Treasury Fiscal Service (Department Circular 570, Current Revision): companies holding certificates of authority as acceptable sureties on federal bonds and as acceptable reinsuring companies.
- (c) NextG shall require the attorney-in-fact who executes the bonds on behalf of the surety to affix thereto a certified and current copy of his or her power of attorney.
- (d) All bonds prepared by a licensed nonresident agent must be countersigned by a resident agent per NRS 680A.300.
- (e) All bonds shall guarantee the performance of all of NextG's obligations under this Agreement and all applicable laws.
- (f) All bonds shall be substantially in the same form as that contained in **Exhibit B** attached hereto or as otherwise approved by the County.

If at any time the County draws upon such performance security, NextG shall within 30 days of notice from the County replenish such performance security to the original minimum amount required by this Section 8. If this Agreement is renewed or otherwise extended beyond its original five-year term, the bond amount required by this Section 8 shall be adjusted based upon the percentage of change in the CPI-U. Bond amount changes shall be effective as of July 1 following the fifth anniversary date of this Agreement, and shall be based upon the percentage change in the CPI-U for the preceding five calendar years.

9. INSURANCE. NextG shall obtain and maintain at all times during the term of this Agreement Commercial General Liability insurance and Commercial Automobile Liability insurance protecting NextG in an amount not less than One Million Dollars (\$1,000,000) per occurrence (combined single limit), including bodily injury and property damage, and in an amount not less than Two Million Dollars (\$2,000,000) annual aggregate for each personal injury liability and products-completed operations. The Commercial General Liability insurance policy shall name the County, its commission members, officers, and employees as additional insureds as respects any covered liability arising out of NextG's performance of work under this Agreement. Coverage shall be in an occurrence form and in accordance with the limits and provisions specified herein. Claims-made policies are not acceptable. Such insurance shall not be canceled, nor shall the occurrence or aggregate limits set forth above be reduced, until the County has received at least 30 days' advance written notice of such cancellation or change. NextG shall be responsible for notifying the County of such change or cancellation.

9.1 Filing of Certificates and Endorsements. Prior to the commencement of any work pursuant to this Agreement, NextG shall file with the County the required original certificate(s) of insurance with endorsements, which shall state the following:

- (a) the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts;
- (b) that the County shall receive 30 days' prior notice of cancellation;
- (c) that NextG's Commercial General Liability insurance policy is primary as respects any other valid or collectible insurance that the County may possess, including any self-insured retentions the County may have; and any other insurance the County does possess shall be considered excess insurance only and shall not be required to contribute with this insurance; and
- (d) that NextG's Commercial General Liability insurance policy waives any right of recovery the insurance company may have against the County.

The certificate(s) of insurance with endorsements and notices shall be mailed to the County at the address specified in §10 below.

9.2 Workers' Compensation Insurance. NextG shall obtain and maintain at all times during the term of this Agreement statutory workers' compensation and employer's liability insurance in an amount not less than One Million Dollars (\$1,000,000) and shall furnish the County with a certificate showing proof of such coverage.

9.3 Insurer Criteria. Any insurance provider of NextG shall be admitted and authorized to do business in the State of Nevada and shall carry a minimum rating assigned by *A.M. Best & Company's Key Rating Guide* of "A" Overall and a Financial Size Category of "X" (*i.e.*, a size of \$500,000,000 to \$750,000,000 based on capital, surplus, and conditional reserves). Insurance policies and certificates issued by non-admitted insurance companies are not acceptable.

9.4 Severability of Interest. Any deductibles or self-insured retentions must be stated on the certificate(s) of insurance, which shall be sent to and approved by the County. "Severability of interest" or "separation of insureds" clauses shall be made a part of the Commercial General Liability and Commercial Automobile Liability policies.

10. NOTICES.

10.1 Method and Delivery of Notices. All notices which shall or may be given pursuant to this Agreement shall be in writing and delivered personally or transmitted (a) through the United States mail, by registered or certified mail, postage prepaid; (b) by means of prepaid overnight delivery service; or (c) by facsimile or email transmission, if a hard copy of the same is followed by delivery through the U. S. mail or by overnight delivery service as just described, addressed as follows:

if to the County:
CLARK COUNTY
Attn: Director of Business License
P.O. Box 551810
Las Vegas, NV 89155-1810

if to NextG:
NEXTG NETWORKS OF CALIFORNIA, INC.
Attn: Contracts Administration
2216 O'Toole Ave.
San Jose, CA 95131

10.2 Date of Notices; Changing Notice Address. Notices shall be deemed given upon receipt in the case of personal delivery, three days after deposit in the mail, or the next business day in the case of facsimile, email, or overnight delivery. Either party may from time to time designate any other address for this purpose by written notice to the other party delivered in the manner set forth above.

11. DEFAULT; CURE; REMEDIES; LIQUIDATED DAMAGES.

11.1 Default and Notification. This Agreement is granted upon each and every condition herein and each of the conditions is a material and essential condition to the granting of this Agreement. Except for causes beyond the reasonable control of NextG, if NextG fails to comply with any of the conditions and obligations imposed hereunder, and if such failure continues for more than 30 days after written demand from the County to commence the correction of such noncompliance on the part of NextG, the County shall have the right to revoke and terminate this Agreement in addition to any other rights or remedies set forth in this Agreement or provided by law.

11.2 Cure Period. If the nature of the violation is such that it cannot be fully cured within 30 days due to circumstances not under NextG's control, the period of time in which NextG must cure the violation may be extended by the County Manager in writing for such additional time reasonably necessary to complete the cure, provided that: (a) NextG has promptly begun to cure; and (b) NextG is diligently pursuing its efforts to cure in the County Manager's reasonable judgment.

11.3 Liquidated Damages.

11.3.1 After providing notice and an opportunity for NextG to be heard and a reasonable opportunity to cure in accordance with this Section, the County Commission may impose liquidated damages in an amount deemed appropriate by the County Commission upon NextG if the County Commission finds that NextG has failed to comply with the provisions of this Agreement or the applicable sections of Clark County Code. Any such liquidated damages shall be due within thirty (30) days of written notification by County and delivered to the Director of Business License at the County's address indicated in Section 10 of this Agreement. A late charge of five percent (5%) of the liquidated damages imposed shall be assessed if the fine or penalty is not paid within thirty (30) days of the written notification.

11.3.2 If liquidated damages which have been imposed by the County Commission are not paid within thirty (30) days from the date of written notification, NextG hereby grants the County authorization to deduct the amount of the liquidated damages plus late charges, if any, from the security deposit or deposits provided for such purposes, pursuant to Section 8 of this Agreement. If at any time the County has drawn upon such security deposit or deposits, NextG shall within thirty (30) days of notification from the County Manager replenish such security deposit or deposits to the original minimum amount established in Section 8 of this Agreement.

11.4 Remedy not Penalty. NextG agrees that any failures in Section 11.3 above shall result in injuries to the County and its citizens and institutions, the compensation for which would be difficult to ascertain and prove, and that the amounts specified in Section 11.3 are liquidated damages, not a penalty or forfeiture.

12. ASSIGNMENT. This Agreement shall not be assigned by NextG without the express written consent of the County, which consent shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, the transfer of the rights and obligations of NextG to an Affiliate or to any successor in interest or entity acquiring 51 percent or more of NextG's stock or assets (collectively "Exempted Transfers") shall not require the consent of the County, provided that NextG reasonably demonstrates to the County's lawfully empowered designee the following criteria (the "Exempted Transfer Criteria"): (a) such transferee will have a financial strength after the proposed transfer at least equal to that of NextG immediately prior to the transfer; (b) any such transferee assumes all of NextG's obligations hereunder, including all obligations and/or defaults under this Agreement occurring prior to the transfer (whether known or unknown), signed by NextG's and its transferee's respective officers duly authorized to do so, on a notarized form approved by the County; (c) the experience and technical qualifications of the proposed transferee, either alone or together with NextG's management team, in the provision of Telecommunications Services, evidences an ability to operate the NextG's Network; (d) the transferee provides the County with a copy of an appropriate certificate of public convenience and necessity from the PUCN authorizing it to operate NextG's Network; and (e) the transferee has a valid County business license. NextG shall give at least 30 days' prior written notice (the "Exempted Transfer Notice") to the County of any such proposed Exempted Transfer and shall set forth with specificity in such Exempted Transfer Notice the reasons why NextG believes the Exempted Transfer Criteria have been satisfied. The County shall have a period of 30 days (the "Exempted Transfer Evaluation Period") from the date that NextG gives the County its Exempted Transfer Notice to object in writing to the adequacy of the evidence contained therein. Notwithstanding the foregoing, the Exempted Transfer Evaluation Period shall not be deemed to have commenced until the County has received from NextG and the proposed transferee any and all additional information as the County may reasonably require in connection with its evaluation of the Exempted Transfer Criteria as set forth in the Exempted Transfer Notice, so long as the County gives NextG notice in writing of the additional information the County requires within 15 days after the County's receipt of the original Exempted Transfer Notice. If the County fails to act upon NextG's Exempted Transfer Notice within the Exempted Transfer Evaluation Period (as the same may be extended in accordance with the foregoing provisions), such failure shall be deemed an affirmation by the County that NextG has in fact established compliance with the Exempted Transfer Criteria to the County's satisfaction.

13. RECORDS; AUDITS.

13.1 Records Required by Code. NextG will maintain complete records pursuant to the applicable provisions of Title 6 of the Clark County Code.

13.2 Additional Records. The County may require such additional information, records, and documents from NextG from time to time as are appropriate in order to reasonably monitor compliance with the terms of this Agreement. Additionally, the County may require NextG to collect supplementary information as needed.

13.3 Production of Records. NextG shall provide records within 20 business days of a request by the County for production of the same unless the County agrees to additional

time. Such records shall be made available in Clark County. Failure to provide records in a timely manner shall subject NextG to liquidated damages under Section 11. If any person other than NextG maintains records on NextG's behalf, NextG shall be responsible for making such records available to the County for auditing purposes pursuant to this Section.

14. MISCELLANEOUS PROVISIONS. The provisions that follow shall apply generally to the obligations of the parties under this Agreement.

14.1 Waiver of Breach. The waiver by either party of any breach or violation of any provision of this Agreement shall not be deemed to be a waiver or a continuing waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

14.2 Severability of Provisions. If any one or more of the provisions of this Agreement shall be held by a court of competent jurisdiction in a final judicial action to be void, voidable, or unenforceable, such provision(s) shall be deemed severable from the remaining provisions of this Agreement and shall not affect the legality, validity, or constitutionality of the remaining portions of this Agreement. Each party hereby declares that it would have entered into this Agreement and each provision hereof regardless of whether any one or more provisions may be declared illegal, invalid, or unconstitutional.

14.3 Contacting NextG. NextG shall be available to the staff employees of any County department having jurisdiction over NextG's activities 24 hours a day, seven days a week, regarding problems or complaints resulting from the attachment, installation, operation, maintenance, or removal of the Equipment. The County may contact by telephone the network control center operator at telephone number 1-866-446-3984 (1-866-44NEXTG) regarding such problems or complaints.

14.4 Governing Law; Jurisdiction. This Agreement shall be governed and construed by and in accordance with the laws of the State of Nevada, without reference to its conflicts of law principles. If suit is brought by a party to this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of Nevada.

14.5 Attorneys' Fees. Should any dispute arising out of this Agreement lead to litigation, the prevailing party shall be entitled to recover its costs of suit, including (without limitation) reasonable attorneys' fees.

14.6 Consent Criteria. In any case where the approval or consent of one party hereto is required, requested or otherwise to be given under this Agreement, such party shall not unreasonably delay, condition, or withhold its approval or consent.

14.7 Representations and Warranties. Each of the parties to this Agreement represents and warrants that it has the full right, power, legal capacity, and authority to enter into and perform the party's respective obligations hereunder and that such obligations shall be binding upon such party without the requirement of the approval or

consent of any other person or entity in connection herewith, except as provided in § 4.2 above.

14.8 Amendment of Agreement. This Agreement may not be amended except pursuant to a written instrument signed by both parties.

14.9 Entire Agreement. This Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations, agreements, or understandings (whether oral or written) between or among the parties relating to the subject matter of this Agreement which are not fully expressed herein. In witness whereof, and in order to bind themselves legally to the terms and conditions of this Agreement, the duly authorized representatives of the parties have executed this Agreement as of the Effective Date.

14.10 Public Records. NextG acknowledges that information submitted to the County is open to public inspection and copying under Nevada Public Record Law, Chapter 239 of the Nevada Revised Statutes. NextG is responsible for becoming familiar and understanding the provisions of the Nevada Public Records Law. NextG may identify information, such as trade secrets, proprietary financial records, customer information or technical information, submitted to the County as confidential. NextG shall prominently mark any information for which it claims confidentiality with the word "Confidential" on each page of such information prior to submitting such information to the County. The County shall treat any information so marked as confidential until the County receives any request for disclosure of such information. Within five working days of receiving any such request, the County shall provide NextG with written notice of the request, including a copy of the request. NextG shall have five working days within which to provide a written response to the County, before the County will disclose any of the requested confidential information. The County retains the final discretion to determine whether to release the requested confidential information, in accordance with applicable laws.

14.11 Non-Exclusive Remedies. No provision in this Agreement made for the purpose of securing enforcement of the terms and conditions of this Agreement shall be deemed an exclusive remedy or to afford the exclusive procedure for the enforcement of said terms and conditions, but the remedies herein provided are deemed to be cumulative.

14.12 No Third-Party Beneficiaries. Except as otherwise provided in Section 7 above, it is not intended by any of the provisions of this Agreement to create for the public, or any member thereof, a third-party beneficiary right or remedy, or to authorize anyone to maintain a suit for personal injuries or property damage pursuant to the provisions of this Agreement. The duties, obligations, and responsibilities of the County with respect to third parties shall remain as imposed by Nevada law.

14.13 Construction of Agreement. The terms and provisions of this Agreement shall not be construed strictly in favor of or against either party, regardless of which party

drafted any of its provisions. This Agreement shall be construed in accordance with the fair meaning of its terms.

14.14 Effect of Acceptance. NextG (a) accepts and agrees to comply with this Agreement and all applicable federal, state, and local laws and regulations; (b) agrees that this Agreement was granted pursuant to processes and procedures consistent with applicable law; and (c) agrees that it will not raise any claim to the contrary or allege in any claim or proceeding against the County that at the time of acceptance of this Agreement any provision, condition or term of this Agreement was unreasonable or arbitrary, or that at the time of the acceptance of this Agreement any such provision, condition or term was void or unlawful or that the County had no power or authority to make or enforce any such provision, condition or term.

14.15 Time is of Essence. Time is of the essence with regard to the performance of all of NextG's obligations under this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be legally executed in duplicate this 17th day of January, 2006.


CLARK COUNTY BOARD OF COMMISSIONERS

By: 
RORY REID, Chairman

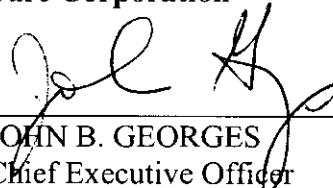
ATTEST:


SHIRLEY B. PARRAGUIRRE, Clerk

APPROVED AS TO FORM
DISTRICT ATTORNEY'S OFFICE


BY: MARK E. WOOD
Deputy District Attorney

NEXTG NETWORKS OF CALIFORNIA, INC.
A Delaware Corporation

By: 
JOHN B. GEORGES
Chief Executive Officer

Exhibits:

- Exhibit A – Equipment
- Exhibit B – Bond Form

EXHIBIT B

FORM OF SURETY BOND

Bond Number: _____

Surety Bond

Know all men by these presents:

That _____ as Principal, and _____, incorporated under the laws of the State of _____, and authorized to execute bonds and undertakings as sole Surety, are held and firmly bound unto _____, as Oblige, in the sum of _____; for the payment thereof, well truly to be made, said Principal and Surety bind themselves, their administrators, successors, and assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that:

Whereas, the above bounden Principal is about to enter into a certain agreement with the Oblige for the following: _____, the execution and delivery of which said agreement was made to the Principal by the Oblige on _____.

Now, therefore, if the Principal shall well, truly, and faithfully perform its duties, all the undertakings, covenants, terms, conditions, and provisions of said agreement during the original term thereof and any extensions thereof which may be granted by the Oblige, with or without notice to the Surety, and if it shall satisfy all claims and demands incurred under such agreement and shall fully indemnify and save harmless the Oblige from all costs and damages which it may suffer by reason of failure to do so and shall reimburse and repay the Oblige all outlay and expenses which the Oblige may incur in making good any default, then this obligation shall be void; otherwise to remain in full force and effect.

Provided, further, that the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the agreement or to the work to be performed thereunder or the specifications

accompanying the same shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the agreement or to the work or to the specifications.

Provided, however, this bond is issued subject to the following express conditions:

1. This bond shall be deemed continuous in form and shall remain in full force and effect until canceled under § _____, after which all liability ceases, except as to any liability incurred or accrued prior to the date of such cancellation.
2. The aggregate liability of the Surety hereunder on all claims whatsoever shall not exceed the penal sum of this bond in any event.
3. The surety reserves the right to withdraw as surety from this bond, except as to any liability incurred or accrued, and may do so upon giving the Obligee not less than sixty (60) days' written notice.

Signed and sealed this _____ day of _____, _____

Principal:

Surety:

By: _____
Its: _____

By: _____
Its: _____

Address: _____

Telephone: _____

(Affix Corporate Seals)

(Attach Acknowledgments of both Principal and Surety signatures)