

LEASING OF PLANT STRUCTURES

<u>CONTENTS</u>	<u>PAGE</u>
1. GENERAL	1
2. LEASES TO OTHERS	3
3. LEASE REQUESTS	4
4. LICENSE APPLICATIONS - POLE ATTACHMENTS	5
5. LICENSE APPLICATIONS - CONDUIT OCCUPANCY	6
6. DETERMINATION OF CONDUIT AVAILABILITY	7
7. LEASE FEES	8
8. RECORD OF LICENSING AGREEMENTS	8
9. LICENSE CANCELLATIONS	9

EXHIBITS

1. LICENSING AGREEMENT - POLE ATTACHMENTS	10
2. LICENSING AGREEMENT - CONDUIT OCCUPANCY	32
3. INSTRUCTIONS FOR PREPARING FORM SW-4490	52
3A. NOTIFICATION OF MISCELLANEOUS TRANSFER OR ADJUSTMENTS FORM SW-4490	53
4. CUSTOM WORK ORDER - FORM S-6151	54
5. INSTRUCTIONS FOR PREPARING FORM FAS-9900	55
5A. AUTHORIZATION FOR SPECIAL BILL - FORM FAS-9900	56
6. FLOW CHART - POLE ATTACHMENTS	57
7. FLOW CHART - CONDUIT OCCUPANCY	59

1. GENERAL

1.01 This section identifies responsibilities and provides procedures for the leasing of outside plant structures to outside companies or individuals.

This practice will include:

- o Negotiations with outside parties.
- o Billing procedures.
- o Placement and utilization of inner duct by licensee.
- o Lease approval methods and responsibilities.
- o Maintaining cross reference of License's attachments with MPLR records or facsimile.
- o Associated forms and a standard agreement form.

PROPRIETARY

Not for use or disclosure outside Southwestern Bell
Telephone Company except under written agreement.

- 1.02 This practice is being reissued to incorporate and clarify the License Agreement's content and language with regard to the most recent pole attachments and conduit issues.

The intent of the revised practice is to be used as a going forward document with respect to the License Agreement and does not require the renegotiation of every applicant under present contract. All lease agreements negotiated prior to the creation of SW 002-011-900 with the local exchange carriers will remain active and are not subject to this revision.

- 1.03 This section covers methods for the leasing of structures to all parties except those companies which have entered into a formal Joint Use Agreement with Southwestern Bell Telephone Company (SWBT). The handling of joint use agreements is covered in the following references:

- SECTION 937-217-001 Coordination Activities with the Edison Electric Institute.
- SECTION 937-217-125 Joint Use of Wood Poles - General Agreements with Power Companies:
- SECTION 937-217-126 Division of Cost Methods in Formulating Joint Use Agreements.
- SECTION 937-217-130 Joint Use of Wood Poles - Agreement Forms for Use with Organizations Financed by the Rural Electrification Administration.

- 1.04 One or more employees may be designated "Utilities Liaison Supervisor" (regardless of actual title) and shall have the responsibility of handling the coordination and administration of leasing outside plant structures. It is recommended that this person also be responsible for coordinating Joint Use Agreements with power companies.

- 1.05 Although other departments may be involved in coordination or billing procedures, the overall responsibility for the leasing of structures rests with the Distribution Services organization. Field forces should direct all applicants to the Utilities Liaison Supervisor (ULS) for lease negotiations.

- 1.06 This section describes general procedures that may not apply to all specific situations. Where Local practices are necessary, they shall be formulated into an Appendix to this practice and approved by the General Manager Level after concurrence by the Legal Department in that state.

- 1.07 The Licensing Agreement and specific licenses must be approved as required by the Schedule of Authorizations.

- 1.08 The definitions for identifying the rate structures are as follows:

CATV

The provision of one way transmission to multiple subscribers within a community of (i) video programming, other than private video programming or the mere retransmission of broadcast stations or (ii) other information made available to

PROPRIETARY

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

all subscribers generally, and such subscriber interaction as is required for the selection of such video programming or other information.

Non CATV

Any use of facilities to perform or provide any service, function or thing other than those which are set forth under the definition of CATV.

2. LEASES TO OTHERS

2.01 It shall be the policy of the company to provide access to outside plant structures on a fair and equitable basis to other companies or individuals (applicant) provided all of the following conditions are met:

- (a) Structures must be excess to SWBT present or anticipated needs.
- (b) Structures shall be leased only for communication purposes; i.e., power conductors for transmission of high voltage current will not be allowed in the conduit system.
- (c) Licensee must be "legally qualified." The applicant must have a legal right to perform the function intended by the pole attachment or duct occupancy; i.e., a CATV Company must be franchised in order to be legally qualified.
- (d) Where plant is located on public Right-of-Way, the applicant must obtain authorization from the proper governmental source granting them permission to use the Right-of-Way.
- (e) Where plant is on private property, the applicant must secure an easement from the owner of the property.
- (f) A Licensing Agreement must be executed between the applicant and SWBT. This contract will establish lease arrangements, billing procedures and liability limitations.
- (g) When a facility of a small enough size, such as fiber or coaxial cable, is to be placed in a SWBT conduit duct, whether by SWBT or by licensee of SWBT's facilities, prior to the installation of the facility or along with licensee's facility, SWBT will pull as much inner duct into the conduit as can be placed. This will be done at SWBT's own expense. However the licensees will pay for the use of each inner duct at the rates established for CATV and non-CATV uses.
- (h) The licensee may only access the conduit system through a manhole or approved designated location. The (Network) Distribution Services Design Engineer will review the licensee's request and determine whether capacity accommodations are available. Should such accommodations be granted after coordinating with the planning engineer, the Construction Organization will monitor and oversee the entrance and exit of the licensee's facilities, such as bores and duct plugs, into the manhole and monitor the establishment of licensee's facilities.
- (i) Where any portion of licensee's cable facility utilizes a duct or route that is shared by a noncommunications facility, such as a power utility facility, the licensee must utilize only "dielectric cable" when placing facilities in SWBT conduit. The purpose of this requirement is to protect the safety of SWBT's personnel and the integrity of SWBT's conduit system.

2.02 The costs of prelicense surveys and the costs associated with rearrangements necessary to provide the requested space will be paid by the applicant. Terms for prepayment will be outlined in detail within the Licensing Agreement.

2.03 The License Agreement (Exhibits 1 and 2) is a legal contract between SWBT and the applicant. The Agreement serves only to provide procedures to be followed by both parties. Each specific attachment or conduit occupancy must be individually approved and licensed by SWBT. The contract does not give blanket

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

authority to make pole attachments or occupy ducts. With reason, any specific pole attachment or conduit occupancy may be refused.

Work prints for identification of the Applicant's attachments or conduit location records must be maintained for tracking and verification purposes. The Mechanized Plant Location Records (MPLR) or facsimile should be the vehicle for tracking Applicant's facilities and assessable either in paper or mechanized format for verification and locating licensee's authorized facilities.

- 2.04 A separate Licensing Agreement is required for pole attachments and conduit occupancy. Exhibit 1 provides the document to be used for pole attachment requests and Exhibit 2 provides the document for conduit.
- 2.05 In certain situations it is anticipated that billing may not be involved. An example would be a municipality requesting a lease where local ordinance prohibits billing. In such a situation, a Licensing Agreement must still be prepared to guarantee indemnification by the applicant of claims that might arise due to the actions or plant of the applicant.

3. LEASE REQUESTS

- 3.01 Lease agreements negotiated prior to the creation of SW-002-011-900, with the local exchange carriers will be grandfathered. Changes in these agreements with the local exchange carriers will be predicated on overall economic considerations with respect to SWBT. All new requests for use of our facilities must conform to the License Agreement SW 002-011-900, in order to avoid antitrust litigation by uniformly providing individuals of like businesses with similar agreements.
- 3.02 The ULS will prepare two Licensing Agreements along with a cover letter outlining specific requirements such as bonds and/or insurance, and send them to the applicant for approval. The applicant will then return the executed Agreements and required documents to the ULS for processing according to the Schedule of Authorizations. Legal will review only if changes are made to original contract. When approved, the document should be assigned a number (Paragraph 8.01) and the applicant's copy is to be returned. The ULS should retain the second original but reproduced copies may be sent to field organizations that will be directly involved with the applicant.
- 3.03 The applicant is required to pay a non refundable administration fee (typically \$250.00) prior to approval of the License Agreement. This fee would also apply to the assignment of an existing License Agreement to a new applicant brought about by either sale or consolidation. A subsequent modification or addendum to this agreement would constitute a non refundable Administrative Record Keeping fee. This administrative fee should be waived where such fee is unauthorized by government restrictions or when revising or replacing the Agreement initiated for SWBT reasons.
- 3.04 A Licensing Agreement may encompass any size geographic area desired, restricted only by the State local convention administering the Agreement. Thus all changes or municipalities within the restriction may be covered by one Agreement; however, this is not always recommended.
- 3.05 The approved Licensing Agreement does not grant explicit rights to the applicant to use telephone company structures. Each pole attachment or conduit occupancy must be approved and licensed using Forms SW-9433 or SW-9435 (forms are shown in Appendix III of the Licensing Agreement; Exhibits 1 and 2 of this Section). The processing of these forms is discussed in following paragraphs.
- 3.06 The Licensing Agreement will specify the types and amounts of insurance that must be maintained by the applicant. These requirements will be established jointly by the state Legal Department and the Distribution Services Personnel and included in the Licensing Agreement as Appendix IV. Proof of insurance coverage must be provided by the applicant in a format that satisfies local requirements. Certificate(s) of Insurance (including endorsements) may be substituted for copies of the policy where allowed by the state Legal Department.

PROPRIETARY

Not for use of disclosure outside Southwestern Bell
Telephone Company except under written agreement.

3.07 The Licensing Agreement allows for the requirement that the applicant obtain and maintain a surety bond which guarantees payment of all fees and charges incurred. Other forms of surety, such as cash deposit or letter of guarantee, may be appropriate. The determination of the type and amount of surety shall be made within each state based on considerations which include the following:

- Financial strength and credit of the applicant.
- Estimated size of the applicants system including estimated number of pole attachments.
- Estimated extent of make-ready work.
- Size of the community in which applicant proposes to serve.
- Non-recoverable costs should applicants facilities need to be removed upon termination of the agreement.

3.08 The surety shall be held for a minimum of two years. At that time, and annually thereafter, the surety requirements should be reviewed using the above considerations. If a decision is made to change or waive the surety required, such may be accomplished by written notice to the applicant. All correspondence of this nature should be coordinated with the state Legal Department.

- (a) If the amount of surety is reduced, the correspondence shall include a provision that SWBT is in no way rescinding its right to increase surety requirements if later deemed appropriate.
- (b) If the surety requirement is being waived, the correspondence shall include the provision that SWBT reserves the contractual right to require a surety as may be deemed appropriate.

3.09 Since advance payments are required for prelicense surveys and make-ready work, the amount of surety will generally be determined by the amount of work that would be needed to remove applicant's plant from telephone company structures if ever necessary.

4. LICENSE APPLICATIONS - POLE ATTACHMENTS

- 4.01 For pole, anchor and guy strand attachments the applicant will submit two signed Forms SW-9433, "Application and Pole Attachment License." Forms to be used by the applicant are included in the Licensing Agreement as Appendix III. The forms should be reproduced locally at the applicant's expense. If the Prelicense Survey is to be performed by the applicant, Forms SW-9433-1, "Pole, Anchor and Guy Strand Details" and SW-9433-2, "Application Survey Data," or any forms developed locally, are required for supporting data.
- 4.02 All applications are to be numbered by the applicant either sequentially or cross referenced to a grid numbering system forwarded to the (Network Operation) or Manager-Distribution Services Design for processing. This organization (hereafter called the field engineer) will review the application to determine and coordinate the approval necessary as required by the Schedule of Authorizations and will generally be the point of contact for the applicant on local routine matters. The field engineer will coordinate with the Distribution Services Engineering Planning group to determine future Telco requirements for the structure being considered for lease.
- 4.03 The field engineer will prepare Form SW-9434, "Authorization for Prelicense Survey and/or Make-Ready Work." Estimated costs associated with the field survey will be calculated using estimated hours applied against the loaded labor rate of the person(s) performing the surveys plus the percentage entered on Appendix I of the Licensing Agreement (see Paragraph 4.06). The field engineer then issues an Engineering Work Order (usually a Custom Work Order-Exhibit 4) for the Prelicense Survey costs and returns the completed Form SW-9434 to the applicant.
- 4.04 Only when the approved SW-9434 and full prepayment of estimated charges have been received, should the Prelicense Survey be performed. The prepayment is to

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

be routed with Form SW-4490, "Notification of Miscellaneous Transfer or Adjustment" (Exhibit 3), to the Treasury Manager organization.

- 4.05 After the Prelicense Survey has been performed (or if the applicant was allowed to perform the survey) an estimate of make-ready work is required. A new Form SW-9434 is to be prepared and sent to the applicant with estimated costs associated with make-ready work plus the percentage specified in the Licensing Agreement. This percentage (customarily ten to fifteen percent) shall be determined by considering the current required rate of return on investment and should be provided by the Revenues and Public Affairs Department within the state. The percentage is entered in the space provided in Appendix I to the Licensing Agreement and should be reviewed whenever Appendix I is amended to update rates.
- 4.06 Upon receipt of the approved Form SW-9434 and prepayment of estimated make-ready costs plus the approved percentage, the field engineer will revise the original Custom Work Order (CWO) to reflect the make-ready work, issue work prints to the Manager-Distribution Services Construction and route the prepayment to Treasury along with a completed Form SW-4490 or appropriate billing document.
- 4.07 When construction forces have completed all work associated with the Custom Work Order, the field engineer will notify Comptrollers as outlined in Operating Practice 46. Comptrollers will then issue a bill for the balance due on actual costs plus the approved percentage or provide applicant a refund if advance payments exceeded the total amount due. The letter reporting completion must have special instructions for Comptrollers to notify the field engineer and ULS immediately upon receipt of payment.
- 4.08 Once notified that final payment has been made, licenses (Forms SW-9433) are to be approved in accordance with the Schedule of Authorizations, posted to Plant Location Records and returned through the ULS to the applicant. This license serves as authorization for the applicant to make attachments requested. One of the licenses is to be retained by the ULS for audit purposes. As an option to waiting for notification of final payment, the field engineer may compare the applicant's prepayment to costs accumulated on the EWO ledger. Where the discrepancy is minor or in favor of SWBT, licenses may be issued prior to final "true-up" by Comptrollers.
- 4.09 When license is issued, a Form FAS-9900 (Authorization for Special Bill) will be submitted to effect billing for the current billing period (See Paragraph 7.04). The minimum billing period is six months, regardless of the issue date of the license.
- 4.10 Errors on executed licenses as to number of attachments or other essential data shall be corrected by issuing Forms SW-9436A or B. Procedures for cancellation by either party are outlined in the Licensing Agreement.

5. LICENSE APPLICATIONS - CONDUIT OCCUPANCY

- 5.01 All applications for Conduit Occupancy Licenses must be submitted to the ULS on Form SW-9435. Applications are not to be accepted until a valid Licensing Agreement has been approved. Applications must include all supporting documents such as Forms SW-9435-1, SW-9435-2, SW-9435-3 or any other forms required locally. These forms are included in the Licensing Agreement as Appendix III and should be reproduced locally by the applicant. Applicant must submit two signed Forms SW-9435 for each application as required by the Licensing Agreement.
- 5.02 The ULS will first review the application to insure the intended use conforms to all requirements outlined in this practice. Proof of a right to occupy the Right-of-Way and legal purpose must be submitted and accepted before further processing. As a local option, this step may be delayed until after determination of availability, but under no circumstances may this step ever be omitted. The state Legal Department should be consulted when there is a question of legal purpose or Right-of-Way.
- 5.03 After meeting the above requirements, the application is to be sent to the Manager-Distribution Services Planning (planning engineer) for verification of

PROPRIETARY

Not for use of disclosure outside Southwestern Bell
Telephone Company except under written agreement.

availability. Section 6 outlines procedures to be used by that group for determining availability.

- 5.04 The planning engineer will prepare Form SW-9434, "Authorization for Preliminary Survey and/or Make Ready Work." Estimated costs associated with the determination of availability and field surveys are to be calculated by applying estimated engineering hours against the loaded labor rate of the person doing the work plus the percentage entered on Appendix I of the Licensing Agreement (Paragraph 4.06). An Engineering Work Order is then prepared for these costs and the completed Form SW-9434 returned to the applicant.
- 5.05 Only when the approved SW-9434 and full prepayment of estimated charges have been received, should the determination of availability and preliminary survey be performed. The prepayment is to be routed with Form SW-4490, "Notification of Miscellaneous Transfer or Adjustment" (Exhibit 3) to the Treasury Manager organization.
- 5.06 If the planning engineer determines that a facility is not available, the application is to be returned to the ULS with an explanation of unavailability (blockage, future requirements, etc.). The ULS will then respond to applicant by returning application and advising applicant that no further action will be taken on the application.
- 5.07 If the facility is determined to be available, the application will be transmitted to the field engineer who will prepare an estimate of the make-ready work required. A new Form SW-9434 is prepared and sent to applicant for authorization of make ready work. Procedures from this point are the same as for pole attachments and outlined in Paragraphs 4.06 through 4.10, except that all licenses for conduit must be approved by the Division Manager with Distribution Services responsibilities.

6. DETERMINATION OF CONDUIT AVAILABILITY

- 6.01 Conduit will not be leased until it has been determined that our duct/inner duct facilities are not required for either present or forecasted future needs of SWBT. The planning engineer will determine availability.
- 6.02 On receiving an approved Form SW-9434 and advance payment of estimated charges, the planning engineer will begin the determination of availability.
- 6.03 The first step must be to accurately define the requested route. If the applicant is unfamiliar with the conduit system, the request may only identify the two end points to be served by their facility. In this case, the planning engineer will determine the route based on the principles that would be used if the engineer were placing the facility for SWBT use.
- 6.04 If the applicant provides a detailed description of the route, the planning engineer should evaluate only the route specified by the applicant.
- 6.05 A current feeder section forecast of the route selected is to be charted and a calculation of ducts required to serve the forecasted needs is to be calculated using procedures outlined in Section 919-240-200SW for sizing conduit systems.
- 6.06 The existing duct/inner duct in the conduit route are to be compared to the number of facilities required to meet the long range forecast requirements. Ducts/Inner ducts are to be considered available only if they are in excess of long term forecast requirements.
- 6.07 A route with isolated sections that are blocked (no ducts or inner ducts available) will normally be treated as if there are no available facilities for the entire route. If lateral duct/inner ducts are available such that bypassing the blocked section is possible without core drilling manhole walls, consideration can be given to allow applicant to use the conduit on either side of blocked section.
- 6.08 If conduit is determined to be available, the planning engineer will calculate the total amount of conduit rendered unusable for SWBT use by the placement of applicants facilities in the system. This could include (but not be limited to)

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

end sections of conduit to the next taper point or sections between SWBT Company's office and the point where applicant enters the system.

6.09 Any ducts/inner ducts rendered unusable by SWBT by the license will be included in the license for billing purposes until such time as such sections become useable for any reason at which time such footage will be removed from the license. An example of a facility rendered unusable would be a situation in which the applicant exits utilizing the conduit system prior to a taper point in the system. Due to a lesser number of ducts/inner ducts now available on the feeder side, that section between the exit and taper point now becomes ineffective. That section, in this example, would be included in the license and billed accordingly.

7. LEASE FEES

7.01 Fees charged for all applicants are to be uniform within each state and the methods used for determining the fees are to be consistent throughout the company. To insure this, standard fees are to be determined annually by the Rates and Public Affairs Department at General Headquarters. These fees are to be distributed through Network Distribution Services channels to each ULS who will give notification of the changes to each applicant according to procedures outlined in the Licensing Agreement. An exception to this rule would be rates established industry-wide through regional negotiations or due to governmental jurisdictions (i.e., rates for all CATV Companies).

7.02 A banded fee schedule for conduit occupancy based on expected replacement costs may be implemented in states desiring to do so. Bands should be determined using Wire Center boundaries and fees shall be established such that the highest fees would correspond to Wire Centers where the highest conduit replacement costs are projected.

7.03 In states where attachment or occupancy fees become tariffed items, the published tariff will always be used for determining appropriate fees. When tariffs are changed, the ULS will notify each applicant as outlined in the Licensing Agreement.

7.04 Fees are billable semiannually and will include all charges due at time of billing. The standard Licensing Agreement calls for payments to be made in advance on the first days of January and July. Payments are based on licenses issued prior to the first days of December and June. During the first week of December and June, the ULS will forward a Form FAS-9900, "Authorization for Special Bill" (Exhibit 5), to Comptrollers authorizing them to send the bill.

7.05 A single FAS-9900 may be prepared for each applicant within the section boundaries for all attachments during the semiannual period. This will allow for only one bill for each applicant. Instructions must be included on the FAS-9900 to itemize license numbers for which the bill will apply and this information is to be shown on the bill.

7.06 Flow charts of the above procedures are provided in Exhibit 6 and 7.

8. RECORD OF LICENSING AGREEMENTS

8.01 After approval, all Licensing Agreements are to be numbered sequentially by the ULS using a seven position alphanumeric numbering code as follows:

<u>Position</u>	<u>Description</u>
1-2	State identification code
3-4	District identification code
5-7	Numerical sequence of agreement

PROPRIETARY

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

(a) Location identification codes are as follows:

AK - Arkansas
 KS - Kansas
 MO - Missouri
 OK - Oklahoma
 HS - Houston
 DL - Dallas
 SA - San Antonio

(b) District identification codes are to be assigned by the ULS.

(c) Example; MO-WO-023 would be the 23rd Licensing Agreement in the West-Outstate District of the Missouri Section.

8.02 A record of all Licensing Agreements will be maintained by the ULS. If kept manually, Form S-6388, "Record of Facility Leases," (or a similar locally designed form) shall be used. A mechanized record keeping system is available.

8.03 Verification of actual attachments against the records shall be performed on a minimum time interval of five years or when deemed necessary by the Manager-Distribution Services Design, or VLS.

9. LICENSE CANCELLATIONS

9.01 Licenses cancelled at the request of the applicant will be done so only after all attachments have been physically removed or occupancies physically vacated. The Manager-Distribution Services Design Center will have the responsibility of verifying removals and/or coordinating with the applicant directly if any problems arise.

9.02 Forms SW-9436A, "Notification of Surrender of Pole Attachment," and SW-9436B, "Notification of Surrender of Conduit Occupancy," shall be used by the applicant for reporting removals. These shall be routed through the field engineer for verification, approval and subsequent updating of the Plant Location Records. Approved forms will be returned to the ULS who will update the applicable record of attachments or duct occupancies.

9.03 When the modernization of telephone facilities results in the removal of aerial cable, the poles shall be offered for sale first to the joint user (i.e., the power company with whom we have a joint-use agreement). If no joint user exists, the poles shall be offered for sale to the applicant. Pole sales shall be in accordance with OP 46. It is extremely important that a "fair market value" be determined by the Valuations and Separations organization. Values specified by Joint-use Agreements with other companies cannot be used for determining the value of the poles.

9.04 If the applicant declines to purchase the poles abandoned by the telephone company, they are to be advised in writing to remove attachments within the time frame established by the Licensing Agreement. In the event the applicant fails to remove attachments in the required time frame, the telephone company will follow procedures outlined in the Agreement.

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1

LICENSING AGREEMENT
POLE ATTACHMENTSLICENSING AGREEMENT
FOR POLE ATTACHMENTS

 Agreement Number

 Date Approved

THIS AGREEMENT is made effective on the _____ day of _____, 19____ by and between SOUTHWESTERN BELL TELEPHONE COMPANY, a Missouri Corporation having its principal office in the City of St. Louis, hereinafter called the Telco and the following named Corporation, partnership or individual making application for license, hereinafter called the Applicant:

I. SCOPE OF AGREEMENT

- A. Subject to the provisions of this Agreement, Telco agrees to issue to Applicant for the purposes limited to those outlined herein, revocable, nonexclusive license(s) authorizing the attachment of Applicants facilities to poles or anchors within the following geographic area(s):
- B. The Applicant agrees to be bound by all provisions of this Agreement and of the license(s) provided pursuant to this agreement.
- C. No use, however extended, of poles, anchors, guy strands or payment of any fees or charges required under this Agreement shall create or vest in Applicant any easements or any other ownership of property rights of any nature in such poles, anchors, or guy strands. Applicant's rights after issuance of any attachment license shall be and remain a mere license. Neither this Agreement, nor any license granted hereunder shall constitute an assignment of any of Telco's rights to use the public or private property containing such poles, anchors, or guy strands.
- D. Nothing in this Agreement shall be construed as granting Applicant any right to attach to any specific part of Telco's facilities or to compel Telco to grant Applicant the right to attach to any specific part of Telco facilities. Applicant is only entitled to place one cable facility per license. Spinning additional cables to existing facility requires acquiring a new license and additional billing according to current rate structure. Where facility transmits multi-services, such as CATV and non-CATV services under same sheath, the billing charged will be at the highest established rate for total facility.
- E. The parties agree that Telco's right to locate and maintain its poles, anchors and guy strands and to operate its facilities in conjunction therewith in such a manner as will best enable it to fulfill its own service requirements is in no manner limited by this Agreement.
- F. Nothing contained in this Agreement is intended by the parties to require Telco to construct, reconstruct, retain, extend, place or maintain any pole, anchor, guy strand or other facility for use by the Applicant when such facility is not needed for Telco's own service requirements.
- G. It is the intent of the parties that nothing contained in this Agreement should act as a limitation, restriction, or prohibition against Telco with respect to any agreement or arrangement which Telco has heretofore entered into, or may in the future enter into, with others not parties to this Agreement regarding the poles, anchors and guy strands covered by this Agreement except that Telco agrees that it will not interfere with the Applicant's authorized and licensed use of Telco's poles, anchors, and strands. If any such agreement with a third party makes rearrangements of Applicant's facilities necessary, Applicant agrees to cooperate in such rearrangement work which shall be performed at the expense of the third party.

II. FEES AND CHARGES

- A. The Applicant agrees to a one time, nonrefundable administration fee of \$_____ to cover Telco's costs for processing this Agreement and a semi annual billing event fee when applicable associated with processing fee statements.
- B. Applicant is responsible for all fees and charges applicable in connection with the attachment of its facilities to a pole, anchor or utilization of an anchor/guy strand as specified in APPENDIX I. The applicant shall also be responsible for separate precense survey charges and make-ready work charges as specified in APPENDIX I of this Agreement.
- C. Nonpayment within thirty days after receipt of the bill of any amount due under this Agreement shall constitute a default by Applicant of this Agreement.
- D. Upon at least 60 days prior written notice to Applicant, Telco may make changes in the amount of the fees and charges specified in APPENDIX I. Such changes shall become effective on the first day of the month of January following the date of notice. In those cases where the FCC is reviewing a methodology which would delay the issuing of such notice, Telco shall make changes in the amount of the fees and charges within 30 days after the date the FCC consummates its findings and such change in fees and charges shall apply retroactively to the first day of January of the year in which the FCC consummates its findings and shall be billed and paid accordingly. Telco shall give Applicant at least 60 days prior written notice of such retroactive application of fees and charges. Any changes in fees and charges will be based on cost calculations and/or market or other studies performed by Telco. Notwithstanding any other provisions of this Agreement, Applicant may terminate this Agreement at the end of the notice period if the changes in fees and charges are not acceptable to Applicant, by giving written notice of its election to terminate this Agreement at least 10 days prior to the end of the notice period.
- E. Unless Applicant has given the written notice of termination required by Paragraph (D) above, the amended fees and charges shall become effective on the first day of the January next following and shall automatically become a part and be governed by the terms of this Agreement or, in the case of retroactively applied changes in fees and charges, on the first day of January of the year in which the FCC consummates its findings, which ever is applicable.
- F. Whenever Applicant is obligated by any terms of this Agreement to reimburse Telco or joint user(s) for costs, such costs will be determined by the Telco or joint user(s) using their own respective cost accounting systems used for recording capital and expense activities.

PROPRIETARY

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



III. ADVANCE PAYMENT

- A. Applicant shall make an advance payment to the Telco prior to:
1. Any undertaking by Telco of a precense survey or the administrative processing portion of such a survey in an amount specified by Telco sufficient to cover the estimated charges for completing the specified work, such estimated and actual charges shall be computed in accordance with Article II, Paragraph F, and
 2. Performance by Telco of any make ready work required in an amount specified by Telco sufficient to cover the estimated charges for completing the required make-ready work, such estimated and actual charges shall be computed in accordance with Article II, Paragraph F.
- B. The advance payment (APPENDIX III, Form SW9434) will be credited against the actual amount due the Telco for performing the precense survey or portion thereof and/or make-ready work or having it performed by others.
- C. Where the advance payment is less than the charge by the Telco for such work, Applicant agrees to pay Telco the remainder within 60 days of issuance of the bill.
- D. Where the advance payment exceeds the charge by the Telco for such work, Telco shall refund the difference to the Applicant within 60 days of completing the work.

IV. SPECIFICATIONS

- A. When a license is issued pursuant to this Agreement, Applicant's facilities shall be placed and maintained in accordance with the requirements and specifications of the then current editions of the "Manual of Construction Procedures" (Blue Book), the National Electrical Code (NEC), and the National Electrical Safety Code (NESC), all of which are incorporated by reference in this Agreement, and the rules and regulations of the Occupational Safety and Health Act (OSHA) and of any governing authority having jurisdiction over the subject matter. Where a difference in specifications may exist, the more stringent shall apply unless modified by Telco in writing. Wherever Applicant's facilities extend from Telco's poles, strands or anchors to the poles of a joint use or other party, Applicant will comply with the same requirements and specifications as set forth in this Agreement for such connecting sections.
- B. If Applicant's facilities, or any part thereof, are not placed and maintained in accordance with Paragraph (A) preceding, and Applicant has not corrected the violation within 60 days from receipt of written notice thereof from the Telco, Telco may at its own option correct said conditions. Telco will attempt to notify Applicant in writing prior to performing such work whenever practicable. When the Telco reasonably believes, however, that such conditions pose an immediate threat to the safety of the Telco's employees or the public, interfere with the performance of the Telco's service obligations, or pose an immediate threat to the physical integrity of the Telco's facilities, the Telco may perform such work and/or take such action at the Applicants expense that is deemed necessary without first giving written notice to the Applicant and Telco shall be indemnified by the Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement. As soon as practicable thereafter, Telco will advise Applicant in writing of the work performed or the action taken and will endeavor to arrange for reaccommodation of Applicant's facilities so affected. The Applicant shall be responsible for paying the Telco for all costs and contribution per Appendix I, "B" incurred by the Telco in taking action under this subsection.
- C. The following rules apply when an emergency situation exists such that advance coordination is not practicable:
1. Telco may rearrange Applicant's cable, equipment and facilities to accommodate the placing of Telco's facilities. The costs associated with such rearrangements will be paid by the Applicant and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement.
 2. Telco's service restoration work requirements shall take precedence over any and all work operations of the Applicant on Telco's pole line.

V. LEGAL REQUIREMENTS

- A. Applicant shall be responsible for obtaining the appropriate public and/or private authority or other appropriate persons any required authorization to construct, operate and/or maintain its facilities on public and/or private property before it attaches its facilities to poles and anchors or utilizes anchor/guy strands located on such property. Telco reserves the right to require evidence that appropriate authorization has been obtained before any license is issued to applicant or before the final precense survey work is commenced.
- B. Communications facilities placed by Applicant on Telco's poles, anchors or strands must serve a lawful purpose; the use made of the facilities must comply with all applicable regulatory rulings, local, state and federal laws.
- C. No license granted under this Agreement shall extend to any pole, anchor or guy strand where the attachment or placement of Applicant's facilities would result in a forfeiture of rights of Telco, or joint users, to occupy the property on which such poles, anchors or guy strands are located. If the existence of Applicant's facilities on a pole, anchor or guy strand would cause a forfeiture of the right of the Telco, joint user, or both, to occupy such property, Applicant agrees to remove its facilities forthwith upon receipt of written notification from the Telco. If said facilities are not so removed, Telco may perform and/or may have performed such removal at Applicants expense after the expiration of 60 days from the receipt of said written notification and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement; and Applicant agrees to pay Telco and joint user or both for all losses and damages that may result.

VI. ISSUANCE OF LICENSES

- A. Before Applicant shall attach to any pole, anchor or utilize any anchor/guy strand, Applicant shall make a written application for and have received a written license from the Telco. Application shall consist of the Applicant submitting two signed copies of the "Application and Pole Attachment License" (APPENDIX III, Form SW-9433). After approval by Telco, an executed Form SW-9433 will be returned to the Applicant to serve as the license for Applicant's facilities to be attached to poles, anchors or strands as specified by license.
- B. Applicant agrees to limit the filing of applications for attachment licenses to include not more than 300 poles and their associated anchors on any one application and 1500 poles and their associated anchors on all applications which are pending approval by Telco at any one time. Such limitation will apply to poles, anchors and anchor/guy strands located within a single plant construction district of Telco.

EXHIBIT 1
(Cont'd.)LICENSING AGREEMENT
POLE ATTACHMENTS

Ⓐ Southwestern Bell Telephone

Telco, in its sole judgement, may permit the preceding limitation to be exceeded if so requested in writing by the Applicant when the circumstances of a particular situation warrant such. Applicant further agrees to designate a desired priority of completion of the preclicense survey and make-ready work for each application relative to all other of its applications on file with Telco at the same time.

VII. MAKE-READY WORK

- A. When an application for attachment to pole, anchor or utilization of an anchor/guy is submitted by Applicant, a preclicense survey will be required to determine the existing adequacy of the pole, anchor and/or guy to accommodate Applicant's facilities. Utilization of the existing available capacity of a pole anchor/guy strand, when such utilization does not result in a reduction of the holding capacity below the level normally required by the Telco for safety or other purposes will be permitted at the option of the Telco and upon agreement of the Applicant to payment of the charges as specified in APPENDIX I. Failure to pay all fees and charges within 30 days after presentment of the bill therefore or on the specified Payment date whichever is later, shall constitute a default of this Agreement.
- B. Telco reserves the right to refuse to process any application for attachment or utilization until all fees and charges due Telco under this Agreement or any other agreement with Applicant are paid in full or are subject to a genuine dispute the resolution of which is pending in a court or agency of competent jurisdiction.
- C. The field inspection portion of the preclicense survey, which requires the visual inspection of existing poles, anchors and guy strands, may be performed by the Telco or Applicant (with optional participation by joint user and/or Telco). The administrative processing portion of the preclicense survey, which includes the processing of the application, the preparation of the make-ready work orders, the coordination of work requirements and schedules with joint users and other attachees and the random field verification of field inspection results data developed and furnished to the Telco by the Applicant will be performed by the Telco.
 1. When the Telco performs any portion of the preclicense survey, the Telco will advise the Applicant in writing of the estimated charges that will apply and receive advance payment and authorization from the Applicant before undertaking any portion of the preclicense survey (APPENDIX III, Form SW-9434).
 2. When the Applicant performs the field portion of the preclicense survey the field inspection results data will be furnished to the Telco in a format specified by the Telco and according to standards of accuracy and completeness satisfactory to the Telco. In view of Telco's common carrier obligations to maintain safe and adequate service, Telco retains the right to redo the field inspection portion of the preclicense survey if in the sole judgement of the Telco the data furnished by Applicant does not comply with the performance standards as prescribed in Paragraph IV, A. The Applicant shall pay the Telco the total expense incurred by the Telco for redoing any part or all of the field inspection.
- D. Applicant shall notify Telco whenever it is necessary for Telco to rearrange facilities on structures owned by a third party to accommodate Applicant. The cost of such work will be included in the make-ready work for which Applicant will pay Telco.
- E. Telco reserves the right to grant, deny, or refuse a license for attachments to its pole, anchor, or utilization of an anchor/guy strand when Telco determines that the available capacity on such pole, anchor, and/or strand is required for its exclusive present or future use or that of a joint user or governmental entity with pole attachment rights and that the pole, anchor or guy strand may not be reasonably rearranged or replaced to accommodate Applicant facilities.
- F. In the event Telco determines that it will permit attachment to poles and/or anchors that are inadequate or otherwise need rearrangements of the existing facilities thereon to accommodate the Applicant facilities, Telco will advise the Applicant in writing of the estimated make-ready charges that will apply (Appendix III, Form SW-9434).
- G. Applicant shall have 60 days from the receipt of Form SW9434 to execute and return it to Telco authorizing the completion of the required make-ready work and accepting the resulting charges. However, if Telco receives a request form from an additional applicant for attachment to a pole or anchor, or utilization of an anchor/guy strand for which a Form SW-9434 has been sent to an initial Applicant, the initial Applicant must authorize completion of the pending make-ready work and resulting charges within 15 days after receipt of written notification from Telco of the additional attachment request or until the end of the aforementioned 60 day notification period, which ever period of time is shorter. If said Form SW-9434 is not returned within the required 60 days, the application to which it pertains will be automatically cancelled by Telco without written notice to Applicant.
- H. Make-ready work will be performed by the Telco following receipt of the required written authorization and advance payment from the Applicant. Applicant shall pay the Telco for all make-ready work completed in accordance with the provisions of this Agreement and Applicant shall make arrangements with the owners of other facilities attached to such poles and/or anchors regarding reimbursement for any expense incurred by them in transferring or rearranging their facilities to make such attachment accommodations available. Applicant shall not be entitled to any monies paid to the Telco for pole, anchor or guy strand replacements or for rearrangements of facilities on a pole or anchor by reason of the use by the Telco, joint user, governmental entity or other authorized Applicants of any additional capacity resulting from such replacement or rearrangement.
- I. Should Telco, joint user or governmental entity having pole, anchor or anchor/guy strand accommodation rights, for its own service requirements, need to attach additional facilities to any of the poles or anchors to which Applicant is attached or avail itself of the holding capacity of an anchor/guy strand being utilized by the Applicant, Applicant will either rearrange its facilities on the pole or anchor or transfer them to a replacement pole or anchor, as determined by Telco so that the additional facilities of Telco, joint user or governmental entity may be accommodated. If Applicant does not rearrange or transfer its communications facilities within 60 days after receipt of written notice from Telco requesting such rearrangement or transfer, Telco or joint user may perform or have performed such rearrangement or transfer at Applicant's expense and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement.
- J. Whenever it is necessary for Telco to replace its pole to accommodate Applicant's facilities, Telco may, at its discretion, grant Applicant the option, where possible and acceptable to joint user, to become the owner of the pole and its associated guys and/or anchors, upon payment of all replacement costs. The charge for replacement of a pole, anchor or guy strand required to accommodate Applicant's communications facilities, in accordance with Article VII, Paragraph 1, shall be based on Telco's fully installed costs less salvage value, if any. (Priority would be given to local Joint Use Agreement.) This option is subject to the further conditions that:
 1. Applicant grants Telco and any existing joint user or authorized attachee the right to attach their respective facilities to such replacement pole and/or associated anchor upon the same terms and conditions as set forth in this Agreement, and,

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS

Ⓐ Southwestern Bell Telephone

2. that any governmental entity having attachment rights to said pole and/or associated anchor shall be granted similar attachment rights under the same terms and conditions as apply to the pole being replaced.

Should Applicant exercise this option and become the owner of the pole and associated guy strands and/or anchors, it agrees to maintain the pole and associated guy strands and/or anchors in a safe and serviceable condition for attachment of Telco and joint user facilities for as long as Applicant owns an interest in the pole.

- K. Simultaneous applications by more than one Applicant for the same structure will be processed in accordance with APPENDIX V, made an integral part of this agreement.
- L. In performing all make-ready work to accommodate Applicant's facilities, Telco will endeavor to include such work in its normal work load schedule. In the event Applicant requests that the make-ready work be performed on a priority basis outside of Telco's normal work hours, Applicant agrees to pay the excess costs of work performed at premium rates. Nothing herein is intended, however, to require advancement of Applicant's work ahead of other scheduled work.

VIII. CONSTRUCTION, MAINTENANCE AND REMOVAL OF FACILITIES

- A. Applicant shall, at its own expense, and in accordance with the provisions of this Agreement, construct and maintain its facilities on pole and/or anchors covered by licenses issued pursuant to this Agreement in a safe condition as specified in Article IV, Paragraph A, so as not to physically conflict or to electrically interfere with the facilities attached thereon by the Telco, joint users or other authorized parties. Applicant agrees that upon request by Telco, it will participate immediately with Telco and joint users in the change out of poles, rearrangement of facilities and/or pole line reconstruction and that such participation shall include Applicant bearing the expense for the rearrangement of its facilities. If all required rearrangements are not made within 30 days of notification by Telco; Telco may perform such work at Applicant's expense in accordance with Article II, Paragraph C, of this Agreement and Telco shall be indemnified for such work in accordance with Article XIII, Paragraph G.
- B. Telco shall specify the point of attachment of each pole or anchor to be occupied by Applicant's facilities. Where facilities of more than one Applicant are involved, Telco will attempt to the extent practical, to designate the same relative position on each pole or anchor for each Applicant's facilities.
- C. Applicant shall notify the Telco in writing at least 30 days before adding to, relocating, replacing or otherwise modifying its facilities attached to a pole and/or anchor where additional space or holding capacity may be required on either a temporary or permanent basis.
- D. Applicant, at its expense, will remove its facilities from poles, anchors or anchor/guy strands within 60 days after:
1. termination of the license covering such attachment; or
 2. the date Applicant replaces its existing facilities on a pole with the placement of substitute facilities on the same pole.
- E. If Applicant fails to remove its facilities at the expiration or other termination of a license, Telco shall have the right to remove such facilities at Applicant's expense in accordance with Article II, Paragraph C of this Agreement and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G.
- F. When Applicant's facilities are removed from a pole, anchor or anchor/guy strand, no reattachment to the same pole or anchor shall be made until:
1. The Applicant has first complied with all of the provisions of this Agreement as though no such pole or anchor attachment had previously been made, and
 2. All outstanding charges due Telco for such previous attachments have been paid in full.
- G. Applicant shall advise Telco in writing as to the date on which the removal of its facilities from each pole, anchor, and/or anchor/guy strand has been completed.
- H. Applicant agrees to fully cooperate with Telco when emergency pole replacements are required. During normal working hours, Telco will inform Applicant that an emergency exists. Applicant shall transfer its facilities immediately. Should Applicant be unable to respond to the emergency situation, then Applicant may elect to request Telco to perform such rearrangements or transfers without liability on the part of the Telco or joint users and Applicant shall be liable for the full costs thereof. When such pole replacements are required outside of normal working hours, Telco will attempt to contact Applicant to determine if Applicant can respond appropriately to the emergency. Applicant may elect to have Telco perform such rearrangement or transfers as stated above. Should Telco be unable to contact Applicant, then Telco may perform such transfers deemed necessary to clear the emergency without liability on the part of the Telco or joint users and Applicant shall be liable for the full costs thereof.

IX. TERMINATION OF LICENSES

- A. Any license issued pursuant to this Agreement shall automatically terminate when Applicant ceases to have authority to construct and operate its facilities on public or private property at the location of the particular pole, anchor or guy strand covered by the license.
- B. Applicant may at any time terminate its license with respect to the attachment to a pole or anchor or utilization of an anchor/guy strand and remove its facilities by giving Telco written notice of such intention (Form SW-9436A). Attachment fees shall continue until all of Applicant's facilities have been physically removed. Once Applicant's facilities have been removed they shall not be attached to any pole or anchor or utilize any anchor/guy strand until Applicant has complied with all provisions of this Agreement as though no previous license had been issued.
- C. Telco retains the right to cancel, with 30 days written notice, any license not utilized by attachment or placement of Applicant's facilities within 12 months of license issue date.

X. INSPECTION OF APPLICANT'S FACILITIES

- A. Telco reserves the right to make periodic inspections at any time of any part of Applicant's facilities attached to Telco's poles or anchors, and Applicant shall reimburse Telco for the expense of such inspections as specified in APPENDIX I.
- B. Telco will give Applicant advanced written notice of such inspections, except in those instances where safety considerations justify the need for such inspection without delay of waiting until written notice has been forwarded to Applicant.

EXHIBIT 1
(Cont'd.)LICENSING AGREEMENT
POLE ATTACHMENTS

Ⓐ Southwestern Bell Telephone

- C. The making of periodic inspections or the failure to do so shall not operate to impose upon Telco any liability of any kind whatsoever or relieve Applicant of any responsibility, obligations or liability whether assumed under this Agreement or otherwise existing.

XI. UNAUTHORIZED ATTACHMENT, UTILIZATION OR OCCUPANCY

- A. If any of Applicant's facilities shall be found attached to poles or anchors or utilizing anchor/guy strands for which no license has been issued and remains in effect, Telco, without prejudice to its other rights or remedies under this Agreement including termination of licenses, may require Applicant to submit in writing, within 15 days of receipt of written notification from Telco a license application for such utilization or occupancy. If such application is not received by Telco within the specified period of time, or is received and specifically disapproved, Applicant shall remove its unauthorized facilities within 60 days of receipt of written notice from Telco to do so, or Telco may at Telco's option remove Applicant's facilities at Applicant's expense at charges computed in accordance with Article II, Paragraph F, and Telco shall be Indemnified by Applicant for such work in accordance with Article XIII, Paragraph C of this Agreement.
- B. Applicant shall be liable to Telco for fees and charges associated with any unauthorized attachment to pole or anchor or anchor/guy strand utilization. Such fees and charges shall be computed and paid based upon an occupancy period beginning three years prior to the date of the discovery of unauthorized pole or anchor attachment or anchor/guy strand utilization. The fees and charges as specified in Appendix I, or as amended, shall be due and payable for the period of the unauthorized occupancy whether or not Applicant is permitted to continue the pole or anchor attachment or anchor/guy strand utilization.
- C. No act or failure to act by Telco with regard to said unlicensed use shall be deemed as a ratification of the unlicensed use; and if any license should be subsequently issued, said license shall not operate retroactively or constitute a waiver by Telco of any of its rights or privileges under this Agreement or otherwise; provided, however, that Applicant shall be subject to all liabilities, obligations and responsibilities of this Agreement in regards to said unauthorized use from its inception.

XII. SECURITY INTEREST

- A. Should Telco remove any of Applicant's facilities from the poles or anchors covered by this Agreement pursuant to any term or condition hereof, Telco will deliver to Applicant the facilities so removed upon payment by Applicant of the cost of the removal, storage and delivery, and all other amounts due the Telco.
- B. Nothing in this Article shall operate to prevent Telco from pursuing, at its option, any other remedies under this Agreement or at law or in equity, including public or private sale of facilities under security interest or lien.
- C. Whereas Telco desires to protect the interests of its ratepayers, employees and shareholders.
1. Telco may require a bond or other satisfactory evidence of financial security in an amount sufficient to guarantee the performance of all Applicant's obligations hereunder. The amount of the bond or financial security shall not operate as a limitation upon the obligations of the Applicant hereunder; and
 2. If Applicant furnished a deposit of money pursuant to this section, such deposit may be held during the continuance of this Agreement at the option of the Telco as security for any and all amounts which are or may become due to the Telco under the Agreement.
 3. In the event that a bond or similar form of assurance is required by Telco, Applicant shall maintain in full force and effect such bond and shall submit to Telco adequate proof as determined by Telco that the bond meets Telco's requirements. Applicant shall provide certification from the company issuing the bond that the bond shall not be canceled, changed or materially altered without first providing Telco 60 days written notice.

XIII. LIABILITY AND DAMAGES

- A. Telco shall exercise reasonable precaution to avoid damaging the facilities of the Applicant and shall make an immediate report of the Applicant of the occurrence of any such damage caused by its employees, agents or contractors. Telco agrees to reimburse the Applicant for cost incurred by the Applicant for the physical repair of such facilities damaged by the negligence of Telco. Telco shall not be liable to Applicant however for any interruption of Applicant's service or for interference with the operation of Applicant's facilities, or for any special, indirect, or consequential damages arising in any manner, including Telco's negligence, out of the use of the attached to poles or anchors or utilizing anchor/guy strands or Telco's actions or omissions in regards thereto. Applicant shall indemnify and hold harmless Telco, its employees, agents and contractors from and against any all claims, demands, causes of action, costs and attorneys' fees whatever kind from claims by third parties arising out of the use of the pole or anchor attachment or anchor/guy strand utilization or Telco's actions or omissions in regards thereto.
- B. Applicant shall exercise precaution to avoid damaging the facilities of Telco and others attached to poles or anchors and shall make an immediate report to the owner of the facilities so damaged and Applicant assumes all responsibility for any and all direct and indirect loss from such damage caused by actions of Applicant's employees, agents or contractors or failures to follow specifications provided in this Agreement.
- C. Applicant shall indemnify, defend and hold harmless the Telco and joint user from any and all damages and costs, including attorney's fees, incurred by the Telco and joint user as a result of acts by Applicant, its employees, agents of contractors, including but not limited to a loss or right-of-way or property owner consents and/or the cost of defending those and/or consents.
- D. The Applicant shall indemnify, defend and hold harmless the Telco and joint user from and against any and all claims, demands, causes of actions and costs, including attorneys' fees, for damages to property and injury or death or persons, including but not limited to payments under any Worker's Compensation Law or under any plan for employee's disability and death benefits, which may arise out of or be caused by the erection, maintenance, presence, use or removal of Applicant's facilities or by their proximity to the facilities of all parties attached to a pole or anchor, or by any act or omissions of the Applicant's employees, agents or contractors on or in the vicinity of the Telco's poles, anchors and guys.
- E. The Applicant shall indemnify, protect and hold harmless the Telco and joint user from any and all claims, demands, causes of action and costs, including attorneys' fees, which arise directly or indirectly from the construction and operation of Applicant's facilities, including but not limited to taxes, special charges by others, claims and demands for damages or loss from

EXHIBIT 1
(Cont'd.)LICENSING AGREEMENT
POLE ATTACHMENTS

Ⓐ Southwestern Bell Telephone

infringement of copyright, for libel and slander, for trespass, for unauthorized use of television or radio broadcast programs and other program material, and from and against all claims, demands and costs, including attorneys' fees, for infringement of patents with respect to the manufacture, use and operation of Applicant's facilities in combination with poles, anchors or guys or otherwise.

- F. Applicant shall promptly advise the Telco of all claims relating to damage of property or injury to or death of persons, arising or alleged to have arisen in any manner, directly or indirectly, by the erection, maintenance, repair, replacement, presence, use or removal of the Applicant's facilities. Copies of all accident reports and statements made to Applicant's insurer by the Applicant or others shall be promptly furnished at no cost to the Telco.
- G. The Applicant shall indemnify, defend, and hold harmless the Telco from any and all claims, demands, causes of action and costs, including reasonable attorneys fees, which arise directly or indirectly from any work performed by Telco that was necessitated by the erection, maintenance, presence, use or removal of Applicant's facilities or by their proximity to the facilities of any other parties which are placed in the pole or anchor attachment or anchor/guy strand utilization or any work this Agreement authorizes Telco to perform.

XIV. INSURANCE

Applicant shall obtain and maintain in full force and effect, for so long as this Agreement remains in effect, insurance policies specified in APPENDIX IV of this Agreement. Applicant shall submit to Telco adequate proof as determined by Telco of insurance by each company insuring Applicant to the effect that it has insured Applicant for all liabilities of Applicant covered by this Agreement and that it will not cancel, change or materially alter any such policy of insurance issued to Applicant except after 30 days written notice to Telco. All insurance requirements in accordance with APPENDIX IV must be in effect before Telco will license any attachment to its poles, strands or anchors and shall remain in force until all of Applicant's facilities have been removed from Telco's pole, strands or anchors. In the event that Applicant fails to obtain or maintain the required levels and types of insurance coverage, Telco may elect, in its sole discretion, to terminate this Agreement and all licenses issued hereunder.

XV. AUTHORIZATION NOT EXCLUSIVE

Telco shall have the right to grant, renew and extend rights and privileges to others not parties to this Agreement, by contract or otherwise, to use any pole, anchor or anchor guy strand covered by this Agreement. Such rights shall not interfere with the specific attachment rights provided by licenses issued pursuant to this Agreement.

XVI. ASSIGNMENT OF RIGHTS

- A. Applicant shall not assign or transfer this Agreement, any license issued pursuant to this Agreement or any authorization granted by this Agreement, and this Agreement shall not inure to the benefit of Applicant's successors or assigns, without the prior written consent of Telco. No assignment will be granted without 60 days prior written notice furnished by Applicant to Telco.
- B. In the event such consent or consents are granted by Telco, then the provisions of this Agreement shall apply and the Applicant agrees to bind such successor and provide proof of the successor's assumption of the obligations of this Agreement. Such successors and assigns of the Applicant will be required to pay an administration fee equal to the fee being charged at that time for the administration of new Agreements.
- C. Applicant shall not sub-license to a third party or allow a third party to utilize Telco's poles, anchors or strands. Such action shall constitute a material breach of this Agreement.

XVII. FAILURE TO ENFORCE

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

XVIII. TERMINATION OF AGREEMENT

- A. Should Applicant cease to make active use of its facilities in the area covered by this Agreement, then all of Applicant's rights, privileges and authorizations under this Agreement, including all licenses issued hereunder, shall automatically terminate as of the date following the final day that active use of such facilities is ceased.
- B. Telco shall have the right to terminate this entire Agreement or any license issued hereunder whenever Applicant is in default of any term of this Agreement, including but not limited to the following conditions:
1. If Applicant's communications facilities are used or maintained in violation of any law or in aid of any unlawful act or undertaking; or
 2. If Applicant attaches to any poles or utilizes any anchor/guy strands, without having first been issued a license therefor; or
 3. If any authorization which may be required of the Applicant by any governmental or private authority for the construction, operation and maintenance of the Applicant's facilities is denied or revoked; or
 4. If the insurance carrier shall at any time notify Telco or Applicant that the policy or policies of insurance, required under ARTICLE XIV hereof, will be canceled or changed and if the requirements of ARTICLE XIV are not satisfied, this Agreement shall terminate upon the effective date of such cancellation or change, unless the Telco elects to take such action necessary to keep policy in effect.
 5. If any occurrence such as act of war, government action, Force Majeure or act of God causes either party, without fault or negligence, to be unable to meet any or all provisions of this Agreement.
- C. Telco will promptly notify Applicant in writing of any condition(s) applicable to Paragraph (B) above. Applicant shall take immediate corrective action to eliminate any such condition(s) and shall confirm in writing to Telco within 30 days following receipt of such written notice that the cited condition(s) has (have) ceased or been corrected. If Applicant fails to discontinue or correct such condition(s) and/or fails to give the required confirmation, Telco may immediately terminate this Agreement.
- D. In the event of termination of this Agreement or any of Applicant's rights, privileges or authorizations hereunder, Applicant shall remove its facilities from Telco's poles, anchors and strands within 6 months from the date of notification of termination;

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS

Southwestern Bell Telephone

provided, however, that Applicant shall be liable for and pay all fees and charges pursuant to terms of this Agreement to Telco until Applicant's facilities are actually removed from Telco's poles, anchors and strands.

- E. If Applicant does not remove its facilities from Telco's poles, anchors and strands within the applicable time periods specified in this Agreement, Telco shall have the right to remove them at the expense of the Applicant in accordance with Article II, Paragraph C of this Agreement and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G.
- F. In the event any of the rearrangements, fees and charges provided for under this Agreement are hereafter offered under tariff filed by Telco and in effect with a regulatory commission with jurisdiction over the attachments provided for by licenses issued pursuant to this Agreement, this Agreement with respect to those rearrangements, fees and charges shall terminate and shall be superseded by such tariff. Said termination is to become effective on the day preceding the day when such tariff becomes effective.

XIX. TERM OF AGREEMENT

- A. Unless sooner terminated as herein provided, this agreement shall continue in effect for a term of one year from the date hereof, and continuing thereafter from year to year. Provided, however, that either party may terminate this Agreement with or without cause, by giving the other party at least 6 months prior written notice thereof. Such six months notice of termination may be given to take effect at the end of the original one year period or at any time thereafter.
- B. Termination of this Agreement or any licenses issued hereunder shall not affect Applicant's liabilities and obligations incurred hereunder prior to the effective date of such termination.

XX. AMENDING AGREEMENT

Notwithstanding other provisions of this Agreement, the terms and conditions of this Agreement shall not be amended, changed or altered except in writing and with approval by authorized representatives of both parties.

XXI. NOTICES

All written notices required under this Agreement shall be given by posting the same in certified mail to Applicant as follows:

(Name)

(Title)

(Company)

(Address)

(City, State, Zip)

and to Telco as follows:

(Name)

(Title)

(Company) **Southwestern Bell Telephone Company**

(Address)

(City, State, Zip)

or to such address as the parties hereto may from time to time specify in writing.

XXII. SUPERSEDURE OF PREVIOUS AGREEMENT(S)

This Agreement supersedes all previous agreements, whether written or oral, between Telco and Applicant for placement and maintenance of Applicant's facilities on poles, anchors and anchor/guy strands within the geographical area covered by this Agreement; and there are no other provisions, terms or conditions to this Agreement except as expressed herein. All currently effective licenses heretofore granted pursuant to such previous agreements shall be subject to the terms and conditions of this Agreement.

XXIII. SEVERABILITY

If any provision or portion thereof of this Agreement is or becomes invalid under any applicable statute or rule of law, and such invalidity does not materially alter the essence of the Agreement to either party, such provision shall not render unenforceable this entire Agreement but rather it is the intent of the parties that the Agreement be administered as if not containing the invalid provision.

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



XXIV. CHOICE OF LAW

It is the intent of the parties that this Agreement be governed by the applicable laws of the state in which the poles, anchors and strands are located for which licenses are issued pursuant to this Agreement.

XXV. APPENDICES

APPENDIX II (Definitions) and all APPENDICES referenced in this Agreement are hereby incorporated into and made an integral part of this Agreement.

IN WITNESS WHEREOF, the parties voluntarily, knowingly, and with authority, execute this Agreement.

TELCO:

Southwestern Bell Telephone Company
Name of Company

By _____
Its _____
Date _____

APPLICANT:

Name of Company

By _____
Its _____
Title of Authorized Officer
Date _____

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



Southwestern Bell
Telephone

APPENDIX I
SCHEDULES OF FEES AND CHARGES

THIS APPENDIX I; effective as of _____, is an integral part of the License Agreement between Southwestern Bell Telephone Co. (Telco) and _____ (Applicant), dated _____ and contains the fees and charges governing the use of Telco's poles, anchors and guy strands by Applicants communications facilities.

A) Attachments and Utilization Fees

1) General

- a) Attachment and utilization status shall be considered to have commenced as of January 1 for any attachment or utilization for which the license is issued between January 1 and June 30 of the same calendar year, and as of July 1 for any attachment or utilization for which the license is issued between July 1 and December 31 of the same calendar year. Such status shall be considered to have ceased as of the next January 1 or July 1, whichever comes first, following the physical removal or discontinuance of the attachment or utilization. A semiannual minimum charge is applicable for all licenses.
- b) Fees shall be based upon the number of poles, anchors, and guy strands for which licenses have been issued as of the date of billing by Telco, and shall be payable semiannually in advance.

2) Fees

Pole, Anchor, and/or Anchor/Guy Strand Accommodations

	Semi-Annual Fee
a) Per pole attached (Video)	\$ _____
(Non-Video)	\$ _____
b) Per anchor attached	\$ _____
c) Per anchor/guy strand utilized	\$ _____
d) Billing Event Fee	\$ _____

B) Charges

1) Computation

Charges for all work performed by the Telco or by its authorized representative in connection with the furnishing of pole, anchor and guy strand accommodations as covered by this Agreement shall be based upon the full cost, plus _____% of such amount, to the Telco for performance of such work. Such charges will apply for, but no be limited to, precense survey, make-ready work, inspection and removal of Applicant's communications facilities and supervision, at the option of the Telco, or Application performed work associated with licenses issued pursuant to this Agreement.

- Fees for these items may be specified by Telco in subsequent amendment to Appendix I in accordance with ARTICLE II E) and F) of Agreement.

2) Pole, anchor and/or guy strand replacements

The charge for replacement of a pole, anchor or guy stand required to accommodate Applicant's communication facilities, in accordance with ARTICLE VII, Par. J, shall be based on Telco's fully installed costs less salvage value, if any. In such cases, Applicant shall have the option, where possible and acceptable to any joint user to become the owner of the replacement pole in accordance with ARTICLE VII, Par. J.

3) Payment Date

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

Southwestern Bell Telephone Co.

Name of Applicant _____

By: _____ By: _____

Its: _____ Its: _____

PROPRIETARY

SW-9432A
(Rev. 4-93)

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)LICENSING AGREEMENT
POLE ATTACHMENTSSW-9432B
(Rev. 5-91)APPENDIX II
DEFINITIONS

As used in this Agreement.

- A) **Anchor**
An assembly (rod and fixed object or plate) designed to resist the pull of a guy strand, owned solely or in part by the Telco or by others, for which the Telco is responsible for authorizing the attachment of Applicant's communications facilities.
- B) **Applicant's Communications Facilities**
All facilities, including but not limited to cables, equipment and associated hardware, owned and utilized by the Applicant which are attached to a pole or anchor.
- C) **Duct**
A single enclosed raceway for wire conductors or cables.
- D) **Guy Strand**
A metal cable attached to a pole and anchor (or another pole) for the purpose of increasing pole stability.
- E) **Joint Owner**
A person, firm, corporation or other legal entity sharing ownership of a pole and/or anchor with Telco.
- F) **Joint User**
A joint owner or party which may attach to a pole or anchor or occupy a conduit either solely or partially owned by the Telco, in return for granting the Telco equivalent rights of attachment or occupancy to poles or anchors which it owns, either solely or partially.
- G) **Make-Ready Work**
All work, including but not limited to, rearrangement and/or transfer of existing facilities, replacement of a pole or other changes required to accommodate the Applicant's communications facilities on a pole, anchor or in a conduit system.
- H) **Prelicense Survey**
All work operations required, including field inspection and administrative processing, to determine the make-ready work necessary to accommodate Applicant's communications facilities on a pole or anchor.
- I) **Pole**
A pole owned solely or in part by the Telco and/or by others for which Telco is responsible for authorizing the attachment of Applicant's communications facilities.
- J) **Pole Attachment**
Any item of Applicant's communications facilities affixed to a pole.
- K) **Make-Ready Work**
All work, including but not limited to, rearrangement and/or transfer of existing facilities, replacement of a pole or other changes required to accommodate the Licensee's communications facilities on a pole, anchor or in a conduit system.
- L) **Prelicense Survey**
All work operations required, including field inspection and administrative processing, to determine the make-ready work necessary to accommodate Licensee's communications facilities on a pole, anchor or in a duct.
- M) **Pole**
A pole owned solely or in part by the Licensor and/or by others for which Licensor is responsible for authorizing the attachment of Licensee's communications facilities.
- N) **Pole Attachment**
Any item of Licensee's communications facilities affixed to a pole.

PROPRIETARY

Not for use or disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



APPENDIX III
ADMINISTRATIVE FORMS AND NOTICES

THIS APPENDIX III; effective as of _____, is an integral part of the Licensing Agreement between Southwestern Bell Telephone Co., (Telco), and _____ (Applicant), dated _____ and contains the administrative forms governing the use of Telco's poles, anchors and guy strands by Applicant's communications facilities.

INDEX OF ADMINISTRATIVE FORMS

Application and Pole Attachments License	SW-9433
Pole, Anchor and Guy Strand Details	SW-9433-1
Application Survey Data	SW-9433-2
Authorization for Prelicense Survey and/or Make-Ready Work	SW-9434
Notification of Surrender or Modification of Pole Attachment License by Licensee	SW-9436A
Notification of Unauthorized Attachments by Applicant	SW-9436C

PROPRIETARY

SW-9432C
(Rev. 4-83)

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



APPLICATION AND POLE ATTACHMENT LICENSE

License Agreement # _____

_____ (Applicant)

_____ Address

_____ Date

SOUTHWESTERN BELL TELEPHONE CO.

In accordance with the terms and conditions of the Licensing Agreement between us, dated _____, 19____, application is hereby made for a nonexclusive license to attach communications facilities to _____ poles, _____ anchors, and/or utilize _____ anchor/guy strands, located in _____, as indicated on Form SW-9433-1. This request will be designated:

Pole Attachment Application No. _____.

Applicant hereby requests Telco to provide the following estimate(s) of the cost to complete the required precensing survey work (indicate by initialing). Such estimate(s) does not bind the Applicant to acceptance of Telco's completion of the Field Inspection portion of the precense survey:

- _____ Administrative Processing
- _____ Field Inspection

_____ (Applicant)

By: _____ (Name of authorized agent)

Its: _____ (Title of authorized agent)

Tel. No. _____

TO BE COMPLETED BY TELCO	Pole Attachment License Number _____ is hereby granted to attach the communications facilities described in this application to _____ poles, _____ anchors, utilize _____ anchor/guy strands, located in _____, as indicated on the attached Form SW-9433-1. (Location)
	Southwestern Bell Telephone Company
	By: _____ (Name of authorized agent)
	Its: _____ (Title of authorized agent)
_____ License Issue Date	Tel. No. _____

* Individual applications to be numbered in sequential ascending order by Applicant for each Licensing Agreement. Telco will process applications in sequential ascending order according to the application numbers assigned by the Applicant unless different procedures are established locally in advance.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



SW-9433-1
(Rev. 5-89)
Ref: 002-011-900SW

Page ____ of ____

Agreement Number _____

(Licensee)

(Application Number)

(Map or Drwg. No.)

POLE, ANCHOR AND GUY STRAND DETAILS

	LICENSEE (2)					LICENSOR (3)		
	POLE NO. (4)	LOCATION (5)	MAKE-READY REQUIRED (6)	ANCHOR USE (7)	A/GS USED (8)	ATTACH. (9)	LICENSE NO.	LICENSE DATE
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								

(See Reverse)

PROPRIETARY

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS

INSTRUCTIONS

- (1) **Area** - Indicate name of Municipality, (Locality if appropriate) or County where poles and/or anchors are to be attached. Use SEPARATE page(s) for each such Municipality and each map or drawing number.
- (2) **Licensee** - Licensee completes columns (4) thru (9) if performing field inspection. If not performing field inspection, Licensee completes (4), (5) and (9). Licensor completes columns (6) thru (8) if performing field inspection.
- (3) **Licensor** - Licensor completes all columns in section headed Licensor. Also completes columns (6) thru (8) if performing field inspection.
- (4) **Pole Number** - Indicate Identification Number attached to or imprinted on pole. Include the Letters indicating pole ownership. If Pole Number or Ownership Identification is not available, enter UNK.
- (5) **Location** - Indicate location of pole and/or anchor within the Municipality, Locality or County by providing name of Street, Highway, Route, etc., e.g. South St. N/O (north of) Smith Rd. Private property poles should be identified as follows: PP - (leadoff pole 789 South St.).
- (6) **Make-Ready Required** - Indicate if make-ready work is required to accommodate Licensee's communications facilities e.g., Y(Yes) or N (No). If Licensee undertakes field inspection portion of pre-license survey, Licensee must submit a completed Form SW-9433-2 for poles requiring make-ready work.
- (7) **Anchor Use**
(8) **A/GS (Anchor/Guy Strand) Use** - Indicate if attachment to existing anchor(s) or use existing anchor/guy strands (A/GS) is desired, e.g., Y (Yes) or N (No). If 'Y' is indicated, a Pole Survey Form must be completed relative to details relating to the existing anchor(s) and guy strands.
- (9) **Attachments** - List all Licensee communications facilities to be attached to the pole, including quantities, sizes and types of all anchors and guy strands.

Page 2 of 2

PROPRIETARY

Not for use or disclosure outside Southwestern Bell
Telephone Company except under written agreement.

Page 23

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



**AUTHORIZATION FOR PRELICENSE SURVEY
OR MAKE-READY WORK**

Agreement Number _____

Applicant _____

PRELICENSE SURVEY

Applicant No. _____

MAKE-READY WORK

Telco EWO No. _____

PRELICENSE SURVEY		<u>HOURS</u>		<u>LOADED RATE</u>		<u>TOTAL</u>
	Engineering	_____	x	\$ _____		= \$ _____
	Total (Advance Payment Required)					\$ _____
	If you wish SWBT to complete the required survey work, sign below and return with appropriate advance payment as indicated.					
_____						Estimated Completion Date
MAKE-READY WORK		<u>HOURS</u>		<u>LOADED RATE</u>		<u>TOTAL</u>
	Labor	_____	x	\$ _____		= \$ _____
	Material	XXXX	x	\$ XXXX		= \$ _____
	Engineering	_____	x	\$ _____		= \$ _____
Total (Advance Payment Required)					\$ _____	
If you wish SWBT to complete the required make ready work, sign below and return with appropriate advance payment as indicated.						
_____						Estimated Completion Date

WORK AUTHORIZED:

ESTIMATE SUBMITTED BY:

(Authorized Signature)

(Signature)

(Title)

(Title)

(Date)

(Tel. No.)

(Date)

(Tel. No.)

Ref: SW002-011-900

Official File Copy, if Checked in Red

SW-9434
(Rev. 2-83)

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



SW-9436A
(Rev. 5-89)
Ref: 002-011-900SW

NOTIFICATION OF SURRENDER OR MODIFICATION
OF POLE ATTACHMENT LICENSE BY LICENSEE

Page ____ of ____

Agreement Number _____

(Licensee)

(Address)

Southwestern Bell Telephone Company;

In accordance with the terms and conditions of the License Agreement between us, dated _____, 19____, notice is hereby given that the licenses covering attachments to the following poles and/or anchors and/or utilization of anchor/guy strand is surrendered (or modified as indicated in Licensee's prior notification to Licensor, dated _____, 19____) effective _____.

POLE NO.	ANCHOR A/GS (ASSOC. POLE NO.)	LIC. NO. & DATE	SURRENDER OR MODIFICATION	DATE FAC. RMVD. OR MODIFIED
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

Date Notification Received _____
Date Modification Accepted _____
By _____
Discontinued:
Poles _____
Anchors _____
Anchor/Guy Strands _____

Name of Licensee

By _____

Title _____

PROPRIETARY

Not for use of disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



**NOTIFICATION OF UNAUTHORIZED
ATTACHMENTS BY APPLICANT**

Applicant Name _____

In accordance with the terms conditions of the License Agreement between us, dated _____, 19____, notice is hereby given that the license covering attachments to the following is unauthorized (as indicated in Applicant's prior lease agreement to Telco, dated _____, 19____,) effective _____.

Southwestern Bell Telephone

By: _____

Title: _____

	POLE NO. OR CONDUIT #	LOCATION (ASSOC. POLE NO.) MANHOLES Involved	LIC. NO. & DATE	UNAUTHORIZED ATTACHMENT	DATE FAC. RMVD. OR MODIFIED
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

SKETCH OF
UNAUTHORIZED
ATTACHMENTS
ATTACHED

Date Notification
Sent _____

Name of Applicant

By _____

Title _____

Ref: SW002-011-900

SW-9436C
(Rev. 4-93)

PROPRIETARY

Not for use or disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



SW-8437E
(3-85)

Retention Period - See J.P. 47

**APPENDIX IV
INSURANCE REQUIREMENTS**

**To Be Developed
By Individual
States**

Official File Copy, unless reproduced

PROPRIETARY

Not for use of disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)LICENSING AGREEMENT
POLE ATTACHMENTSSW-9432D
(Rev. 4-87)

**APPENDIX V
PROCEDURE FOR PROCESSING MULTIPLE POLE AND/OR ANCHOR
ATTACHMENT, ANCHOR/GUY AND
STRAND UTILIZATION LICENSE APPLICATIONS**

THIS APPENDIX V, effective as of _____, is an intergral part of the License Agreement between _____ (Southwestern Bell Telephone Company) and _____ (Applicant) dated _____ and contains the procedure for processing multiple License applications.

A) MULTIPLE APPLICANTS

Applications received from multiple applicants for the same pole, anchor, anchor/guy strand or conduit system will be classified as follows:

- 1) simultaneous - received by the Telco on the same business day
- 2) non-simultaneous - received by the Telco on different business days

B) PROCESSING

Processing of multiple applications by Telco will be as follows:

- 1) **simultaneous** applications - Processing of simultaneous applications will be done concurrently. Authorization for attachment or utilization will be granted simultaneously to all multiple applicants involved.
- 2) **non-simultaneous** applications - Initial applicant will be offered the following Options in writing immediately following receipt, by the Telco, of an application(s) from an additional applicant(s). Copies of such written notification to the initial applicant will be sent to the additional applicant(s).

Option 1 - Application(s) of the initial applicant will be processed on the basis that there is no application on file from another applicant for the same pole, anchor or anchor/guy strand.

Option 2 - Application(s) of the initial applicant and additional applicant(s) will be processed in accordance with B) 1) preceding.

3) Initial Applicant

All work in progress on application(s) filed by an initial applicant will be suspended by the Telco from the date of its written notification as required in 2) preceding until the initial applicant notifies the Telco, in writing, of the Option it elects. Such written notification, by the initial applicant will be required no later than 20 days following its receipt of the aforementioned notification from the Telco; otherwise the Telco will deem the initial applicant to have elected Option 1. Telco will notify the additional applicant(s), in writing, of the Option elected by the initial applicant.

4) Additional Applicant(s)

Option 2 will be subject to acceptance by all multiple applicants involved. The additional applicant(s) will have 10 days from receipt of written notification from the Telco advising that the initial applicant has selected Option 2, to accept or reject by written notification to the Telco the conditions applicable to simultaneous attachment or utilization; otherwise the Telco will deem the additional applicant(s) to have rejected acceptance of treatment as simultaneous applicants.

Page 1 of 3

Official File Copy, unless reproduced

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

Page 29

EXHIBIT 1
(Cont'd.)LICENSING AGREEMENT
POLE ATTACHMENTSSW-9432D
(Rev. 4-87)**C) CONDITIONS APPLICABLE TO SIMULTANEOUS APPLICATIONS:****1) Field Inspection**

Multiple applicants retain the right to determine individually or collectively the party or parties (multiple applicant(s) or Telco) to be responsible for completion of the field inspection required to determine the make-ready work necessary to accommodate attachment or utilization of their respective communications facilities on a simultaneous basis.

- a) Indication of the party(s) responsible for the field inspection must be included by multiple applications in written notification required by B) 4) preceding.
- b) Field Inspection Results - Form SW-9433-2 Requirements:
 - i) Multiple applicants electing to perform the field inspection jointly must submit a completed Form SW-9433-2 for each pole needing make-ready work to accommodate multiple attachments.
 - ii) Multiple applicants electing to perform the field inspection separately must each submit a complete Form SW-9433-2 for each pole on each application which includes poles to be attached by multiple applicants.

2) Make-Ready Work

Multiple applicants must develop a mutually agreeable order of pole, anchor or anchor/guy strand availability and overall make-ready work completion schedule.

- a) When multiple applicants cannot reach such mutual agreement within 15 days from receipt of written notification from the Telco of the estimated charges for the required make-ready work, the Telco will offer as an alternative to complete the total make-ready work required for all multiply applicants before simultaneously granting attachment or utilization authorization for all multiple applications involved.
- b) Any multiple applicant who fails to agree to the alternative arrangements will be considered by the Telco to have cancelled its application(s) relative to the poles, anchors, anchor/guy strands or conduit systems involved on pending applications of another applicant(s).

3) Costs

Each multiple applicant will be charged an equal share of the total make-ready costs incurred by the Telco to accommodate simultaneous attachments, utilization or occupancy by the multiple applicants.

D) CONDITIONS APPLICABLE TO NON-SIMULTANEOUS APPLICATIONS**1) Field Inspection**

Each multiple applicant retains the right to complete the field inspection required to determine the make-ready work necessary to accommodate its communications facilities on a non-simultaneous basis.

- a) Election of such field inspection responsibility must be made in writing to the Telco within 20 days of receipt of the Telco's written notification required by B) 3) preceding.
- b) Field Inspection Results - Form SW-9433-2 Requirements:
 - i) Each multiple applicant electing to perform his own field inspection must submit a completed Form SW-9433-2 for each pole on each application which includes poles to be attached by multiple applicants.

Page 2 of 3

PROPRIETARY

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 1
(Cont'd.)

LICENSING AGREEMENT
POLE ATTACHMENTS



SW-9432D
(Rev. 4-87)

c) Field inspections results developed by a multiple applicants in accordance with Article VII A) 2) (b), must be submitted to the Telco within 30 days of the most recent date upon which the applicant's pending application(s) have been classified as non-simultaneous. Failure of an applicant to comply with this requirement will be considered by the Telco as a cancellation of the application(s) involved.

2) Pre-License Survey Costs

Each multiple applicant will be charged the applicable pre-license survey costs incurred by the Telco relative to a determination of the make-ready work required to accommodate attachment or utilization of the individual applicant's communications facilities on a non-simultaneous basis.

3) Make-Ready Completion Schedule

The date of receipt (earliest taking precedence) by the Telco of applications filed in accordance with Article VI B) will determine the priority of make-ready work completion by the Telco. Any change in priority of pole, anchor, anchor/guy strand or conduit availability will require an appropriate change in make-ready work completion of the application(s) involved and be subject to the Telco's ability to accommodate the specific change(s) required in its established work schedule.

4) Make-Ready Work Costs

Make-ready work costs will be allocated as follows:

- a) The initial applicant will be charged the total cost incurred by the Telco to accommodate the attachment, utilization or occupancy of the initial applicant's communications facilities on poles, anchors or in conduits on a non-simultaneous basis.
- b) The additional applicant(s) will be charged the total cost incurred by the Telco to accommodate the attachment, utilization or occupancy of the additional applicant's communications facilities on poles, anchors or in conduits for which prior attachment, utilization or occupancy authorization has been granted to another applicant.

E) PRE-LICENSE SURVEY COMPLETION - TELCO

In performing all field inspections and associated administrative processing for which it may be responsible, the Telco will endeavor to include such work in its normal work load schedule.

F) CHANGES IN APPENDIX

This Appendix may be changed in whole or in part at any time during the term of this Agreement at the sole option of the Telco upon the giving of not less than 60 days written notice thereof to the Applicant and to substitute in place thereof such other provisions as the Telco may deem necessary as relative to multiple attachments to poles and anchors or utilization of anchor/guy strands of the Telco.

_____	_____ Southwestern Bell Telephone Co.
By: _____	By: _____
Its: _____	Its: _____
Date: _____	Date: _____

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2

LICENSING AGREEMENT
CONDUIT OCCUPANCYLICENSING AGREEMENT FOR
CONDUIT OCCUPANCY

Agreement No. _____

Approved Date _____

THIS AGREEMENT is made effective on the _____ day of _____, 19____ by and between SOUTHWESTERN BELL TELEPHONE COMPANY, a Missouri Corporation having its principal office in the City of St. Louis, hereinafter called the Telco and the following named Corporation, partnership or individual making application for license, hereinafter called the Applicant:

I. SCOPE OF AGREEMENT

- A. Subject to the provisions of this Agreement, Telco agrees to issue to Applicant for the purposes limited to those outlined herein, revocable, nonexclusive license(s) authorizing the placement of Applicant's communications facilities in Telco's conduit system within the following geographic area(s):
- B. The Applicant agrees to be bound by all provisions of this Agreement and of the license(s) provided pursuant to this Agreement.
- C. The parties agree that Telco will issue license(s) to Applicant only when Telco determines, in its sole judgment, that duct space requested is clearly in excess of Telco's present or anticipated future needs and that Applicant meets all requirements set forth in this Agreement.
- D. No use, however extended, of conduit systems or payment of any fees or charges required under this Agreement shall create or vest in Applicant any easements or any other ownership of property rights of any nature in such conduit systems. Applicant's rights after issuance of any conduit occupancy license shall be and remain a mere license. Neither this Agreement, nor any license granted hereunder shall constitute an assignment of any of Telco's rights to use the public or private property containing such conduit systems.
- E. Nothing in this Agreement shall be construed as granting Applicant any right to occupy any specific part of Telco's conduit systems or to compel Telco to grant Applicant the right to occupy any specific part of Telco's conduit systems.
- F. The parties agree that Telco's right to locate and maintain its conduit systems and to operate its facilities in conjunction therewith in such a manner as will best enable it to fulfill its own service requirements is in no manner limited by this Agreement.
- G. Nothing contained in this Agreement is intended by the parties to require Telco to construct, reconstruct, retain, extend, place or maintain any duct, manhole or other facility for use by the Applicant when such facility is not needed for Telco's own service requirements.
- H. It is the intent of the parties that nothing contained in this Agreement should act as a limitation, restriction, or prohibition against Telco with respect to any agreement which Telco has heretofore entered into, or may in the future enter into, with others not parties to this Agreement regarding the conduit systems covered by this Agreement except that Telco agrees that it will not interfere with the Applicant's authorized and licensed use of Telco's ducts. If such an agreement with a third party makes rearrangements of Applicant's facilities necessary, Applicant agrees to cooperate in such rearrangement work which shall be performed at the expense of the third party.

II. FEES AND CHARGES

- A. The Applicant agrees to a one time, nonrefundable administration fee of \$ _____ to cover Telco's costs for processing this Agreement and a semiannual billing event fee associated with processing fee statements if applicable.
- B. Where Applicant places more than one licensed facility in a single licensed duct which has not been established by subdividing a large duct into smaller ducts by inner ducting, fees shall apply to each such license facility based upon the Fee Schedule set forth in Appendix I.
Where Applicant places more than one licensed facility in a single licensed duct which has been established as a result of subdividing a larger such duct by inner ducting, only a single semiannual fee will apply based upon the Fee Schedule set forth in Appendix I.
- C. Nonpayment within thirty days after receipt of the bill of any amount due under this Agreement shall constitute a default by Applicant of this Agreement.
- D. Upon at least 60 days prior written notice to Applicant, Telco may make changes in the amount of the fees and charges specified in APPENDIX I. Such changes shall become effective on the first day of the month of January following the date of notice. In those cases where the FCC is reviewing a methodology which would delay the issuing of such notice, Telco shall make changes in the amount of the fees and charges within 30 days after the date the FCC consummates its findings and such change in fees and charges shall apply retroactively to the first day of January of the year in which the FCC consummates its finding and shall be billed and paid accordingly. Telco shall give Applicant at least 60 days prior written notice of such retroactive application of fees and charges. Any changes in fees and charges will be based on cost calculations and/or market or other studies performed by Telco. Notwithstanding any other provisions of this Agreement, Applicant may terminate this Agreement at the end of the notice period if the changes in fees and charges are not acceptable to Applicant, by giving written notice of its election to terminate this Agreement at least 10 days prior to the end of the notice period.
- E. Unless Applicant has given the written notice of termination required by Paragraph (D) above, the amended fees and charges shall become effective on the first day of the January next following and shall automatically become a part and be governed by the terms of this Agreement or, in the case of retroactively applied changes in fees and charges, on the first day of January of the year in which the FCC consummates its findings, which ever is applicable.

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)LICENSING AGREEMENT
CONDUIT OCCUPANCY

ⓐ Southwestern Bell Telephone

- F. Whenever Applicant is obligated by any terms of this Agreement to reimburse Telco for costs, such costs will be determined by the Telco using the Telco's cost accounting systems used for recording capital and expense activities.

III. ADVANCE PAYMENT

- A. Applicant shall make an advance payment to the Telco prior to:
1. Any undertaking by Telco of a preclosure survey or the administrative processing portion of such a survey in an amount specified by Telco sufficient to cover the estimated charges for completing the specified work, such estimated and actual charges shall be computed in accordance with Article II, Paragraph F, and
 2. Performance by Telco of any make ready work required in an amount specified by Telco sufficient to cover the estimated charges for completing the required make-ready work, such estimated and actual charges shall be computed in accordance with Article II, Paragraph F.
- B. The advance payment (APPENDIX III, Form SW9434) will be credited against the actual amount due the Telco for performing the preclosure survey or portion thereof and/or make-ready work or having it performed by others.
- C. Where the advance payment is less than the charge by the Telco for such work, Applicant agrees to pay Telco the remainder within 60 days of issuance of the bill.
- D. Where the advance payment exceeds the charge by the Telco for such work, Telco shall refund the difference to the Applicant within 60 days of completing the work.

IV. SPECIFICATIONS

- A. When a license is issued pursuant to this Agreement, Applicant's facilities shall be placed and maintained in accordance with the requirements and specifications of the then current editions of the "Manual of Construction Procedures" (Blue Book), the National Electrical Code (NEC), and the National Electrical Safety Code (NEC), all of which are incorporated by reference in this Agreement, and the rules and regulations of the Occupational Safety and Health Act (OSHA) and of any governing authority having jurisdiction over the subject matter. Where a difference in specifications may exist, the more stringent shall apply unless modified by Telco in writing. Wherever Applicant's facilities extend from Telco's conduit system to the system of another party, Applicant will comply with the same requirements and specifications as set forth in this Agreement in the connecting section(s) that are required when using Telco's conduit.
- B. If Applicant's facilities, or any part thereof, are not placed and maintained in accordance with conditions provided by this Agreement and Applicant has not corrected the violation within 60 days from receipt of written notice thereof from the Telco, Telco may at its own option correct said conditions. Telco will attempt to notify Applicant in writing prior to performing such work whenever practicable. When the Telco reasonably believes, however, that such conditions pose an immediate threat to the safety of the Telco's employees or the public, interfere with the performance of the Telco's service obligations, or pose an immediate threat to the physical integrity of the Telco's facilities, the Telco may perform such work and or take such action at the Applicant's expense that it deems necessary without first giving written notice to the Applicant and Telco shall be indemnified by the Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement. As soon as practicable thereafter, Telco will advise Applicant in writing of the work performed or the action taken and will endeavor to arrange for reaccommodation of Applicant's facilities so affected. The Applicant shall be responsible for paying the Telco for all costs and contribution per Appendix I, "B" incurred by the Telco in taking action under this subsection.
- C. The parties agree that in addition to specifications and requirements listed in Paragraph (A) above, Applicant's facilities placed in the conduit system of Telco shall meet all of the following electrical design specifications:
1. No facility shall be placed in a conduit system of Telco if such facility by its design could cause electrical interference with Telco's facilities. If electrical interference is caused in whole or in part by any of Applicant's facilities or by their presence in the conduit system, such interference shall be corrected or the facility removed in accordance with Paragraph (B) above.
 2. Applicant's facilities shall not be designated to use the earth as the sole conductor for any part of the Applicant's circuits.
 3. Applicant's facilities carrying more than 50 volts AC (rms) to ground or 135 volts DC to ground shall be enclosed in an effectively grounded sheath or shield.
 4. No coaxial cable of Applicant shall occupy a conduit system containing Telco's cable unless such cable of Applicant meets the voltage limitations of Article 820 of the National Electrical Code.
 5. Applicant's coaxial cable may carry continuous DC voltages up to 1800 volts to ground where the conductor current will not exceed one-half ampere and where such cable has two separate grounded metal sheaths or shields and a suitable insulating jacket over the outer sheath or shield. The power supply shall be so designed and maintained that the total current carried over the outer sheath shall not exceed 200 microamperes under normal conditions. Conditions which would increase the current over this level shall be cleared promptly.
 6. Applicant shall not circumvent Telco's corrosion mitigation measures. Applicant's facilities shall be compatible with Telco's facilities so as not to damage any facilities of Telco by corrosion or other chemical reaction.
- D. Applicant's facilities placed in Telco's conduit system must meet all of the following physical design specifications:
1. Cables bound or wrapped with cloth or having any kind of fibrous coverings or impregnated with an adhesive material shall not be placed in Telco's ducts.
 2. The integrity of Telco's conduit system and overall safety of Telco's personnel requires that a "dielectric cable" be required where licensee's cable facility utilizes an alternative duct or route that is shared in same trench by non-communication facility such as a power utility.
 3. New construction splices in Applicant's cables shall be located in manholes, pull boxes or handholes. The licensee may only access the conduit system through a manhole or approved designated location.
 4. The maximum permissible diameter of any of Applicant's facilities and the number of Applicant's cables to be placed in any of Telco's ducts shall be determined by Telco based on the size and shape of duct. In no event shall the diameter of any cable of Applicant exceed three (3) inches.
- E. The following specifications apply to the connections of Applicant's conduit to the conduit system of Telco:
1. Where Applicant's duct or facility physically connects with Telco's manhole, the section of Applicant's facility which connects to manhole shall be installed by Telco or its contractor at Applicant's expense.

EXHIBIT 2
(Cont'd.)LICENSING AGREEMENT
CONDUIT OCCUPANCY

Ⓐ Southwestern Bell Telephone

2. The Telco shall monitor at the expense of applicant the entrance and exit of the licensee's facilities, such as bores and duct plugs, into the manhole and monitor the placement of licensee's facilities in Telco's Conduit.
 3. If Applicant constructs a duct which is to be connected to any of Telco's manholes, such duct shall be sealed against the entry of gases or liquids at the opening to the manhole, and if Applicant's duct enters a building it shall also be sealed where it enters the building.
- F. The following specifications and rules apply to work performed by the Applicant in placing facilities in the conduit system of Telco:
1. Telco's manholes shall be opened only as authorized by and in the presence of Telco's authorized representative.
 2. Applicant's cable shall be placed in, removed from, changed or maintained to Telco's conduit system only when specific authorization for the work to be performed and approval for the person, firm or corporation that will perform the work has been approved in writing in advance by Telco. Telco retains the right to specify what work, if any, shall be performed in Telco's conduit system by Telco at Applicant's expense at charges computed in accordance with Article II, Paragraph F, of this Agreement.
 3. Rodding or clearing of ducts in Telco's conduit system shall be done only when specific authorization for such work, and approval of the person, firm or corporation that will perform such work has been obtained in writing in advance from Telco. Telco retains the right to prescribe the manner in which such work shall be done and retains the right to specify what work in Telco's conduit system, if any, shall be performed by the Telco at Applicant's expense at charges computed in accordance with Article II, Paragraph F of this Agreement.
 4. Applicant's workers or agents shall not climb or step on Telco's cables, air pipes, equipment or other facilities located in Telco's manholes.
 5. Upon completion of work in Telco's manholes, Applicant's workers or agents shall remove all of their tools, unused materials, wire clippings, cable sheathing and any other similar material.
 6. All of Applicant's facilities shall be firmly secured and supported to the satisfaction of Telco's authorized representative.
 7. Applicant's facilities shall be plainly identified with Applicant's Company name in each manhole with a firmly affixed permanent tag that meets standards set by Telco for its own operation.
 8. Manhole pumping and purging required in order to allow Applicant's work operations to proceed shall normally be performed by Applicant or its contractor according to EPA standards. Telco retains the right to prescribe the manner in which such work shall be done and retains the right to specify what work in Telco's conduit system, if any, is to be performed by, the Telco at Applicant's expense in accordance with Article II, Paragraph F of this Agreement.
 9. Planks or other types of platforms shall not be installed using cables, pipes or other equipment as a means of support. Such platforms shall be supported only by cable racks.
 10. Any leak detection liquid or device used by Applicant's employees, agents or contractors shall be of a type approved by Telco.
 11. When Applicant's employees, agents or contractors are working in or around any portion of Telco's conduit system located in or adjacent to streets, highways, alleys or other traveled rights of way, the protection of persons and property shall be provided in a manner satisfactory to Telco. Applicant will provide all traffic control and warning devices required to protect pedestrian and vehicle traffic, workers and property from danger. Applicant has sole responsibility for the safety of its employees, agents, contractors or bystanders and for insuring that all operations conform to current OSHA regulations and all other governmental rules, ordinances or statutes. The Telco reserves the right to terminate Applicant's activities in and around Telco's conduit system without liability if any hazardous condition arises due to the activity (including both acts and omissions) of Applicant's employees, agents or contractors.
 12. Except for protective screens, no cover shall be placed by Applicant's employee, agents or contractors over an open manhole unless it is at least four feet above the surface level of the manhole opening.
 13. Smoking or the use of any open flame is prohibited in Telco's manholes or within 10 feet of any open manhole entrance.
 14. Artificial lighting, when required, will be provided by Applicant. Only explosion-proof lighting fixtures shall be used.
 15. Applicant shall not allow the accumulation of any combustible vapor or material in Telco's manholes during Applicant's work operations.
 16. Spark producing tools, equipment or devices are not allowed in Telco's manholes. This includes but is not limited to such things as electric drills and hammers, megers, breakdown sets, induction sets, etc.
 17. Cable lubricants used by Applicant in Telco's conduit system shall be of a type approved by Telco.
- G. The following rules apply when an emergency situation exists such that advance coordination is not practicable:
1. Telco may rearrange Applicant's cable, equipment and facilities to accommodate the placing of Telco's facilities. The cost associated with such rearrangements will be paid by the Applicant at charges computed in accordance with Article II, Paragraph F of this Agreement.
 2. Telco's service restoration requirements shall take precedence over any and all work operations of the Applicant in Telco's conduit system.
 3. Telco may place a cable in any of Telco's ducts scheduled to be but not yet occupied by Applicant. Telco will endeavor to make other duct space available as soon as reasonably possible.

V. LEGAL REQUIREMENTS

- A. Applicant shall be responsible for obtaining from the appropriate public and/or private authority or other appropriate persons any required authorization to construct, operate and/or maintain its facilities on public and/or private property before it occupies any portion of a conduit system located on such public and/or private property. Telco retains the right to require evidence that appropriate authorization has been obtained before any license is issued to applicant or before preclosure survey work is commenced by Telco.
- B. Communications facilities placed by Applicant in Telco's conduit system must serve a lawful purpose; the use made of the facilities must comply with all applicable regulatory rulings, local, state and federal laws.

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY

 Southwestern Bell Telephone

- C. No license granted under this Agreement shall extend to any portion of a conduit system in which the placement of Applicant's facilities would result in a forfeiture of rights of Telco, or joint users, to occupy the property on which such conduit system(s) are located. If the existence of Applicant's facilities in a conduit system would cause a forfeiture of the right of the Telco, joint user, or both, to occupy such property, Applicant agrees to remove its facilities forthwith upon receipt of written notification from the Telco. If said facilities are not so removed, Telco may perform and/or may have performed such removal at Applicants expense after the expiration of 60 days from the receipt of said written notification and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement; and Applicant agrees to pay Telco the cost thereof in accordance with Article II, Paragraph F of this Agreement and for all losses and damages that may result.

VI. ISSUANCE OF LICENSES

- A. Before Applicant shall occupy any portion of a conduit system, Applicant shall make a written application for and have a written license from Telco. The application for license shall consist of the Applicant submitting two signed copies of the Application and Conduit Occupancy License found in Appendix III, Form SW-9435. After approval by Telco, an executed Form SW 9435 will be returned to the Applicant to serve as the license for facilities of Applicant to occupy Telco's conduit as specified by license. Conduit occupancy shall be limited to the duct(s) specifically defined by the license.
- B. Each application for conduit occupancy shall be evaluated on an individual basis. The issuance of a specific license by Telco will not constitute intent to approve future applications.
- C. Applicant agrees to limit the filing of applications for conduit occupancy licenses to ten applications pending approval by Telco at any one time within a single plant construction district of Telco. Telco, in its sole judgment, may permit the preceding limitation to be exceeded if a particular situation warrants such. Applicant further agrees to designate a desired priority of processing each application with respect to all its other applications on file with Telco at the same time.

VII. MAKE-READY WORK

- A. When an application for conduit occupancy is submitted by Applicant, a preclosure survey by the Telco will be required to determine the availability of the conduit system to accommodate Applicant's facilities. Telco will advise the Applicant in writing of the estimated charges that will apply for such preclosure survey and receive written authorization from the Applicant before undertaking such a survey (Form SW-9434). A representative of the Applicant may accompany the Telco's representative on the field inspection portion of such preclosure survey. The determination of duct availability may include the rodding of ducts at Applicant's expense.
- B. Telco will provide response to each application within 90 days of receipt. If Applicant requires earlier response, Applicant agrees to pay all premium charges associated with the expedited processing.
- C. Telco reserves the right to refuse to process any application for conduit occupancy until all fees and charges due Telco under this Agreement or any other agreement with Applicant are paid in full or are subject to a genuine dispute the resolution of which is pending in a court of competent jurisdiction.
- D. The Telco retains the right to refuse Applicant occupancy of Telco's conduit system or any portion thereof in accordance with Article I, Paragraph C. In the event Telco determines that it would permit Applicant to occupy a portion of the conduit system, Telco will advise Applicant in writing of the estimated make-ready charges that will apply for required rearrangement work (APPENDIX III, Form SW-9434).
- E. Applicant shall have 60 days from the receipt of Form SW9434 to execute and return it to Telco authorizing completion of the required make-ready work and accepting the associated charges. If the 60 day requirement is not met, the application associated with said Form SW-9434 will automatically be cancelled by Telco without written notice to Applicant.
- F. Make-ready work may be performed by Telco or by Telco's contractors or by Applicant and/or Applicant's contractors provided that the work to be performed and the Applicant or contractor performing the work are approved by Telco in accordance with Article VIII, Paragraph C of this Agreement.
- G. In performing all make-ready work to accommodate Applicant's facilities, Telco will endeavor to include such work in its normal work load schedule. In the event Applicant requests that the make-ready work be performed on a priority basis or outside of Telco's normal work hours, Applicant agrees to pay the excess costs of work performed at premium rates. Nothing herein is intended, however, to require advancement of Applicant's work ahead of other scheduled work.
- H. Clearing obstructions, repairs, dig-ups and any other work required to make a duct usable for the initial placing of Applicant's facilities shall be performed by Telco or its designated contractor at Applicant's expense and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement.

VIII. CONSTRUCTION, MAINTENANCE AND REMOVAL OF FACILITIES

- A. Applicant shall, at its own expense, and in accordance with the provisions of this Agreement, construct and maintain its facilities in conduit systems covered by this Agreement in a safe condition and in a manner acceptable to Telco, so as not to physically conflict or to electrically interfere with the facilities placed therein by the Telco or other authorized licensees. Applicant agrees that upon request by Telco, it will participate immediately with Telco in the rearrangement of facilities, conduit and/or manholes and that such participation shall include Applicant bearing the expense for the rearrangement of its facilities.
- B. Should Telco determine a need to occupy all or part of the conduit capacity occupied by Applicant's facilities and, if Telco advises Applicant that Applicant's facilities can be accommodated otherwise in Telco's conduit system, Applicant shall be required to rearrange its facilities in the manner designated by the Telco. If the Applicant has not so rearranged its facilities within 60 days of receipt of written notice from Telco, Telco may perform or have performed such rearrangement at Applicants expense in accordance with Article II, Paragraph F of this Agreement and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G.
- C. The Applicant must obtain prior written authorization from the Telco approving the work and the party performing such work before the Applicant shall install, remove or provide maintenance of its facilities in any of Telco's conduit systems. Telco retains the right to specify what, if any, work shall be provided by the Telco at Applicant's expense.

EXHIBIT 2
(Cont'd.)LICENSING AGREEMENT
CONDUIT OCCUPANCY

- D. In each instance where Applicant's facilities are to be placed in Telco's conduit system, Applicant shall give Telco written notice of the type and use of facilities which are to be placed and advise Telco as use changes. Telco shall designate the particular duct(s) to be occupied, the location and manner in which Applicant's facilities will enter and exit Telco's conduit system and the specific location and manner of installation for any associated equipment which is permitted by Telco to occupy the conduit system. Telco reserves the right to exclude or limit the type number and size of Applicant's facilities which may be placed in Telco's conduit system.
- E. Telco's manholes shall be opened only as permitted by Telco's authorized employees or agents. Applicant shall notify Telco fifteen (15) days in advance of any routine work operation requiring entry into any of Telco's manholes. Applicant shall be responsible for obtaining any necessary authorization from appropriate authorities to open manholes for conduit work operations therein. Applicant's employees, agents or contractors will be permitted to enter or work in Telco's manholes only when an authorized employee or agent of Telco is present. Telco's employee or agent shall have the authority to suspend Applicant's work operations in and around Telco's manholes if, in the sole discretion of said Telco employee or agent, any hazardous conditions arise or any unsafe practices are being followed by Applicant's employees, agents or contractors. Applicant agrees to pay Telco the charges, as determined in accordance with the terms and conditions of Article II, for having Telco's employee or agent present when Applicant's work is being performed in and around Telco's manholes. The presence of Telco's authorized employee or agent shall not relieve Applicant of its responsibility to conduct all of its work operations in and around Telco's manholes in a safe and workmanlike manner, in accordance with the terms of this Agreement.
- F. Whenever Applicant chooses to replace its facilities, it will, at its expense, remove its original facilities from the conduit system within 60 days after functionally duplicating them with replacement facilities in another duct. Such replacement shall not be performed until a new license for the replacement facilities has been secured.
- G. If Applicant fails to remove its facilities at the expiration or other termination of the license, Telco shall have the right to remove such facilities at Applicant's expense, at charges computed in accordance with Article II, Paragraph F, and Telco shall be indemnified by the Applicant for such work in accordance with Article XIII, Paragraph G of this Agreement.
- H. Applicant agrees to fully cooperate with Telco when emergency conditions arise surrounding any or all of the conduit system. During normal working hours, Telco will inform Applicant that an emergency situation exists. Telco is not responsible for the restoration of Applicant's facilities. When an emergency condition arises outside normal working hours, Telco will make an attempt to contact Applicant.
- I. Applicant must notify Telco in writing as to the date on which the removal of its facilities from each portion of conduit has been completed. This removal requires the Applicant's facilities be totally removed from duct. Applicant must place a pull mandrel (shug) through the entire conduit system which was occupied by Applicant under the supervision of Telco. Occupancy fees will continue until all of applicant's facilities have been physically removed.
- IX. TERMINATION OF LICENSES**
- A. Any license issued pursuant to this Agreement shall automatically terminate when Applicant ceases to have authority to construct and operate its facilities on public or private property at the location of the particular conduit occupancy covered by the license.
- B. Applicant may at any time terminate its license with respect to the occupancy of a portion of conduit system and remove its facilities by giving Telco written notice of such intention (Form SW-9436B, APP. III). Occupancy fees will continue until all Applicant's facilities have been removed and mandrel (shug) placed as outlined in Article VIII. Once Applicant's facilities have been removed they shall not occupy or reoccupy any portion of a conduit system until Applicant has complied with all provisions of this Agreement as though no previous license had been issued.
- C. When conduit occupied by the Applicant is needed by the Telco to meet its own service requirements, Telco retains the right to terminate any license issued under the provisions of this Agreement by providing written notice to Applicant. Upon termination, Applicant shall remove its facilities from Telco's conduit system within six months from the date of termination, provided, however, that the Applicant shall be liable for and pay all fees and charges pursuant to this Agreement. Occupancy fees shall continue until all of Applicant's facilities have been physically removed from the conduit system.
- D. Telco retains the right to cancel, with 30 days written notice, any conduit occupancy license not utilized by placement of Applicant's facilities therein within 12 months of license issue date.
- X. INSPECTION OF APPLICANT'S FACILITIES**
- A. Telco reserves the right to make periodic inspections at any time of any part of Applicant's facilities occupying Telco's conduit system, and Applicant shall reimburse Telco for the expense of such inspections as specified in APPENDIX I.
- B. Telco will give Applicant advance written notice of such inspections, except in those instances where safety considerations justify the need for such inspection without the delay of waiting until written notice has been forwarded to Applicant.
- C. The making of periodic inspections or the failure to do so shall not operate to impose upon Telco any liability of any kind whatsoever or relieve Applicant of any responsibility, obligations or liability whether assumed under this Agreement or otherwise existing.
- XI. UNAUTHORIZED UTILIZATION OR OCCUPANCY**
- A. If any of Applicant's facilities shall be found occupying any portion of any conduit system(s) for which no license has been issued and remains in effect, Telco, without prejudice to its other rights or remedies under this Agreement including termination of licenses, may require Applicant to submit in writing, within 15 days of receipt of written notification form Telco a license application for such utilization or occupancy. If such application is not received by Telco within the specified period of time, or is received and specifically disapproved, Applicant shall remove its unauthorized facilities within 60 days of receipt of written notice from Telco to do so, or Telco may at Telco's option remove Applicant's facilities at Applicant's expense at charges computed in accordance with Article II, Paragraph C, and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph C of this Agreement.
- B. Applicant shall be liable to Telco for fees and charges associated with any unauthorized conduit system occupancy. Such fees and charges shall be computed and paid based upon an occupancy period beginning three years prior to the date of the discovery of unauthorized conduit system occupancy. The fees and charges as specified in Appendix I, or as amended, shall be due and payable for the period of the unauthorized occupancy whether or not Applicant is permitted to continue the conduit occupancy.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY

Ⓐ Southwestern Bell Telephone

- C. No act or failure to act by Telco with regard to said unlicensed use shall be deemed as a ratification of the unlicensed use and if any license should be subsequently issued, said license shall not operate retroactively or constitute a waiver by Telco of any of its rights or privileges under this Agreement or otherwise; provided, however, that Applicant shall be subject to all liabilities, obligations and responsibilities of this Agreement in regards to said unauthorized use from its inception.

XII. SECURITY INTEREST

- A. Should Telco remove any Applicant's facilities from the conduit system(s) covered by this Agreement pursuant to any term or condition hereof, Telco will deliver to Applicant the facilities so removed upon payment by Applicant of the cost of the removal, storage and delivery, and all other amounts due the Telco. Applicant shall grant Telco a security interest in all of Applicant's facilities now or hereafter placed in conduit systems pursuant to this Agreement.
- B. Nothing in this Article shall operate to prevent Telco from pursuing, at its option, any other remedies under this Agreement or at law or in equity, including public or private sale of facilities under security interest or lien.
- C. Whereas Telco desires to protect the interests of its ratepayers, employees and shareholders,
1. Telco may require a bond or other satisfactory evidence of financial security in an amount sufficient to guarantee the performance of all Applicant's obligations hereunder. The amount of the bond or financial security shall not operate as a limitation upon the obligations of the Applicant hereunder; and
 2. If Applicant furnished a deposit of money pursuant to this section, such deposit may be held during the continuance of this Agreement at the option of the Telco as security for any and all amounts which are or may become due to the Telco under the Agreement.
 3. In the event that a bond or similar form of assurance is required by Telco, Applicant shall maintain in full force and effect such bond and shall submit to Telco adequate proof as determined by Telco that the bond meets Telco's requirements. Applicant shall provide certification from the company issuing the bond that the bond shall not be canceled, changed or materially altered without first providing Telco 60 days written notice.

XIII. LIABILITY AND DAMAGES

- A. Telco shall exercise reasonable precaution to avoid damaging the facilities of the Applicant and shall make an immediate report of the Applicant of the occurrence of any such damage caused by its employees, agents or contractors. Telco agrees to reimburse the Applicant for cost incurred by the Applicant for the physical repair of such facilities damaged by the negligence of Telco. Telco shall not be liable to Applicant however for any interruptions of Applicant's service or for interference with the operation of Applicant's facilities, or for any special, indirect, or consequential damages arising in any manner, including Telco's negligence, out of the use of the conduit systems or Telco's actions or omissions in regards thereto. Applicant shall indemnify and hold harmless Telco, its employees, agents and contractors from and against any and all claims, demands, causes of action, costs and attorneys' fees whatever kind from claims by third parties arising out of the use of the conduit systems or Telco's actions or omissions in regards thereto.
- B. Applicant shall exercise precaution to avoid damaging the facilities of Telco and of others occupying a conduit system and shall make an immediate report to the owner of the facilities so damaged and Applicant assumes all responsibility for any and all direct and indirect loss from such damage caused by actions of Applicant's employees, agents or contractors or failures to follow specifications provided in this Agreement.
- C. Applicant shall indemnify, defend and hold harmless the Telco and joint user from any and all damages and costs, including attorney's fees, incurred by the Telco and joint user as a result of acts by Applicant, its employees, agents or contractors, including but not limited to a loss or right-of-way or property owner consents and/or the cost of defending those and/or consents.
- D. The Applicant shall indemnify, defend and hold harmless the Telco and joint user from and against any and all claims, demands, causes of actions and costs, including attorneys' fees, for damages to property and injury or death of persons, including but not limited to payments under any Worker's Compensation Law or under any plan for employee's disability and death benefits, which may arise out of or be caused by the erection, maintenance, presence, use or removal of Applicant's facilities or by their proximity to the facilities of all parties placed in a conduit system, or by any act or omissions of the Applicant's employees, agents or contractors on or in the vicinity of the Telco's conduit systems.
- E. The Applicant shall indemnify, protect and hold harmless the Telco and joint user from any and all claims, demands, causes of action and costs, including attorneys' fees, which arise directly or indirectly from the construction and operation of Applicant's facilities, including but not limited to taxes, special charges by others, claims and demands for damages or loss from infringement of copyright, for libel and slander, for trespass, for unauthorized use of television or radio broadcast programs and other program material, and from and against all claims, demands and costs, including attorneys fees, for infringement of patents with respect to the manufacture, use and operation of Applicant's facilities in combination with conduit systems or otherwise.
- F. Applicant shall promptly advise the Telco of all claims relating to damage of property or injury to or death of persons, arising or alleged to have arisen in any manner, directly or indirectly, by the erection, maintenance, repair, replacement, presence, use or removal of the Applicant's facilities. Copies of all accident reports and statements made to Applicant's insurer by the Applicant or others shall be promptly furnished at no cost to the Telco.
- G. The Applicant shall indemnify, defend, and hold harmless the Telco from any and all claims, demands, causes of action and costs, including reasonable attorneys fees, which arise directly or indirectly from any work performed by Telco that was necessitated by the erection, maintenance, presence, use or removal of Applicant's facilities or by their proximity to the facilities of any other parties which are placed in the conduit system or any work this Agreement authorizes Telco to perform.

XIV. INSURANCE

Applicant shall obtain and maintain in full force and effect, for so long as this Agreement remains in effect, insurance policies specified in APPENDIX IV of this Agreement. Applicant shall submit to Telco adequate proof as determined by Telco of insurance by each company insuring Applicant to the effect that it has insured Applicant for all liabilities of Applicant covered by this Agreement and that it will not cancel, change or materially alter any such policy of insurance issued to Applicant except after 30 days written notice to Telco.

EXHIBIT 2
(Cont'd.)LICENSING AGREEMENT
CONDUIT OCCUPANCY

ⓐ Southwestern Bell Telephone

All insurance requirements in accordance with APPENDIX IV must be in effect before Telco will license any facility to its conduit system and shall remain in force until all of Applicant's facilities have been removed from Telco's conduit system. In the event that Applicant fails to obtain or maintain the required levels and types of insurance coverage, Telco may elect, in its sole discretion, to terminate this Agreement and all licenses issued hereunder.

XV. AUTHORIZATION NOT EXCLUSIVE

Telco shall have the right to grant, renew and extend rights and privileges to others not parties to this Agreement, by contract or otherwise, to use the conduit system covered by this Agreement. Such rights shall not interfere with the rights granted to the Applicant by specific licenses issued pursuant to this Agreement.

XVI. ASSIGNMENT OF RIGHTS

- A. Applicant shall not assign or transfer this Agreement, any license issued pursuant to this Agreement or any authorization granted by this Agreement, and this Agreement shall not inure to the benefit of Applicant's successors or assigns, without the prior written consent of Telco. No assignment will be granted without 60 days prior written notice furnished by Applicant to Telco.
- B. In the event such consent or consents are granted by Telco, then the provisions of this Agreement shall apply and the Applicant agrees to bind such successor and provide proof of the successor's assumption of the obligations of this Agreement. Such successors and assigns of the Applicant will be required to pay an administration fee equal to the fee being charged at that time for the administration of new Agreements.
- C. Applicant shall not sub-license to a third party or allow a third party to utilize Telco's conduit system. Such action shall constitute material breach of this Agreement.

XVII. FAILURE TO ENFORCE

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

XVIII. TERMINATION OF AGREEMENT

- A. Should Applicant cease to make active use of its facilities in the area covered by this Agreement, then all of Applicant's rights, privileges and authorizations under this Agreement, including all licenses issued hereunder, shall automatically terminate as of the date following the final day that active use of such facilities is ceased.
- B. Telco shall have the right to terminate this entire Agreement or any license issued hereunder whenever Applicant is in default of any term of this Agreement, including but not limited to the following conditions:
 1. If Applicant's communications facilities are used or maintained in violation of any law or in aid of any unlawful act or undertaking; or
 2. If Applicant occupies any portion of a conduit system without having first been issued a license therefore; or
 3. If any authorization which may be required of the Applicant by any governmental or private authority for the construction, operation and maintenance of the Applicant's facilities is denied or revoked; subject to the restrictions set out in article V of the agreement; or
 4. If the insurance carrier shall at any time notify Telco or Applicant that the policy or policies of insurance, required under ARTICLE XIV hereof, will be canceled or changed and if the requirements of ARTICLE XIV are not satisfied, this Agreement shall terminate upon the effective date of such cancellation or change, unless the Telco elects to take such action necessary to keep policy in effect; or
 5. If any occurrence such as act of war, government action, Force Majeure or act of God causes either party, without fault or negligence, to be unable to meet any or all provisions of this Agreement.
- C. Telco will promptly notify Applicant in writing of any condition(s) applicable to Paragraph (B) above. Applicant shall take immediate corrective action to eliminate any such condition(s) and shall confirm in writing to Telco within 30 days following receipt of such written notice that the cited condition(s) has(have) ceased or been corrected. If Applicant fails to discontinue or correct such condition(s) and/or fails to give the required confirmation, Telco may immediately terminate this Agreement.
- D. In the event of termination of this Agreement or any of Applicant's rights, privileges or authorizations hereunder, Applicant shall remove its facilities from Telco's conduit system within 6 months from the date of notification of termination; provided, however, that Applicant shall be liable for and pay all fees and charges pursuant to terms of this Agreement to Telco until Applicant's facilities are actually removed from Telco's conduit system.
- E. If Applicant does not remove its facilities from Telco's conduit system within the applicable time periods specified in this Agreement, Telco shall have the right to remove them at the expense of the Applicant in accordance with Article II, Paragraph F of this Agreement and Telco shall be indemnified by Applicant for such work in accordance with Article XIII, Paragraph G.
- F. In the event any of the arrangements, fees and charges provided for under this Agreement are hereafter offered under tariff filed by Telco and in effect with a regulatory commission with jurisdiction over the attachments provided for by licenses issued pursuant to this Agreement, this Agreement with respect to those arrangements, fees and charges shall terminate and shall be superseded by such tariff. Said termination is to become effective on the day preceding the day when such tariff becomes effective.

XIX. TERM OF AGREEMENT

- A. Unless sooner terminated as herein provided, this agreement shall continue in effect for a term of one year from the date hereof, and continuing thereafter from year to year. Provided, however, that either party may terminate this Agreement with or without cause, by giving the other party at least 6 months prior written notice thereof. Such six months notice of termination may be given to take effect at the end of the original one year period or at any time thereafter.
- B. Termination of this Agreement or any licenses issued hereunder shall not affect Applicant's liabilities and obligations incurred hereunder prior to the effective date of such termination.

XX. AMENDING AGREEMENT

Notwithstanding other provisions of this Agreement, the terms and conditions of this Agreement shall not be amended, changed or altered except in writing and with approval by authorized representatives of both parties.

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



XXI. NOTICES

All written notices required under this Agreement shall be given by posting the same in certified mail to Applicant as follows:

(Name) _____

(Title) _____

(Company) _____

(Address) _____

(City, State, Zip) _____

and to Telco as follows:

(Name) _____

(Title) _____

(Company) **Southwestern Bell Telephone Company**

(Address) _____

(City, State, Zip) _____

or to such address as the parties hereto may from time to time specify in writing.

XXII. SUPERSEDURE OF PREVIOUS AGREEMENT(S)

This Agreement supersedes all previous agreements, whether written or oral, between Telco and Applicant for placement and maintenance of Applicant's facilities in conduit systems within the geographical area covered by this Agreement; and there are no other provisions, terms or conditions to this Agreement except as expressed herein. All currently effective licenses heretofore granted pursuant to such previous agreements shall be subject to the terms and conditions of this Agreement.

XXII. SEVERABILITY

If any provision or portion thereof of this Agreement is or becomes invalid under any applicable statute or rule of law, and such invalidity does not materially alter the essence of the Agreement to either party, such provision shall not render unenforceable this entire Agreement but rather it is the intent of the parties that the Agreement be administered as if not containing the invalid provision.

XXIV. CHOICE OF LAW

It is the intent of the parties that this Agreement be governed by the applicable laws of the state in which the conduit is located for which licenses are issued pursuant to this Agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



XXV. APPENDICES

APPENDIX II (Definitions) and all APPENDICES referenced in this Agreement are hereby incorporated into and made an integral part of this Agreement.

IN WITNESS WHEREOF, the parties voluntarily, knowingly, and with authority, execute this Agreement.

TELCO:

Southwestern Bell Telephone Company
Name of Company

By _____

Its _____

Date _____

APPLICANT:

_____ Name of Company

By _____

Its _____ Title of Authorized Officer

Date _____

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



APPENDIX I
SCHEDULES OF FEES AND CHARGES

AGREEMENT NUMBER _____

THIS APPENDIX I; effective as of _____, is an integral part of the License Agreement between Southwestern Bell Telephone Co. (Telco) and _____ (Applicant), dated _____ and contains the fees and charges governing the use of Telco's conduit system by Applicant's communications facilities.

A) **Occupancy Fees**

1) **General**

- a) Occupancy status commences on the first day of the calendar month following the date the license is issued for such occupancy. Such status ceases as of the final day of the calendar month preceding the month in which the occupancy is discontinued.
- b) A semi-annual minimum charge is applicable for all occupancy accommodations.
- c) Fees shall be payable semi-annually in advance on the first day of January and July.
- d) The total occupancy fees due hereunder, shall be based upon the number of duct feet of conduit for which licenses have been issued before the first day of December and the first day of June each year.

2) **Fees**

<u>Conduit Occupancy Accommodations</u>	<u>Band</u>	<u>Semi-Annual Fee</u>
a) Per foot of license facility:		
	CATV	\$ _____
	Non-CATV	\$ _____
	Other	\$ _____

- b) For the purpose of determining the facility footage chargeable the duct/inner duct considered occupied shall be footage rendered otherwise unusable and shall be measured from the:
 - (i) Center to center of adjacent manholes, or
 - (ii) Center of manhole to the end of a duct not terminated in manhole.
- c) Where Applicant places one or more licensed facilities in a single duct, which has not been established as a result of inner ducting a larger duct, a Semi-Annual Fee will apply to each such licensed facility placed in the duct.

Where Applicant places one or more licensed facilities in a single duct, which has been established as result of inner ducting a larger such duct, only a single Semi-Annual Fee will apply to the entire inner duct, irrespective of the number of facilities places in the duct. In such circumstances the single Semi-Annual Fee will be based upon the Applicant facility which has the highest Semi-Annual Fee as set forth in subparagraph A.1. (a) of this Appendix I.
- d) Per foot of duct occupied
- e) For the purpose of determining the duct fee chargeable the duct considered occupied shall be any footage rendered otherwise unusable and shall be measured from the:
 - (i) Center to center of adjacent manholes, or
 - (ii) Center of manhole to the end of a duct not terminated in manhole.

A	\$ _____
B	\$ _____
C	\$ _____
D	\$ _____

B) **Charges**

1) **Computation**

Charges for all work performed by the Telco or by its authorized representative in connection with the furnishing of conduit system accommodations as covered by this Agreement shall be based upon the full cost, plus _____% of such amount, to the Telco for performance of such work. Such charges will apply for, but not be limited to, preclosure survey, make-ready work, inspection, rearrangement, and removal of Applicant's communications facilities and supervision, at the option of the Telco, of work performed for Applicant in the vicinity of a conduit system.

C) **Payment Date**

Nonpayment within thirty days after receipt of bill of any amount due under this Agreement shall constitute a default by Applicant of this Agreement.

Southwestern Bell Telephone Co.

Name of Applicant

By: _____ By: _____

Its: _____ Its: _____

PROPRIETARY

SW-9437A
(Rev. 4-93)

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)LICENSING AGREEMENT
CONDUIT OCCUPANCYSW-9437B
(1-91)

Retention Period - See O.P. 47

APPENDIX II
DEFINITIONS

As used in this Agreement.

A) Applicants Communications Facilities

All facilities, including but not limited to cables, equipment and associated hardware, owned and utilized by the Applicant which occupy a conduit system.

B) Conduit

A structure, usually underground, containing one or more ducts.

C) Conduit Occupancy

For a single duct, which has not been established by subdividing a larger duct into smaller ducts by inner ducting, conduit occupancy shall mean the occupancy of a single duct by a single item of Applicant's wire or optical conductors or cables.

For a single duct, which has been established as a result of subdividing a larger such duct by inner ducting, conduit occupancy shall mean the occupancy of a single duct by one or more items of Applicant's wire and/or optical conductors or cables.

D) Conduit System

Any combination of ducts, conduits, manholes, handholes, and vaults joined to form an integrated whole, which is owned solely or in part by the Telco.

E) Duct

A single enclosed channel for communication facilities, including such a path which was created by the subdivision of a larger such channel by inner ducting.

F) Joint User

A joint owner or party which may occupy a conduit either solely or partially owned by the Telco, in return for granting the Telco equivalent rights of occupancy of conduit which it owns, either solely or partially.

G) Manhole

A subsurface enclosure which personnel may enter and use for the purpose of installing, operating and maintaining communications facilities.

H) Make-Ready Work

All work, including but not limited to, rearrangement and/or transfer of existing facilities required to accommodate the Applicant's communications facilities in a conduit system. Make-Ready Work does not include the subdivision of larger conduit channels by inner ducting. All inner ducting shall be performed at Telco expense and all inner ducts shall be the property of Telco.

I) Prelicense Survey

All work operations required, including field inspection and administrative processing, to determine the make-ready work necessary to accommodate Applicant's communications facilities in a duct.

J) CATV Use

The use of Applicant's wire and/or optical communications facilities to provide the one-way transmission to multiple subscribers within a community of (i) video programming, other than private video programming or the mere retransmission of broadcast stations, or (ii) other information made available to all subscribers generally, and such subscribers interaction as is required for the selection of such video programming or other information.

K) Non-CATV

Any use of any of Applicant's facilities to perform or provide any service, function or thing other than those which are set forth under the definition of CATV Use.

Official File Copy, unless reproduced

PROPRIETARY

Not for use of disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)LICENSING AGREEMENT
CONDUIT OCCUPANCY

**Southwestern Bell
Telephone**

**APPENDIX III
ADMINISTRATIVE FORMS AND NOTICES**

THIS APPENDIX III; effective as of _____, is an integral part of the Licensing Agreement between Southwestern Bell Telephone Co., (Telco), and _____ (Applicant), dated _____ and contains the administrative forms governing the use of Telco's conduit system by Applicant's communications facilities.

INDEX OF ADMINISTRATIVE FORMS

Authorization for Prelicense Survey and/or Make-Ready Work	SW-9434
Application and Conduit Occupancy License	SW-9435
Conduit System Diagram	SW-9435-1
Cable to Occupy Conduit	SW-9435-2
Equipment Housings to be Placed in Manholes	SW-9435-3
Notification of Surrender or Modification of Conduit Occupancy License by Applicant	SW-9436B
Notification of Unauthorized Occupancy by Applicant	SW-9436C

PROPRIETARY

SW-9437C
(Rev. 4-83)

Not for use or disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



SW-9437E
(3-85)

Retention Period - See J.P. 47

**APPENDIX IV
INSURANCE REQUIREMENTS**

**To Be Developed
By Individual
States**

Official File Copy, unless reproduced

PROPRIETARY

Not for use of disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



**AUTHORIZATION FOR PRELICENSE SURVEY
OR MAKE-READY WORK**

Agreement Number _____

Applicant _____

PRELICENSE SURVEY

Applicant No. _____

MAKE-READY WORK

Telco EWO No. _____

PRELICENSE SURVEY		<u>HOURS</u>		<u>LOADED RATE</u>		<u>TOTAL</u>	
	Engineering	_____	x	\$ _____		= \$ _____	
	Total (Advance Payment Required)						\$ _____
	If you wish SWBT to complete the required survey work, sign below and return with appropriate advance payment as indicated.						
_____ Estimated Completion Date							
MAKE-READY WORK		<u>HOURS</u>		<u>LOADED RATE</u>		<u>TOTAL</u>	
	Labor	_____	x	\$ _____		= \$ _____	
	Material	XXXX	x	\$ XXXX		= \$ _____	
	Engineering	_____	x	\$ _____		= \$ _____	
Total (Advance Payment Required)						\$ _____	
If you wish SWBT to complete the required make ready work, sign below and return with appropriate advance payment as indicated.							
_____ Estimated Completion Date							

WORK AUTHORIZED:

ESTIMATE SUBMITTED BY:

(Authorized Signature)

(Signature)

(Title)

(Title)

(Date)

(Tel. No.)

(Date)

(Tel. No.)

Ref: SW002-011-900

Official File Copy, if Checked in Red

SW-9434
(Rev. 2-93)

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



APPLICATION AND CONDUIT OCCUPANCY LICENSE

(Applicant)

(Address)

Southwestern Bell Telephone Company;

(Date)

In accordance with the terms and conditons of the Licensing Agreement between us, dated _____, 19____, application is hereby made for a license to occupy the conduit system shown on Form SW-9435-1, with the cable and equipment detailed on Forms SW-9435-2 and 3. This request will be designated:

Conduit Occupancy Application Number _____ *

Applicant hereby requests Telco to provide an estimate of the cost to complete the prelicensing survey work. Completion of such estimate does not constitute Applicant's authorization for completion of the prelicense survey by Telco.

(Applicant)

By: _____
(Name of authorized agent)

Its: _____
(Title of authorized agent)

Tel. No. _____

TO BE COMPLETED BY TELCO	Conduit Occupancy License Number _____ is hereby granted to occupy Telco's conduit system, as indicated on the attached Form SW-9435-1 with cable, equipment and facilities specified on the attached Forms SW-9435-2 and 3. Duct footage this license _____. (Location)
	Southwestern Bell Telephone Co.
	By: _____ (Name of authorized agent)
	Its: _____ (Title of authorized agent)
	License Issue Date _____
	Tel. No. _____

* Individual applications to be numbered in sequential ascending order by Applicant for each Licensing Agreement. Telco will process applications in sequential ascending order according to the application numbers assigned by the Applicant unless different procedures are established locally in advance.

PROPRIETARY

SW-9435
(Rev. 4-93)

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



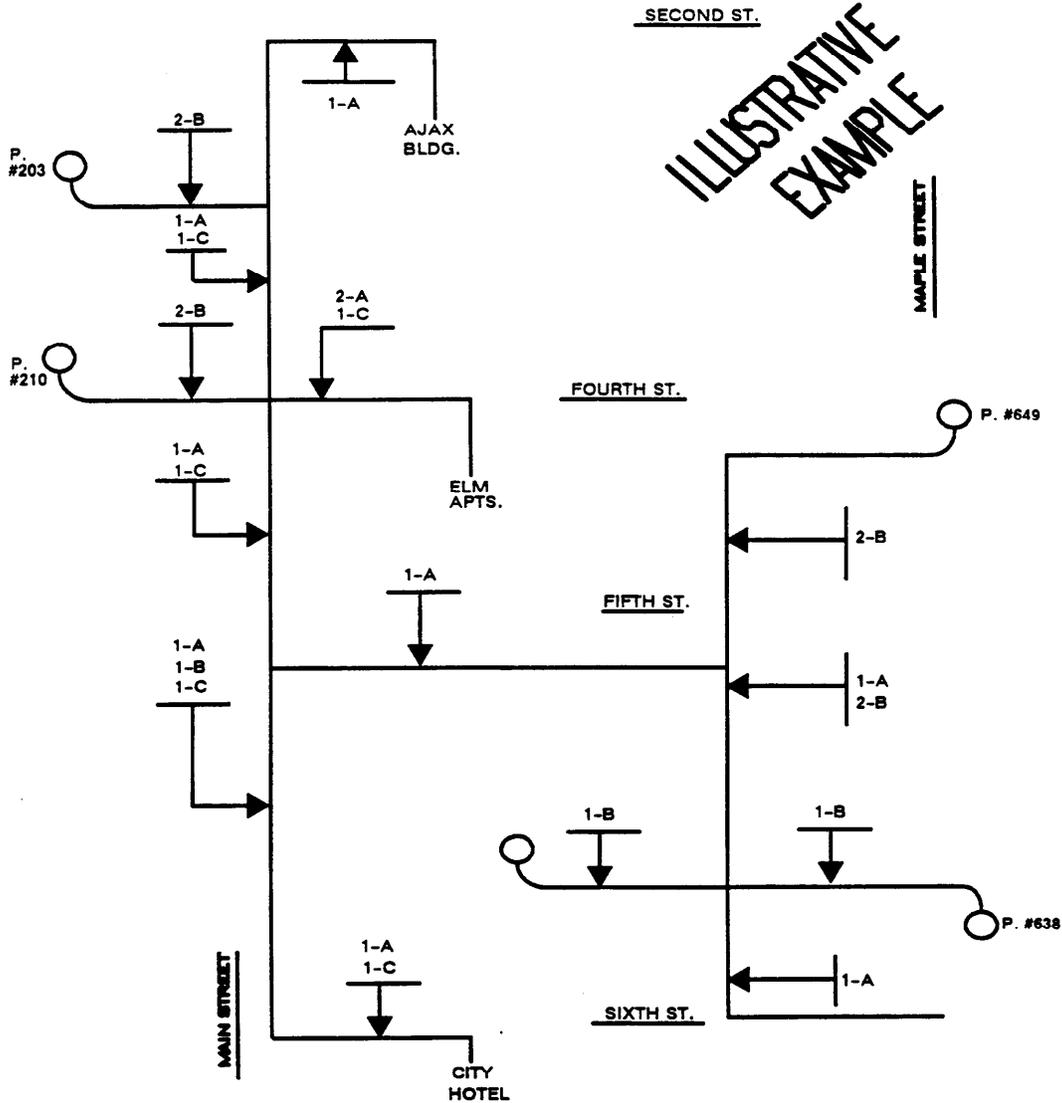
SW-9435-1
(Rev. 5-89)
Ref: 002-011-900SW

(License)

(C.O. Applic. No.)

Agreement No. _____
Page _____ of _____

CONDUIT SYSTEM DIAGRAM



LETTERS (A, B & C) - CABLE DESIGNATION BY TYPE FROM FORM SW-9435-2
 NUMBERS (1, 2, etc.) - NUMBER OF CABLE(S) BY SECTION
 ———— - REPRESENTS ALL CABLES IN CONDUIT SECTION
 ○ - POLE

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



SW-9435-2
(Rev. 5-89)
Ref: 002-011-900SW

(License)

(C.O. Applic. No.)

Agreement No. _____

CABLE TO OCCUPY CONDUIT

	CABLE DESIGNATION (a)	O.D. INCHES (b)	WT. LBS. PER FOOT (c)	METALLIC SHEATH OR SHIELD		TYPE OF CABLE (e)	MAX. VOLTAGE TO GND.		MAX. CURRENT IN ANY CONDUCTOR (g)	TYPE OF JACKET (h)
				YES (d)	NO (d)		AC (f)	DC (f)		
1										
2										
3										
4										
5										
6										

- (a) CABLE DESIGNATION: Assign letter, alphabetically, to each different type of cable to be installed.
- (b) O.D. (Inches): Outside diameter of the cable.
- (c) WT. Lbs. per foot: Self-explanatory
- (d) METALLIC SHEATH OR SHIELD: Self-explanatory
- (e) TYPE OF CABLE: If coaxial cable show number of tubes.
If pair cable show pair size and gauge (e.g., 16:22).
- (f) MAX. VOLTAGE TO GND.: Self-explanatory
- (g) MAX. CURRENT IN ANY CONDUCTOR: Indicate Voltage.
- (h) TYPE OF JACKET: Enter type of material of the outer jacket or sheath (Polyethylene, PVC or lead, etc.).

PROPRIETARY

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY

 Southwestern Bell Telephone

SW-9435-3
(Rev. 1-82)
Ref: 002-011-900SW

(License)

(C.O. Applic. No.)

Agreement No. _____
Page _____ of _____

EQUIPMENT HOUSING TO BE PLACED IN MANHOLES

<u>LOCATION</u>	<u>TYPE</u>	<u>HEIGHT</u>	<u>WIDTH</u>	<u>DEPTH</u>	<u>WEIGHT</u>
1	_____	_____	_____	_____	_____
2	_____	_____	_____	_____	_____
3	_____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____
5	_____	_____	_____	_____	_____
6	_____	_____	_____	_____	_____
7	_____	_____	_____	_____	_____
8	_____	_____	_____	_____	_____
9	_____	_____	_____	_____	_____
10	_____	_____	_____	_____	_____
11	_____	_____	_____	_____	_____
12	_____	_____	_____	_____	_____
13	_____	_____	_____	_____	_____
14	_____	_____	_____	_____	_____

PROPRIETARY

Not for use or disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



**NOTIFICATION OF SURRENDER OR MODIFICATION
OF CONDUIT OCCUPANCY LICENSE BY APPLICANT**

Page ____ of ____

License Agreement # _____

(Applicant)

(Address)

Southwestern Bell Telephone Company;

In accordance with the terms and conditions of the Licensing Agreement between us, dated _____, 19____, notice is hereby given that the licenses covering occupancy of the following conduit are surrendered (or modified as indicated in Applicant's prior notification to Telco, dated _____, 19____) effective _____.

	CONDUIT LOCATION	LIC. NO. & DATE	SURRENDER OR MODIFICATION	DATE FAC. RMVD. OR MODIFIED
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

TELCO	Date Notification Received _____
	Date Modification Accepted _____
	By _____
	Discontinued: _____
Total duct footage _____	

(Applicant)

By _____
(Name of Authorized Agent)

Title _____
(Title of Authorized Agent)

Ref: 002-011-900SW

PROPRIETARY

SW-94368
(Rev. 4-83)

Not for use of disclosure outside Southwestern Bell Telephone Company except under written agreement.

EXHIBIT 2
(Cont'd.)

LICENSING AGREEMENT
CONDUIT OCCUPANCY



**NOTIFICATION OF UNAUTHORIZED
ATTACHMENTS BY APPLICANT**

Applicant Name _____

In accordance with the terms conditions of the License Agreement between us, dated _____, 19____, notice is hereby given that the license covering attachments to the following is unauthorized (as indicated in Applicant's prior lease agreement to Telco, dated _____, 19____,) effective _____.

Southwestern Bell Telephone

By: _____

Title: _____

	POLE NO. OR CONDUIT #	LOCATION (ASSOC. POLE NO.) MANHOLES Involved	LIC. NO. & DATE	UNAUTHORIZED ATTACHMENT	DATE FAC. RMVD. OR MODIFIED
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

**SKETCH OF
UNAUTHORIZED
ATTACHMENTS
ATTACHED**

Date Notification
Sent _____.

Name of Applicant

By _____

Title _____

Ref: SW002-011-900

PROPRIETARY

SW-9436C
(Rev. 4-93)

Not for use or disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 3

INSTRUCTIONS FOR PREPARING
FORM SW-4490

Instructions for Preparing Form SW-4490

Form SW-4490 is used for transfers or adjustments when no other form is available for this use (i.e., correcting time sheets, FA Form SN-65, FA Form SW-5015, etc.). It should be prepared by the organization requesting the transfer, and then forwarded to the District Manager-Disbursement or the District Manager-Comptrollers for processing.

The types of transfers to be entered on this form include: 1) transfers of expenses between Location Codes, Responsibility Codes, Function Codes, Environment Codes, and/or Expenditure Type Codes, 2) clearances of certain costs (i.e., prepaid postage, etc.), 3) transfers of miscellaneous charges to field coded accounts excluding labor, engineering, material and AT&T Technologies charges unless exact amounts of evaluated (or mechanically calculated) charges must be cleared from an estimate or order ledger or from an actual cost record, 4) transfers to correct incorrectly reported data when the correction can not be made via any other means. Transfers to correct reporting errors for transactions with Job Function Codes and "M" and "R" accounts can only be made in the same calendar year that the error was reported, because these costs are cleared each year. If the error contained a "C" account, it can be corrected any time.

A set of transfer transactions should net to zero amount (except when a check, draft, or money order is received for a prepayment, a sale not billed by our company, or an intercompany toll settlement). In this case, show the credit data on the SW-4490, attach the payment, then forward to Treasury for processing.

The following fields should be completed by the originator unless otherwise noted.

1. SOURCE NO., SECTION, PACK NUMBER, MONTH & YEAR - These fields will be completed by Comptrollers.
2. SHEET ____ of ____ - To be completed by originator.
3. Column A - ITEM NO. - This is used to associate each transfer with the explanation at the bottom of the form. Explanations are required.
4. Column B - AMOUNT Encircle credits (Expense Amounts must be present on all transactions; Capital Amounts will be provided by Finance Operations).
5. Column C - ACCOUNT CODE - Enter only if it is a field coded account.
6. Column D - Enter the appropriate LOCATION CODE in the upper section. Report a 5-position Building Number (BLDG. NO.) in the lower section for transactions involving payments for rented or leased building space.
7. Column E through H - Enter the appropriate data.
8. Column I - Enter the appropriate RESPONSIBILITY CODE CHARGED if different from the RESPONSIBILITY CODE ORIGINATING.
9. Columns J and K - Enter the appropriate data.
10. Column L - The QUANTITY (entered in the top section) should be encircled if it is a credit. The MOTOR VEHICLE NUMBER must be reported in the lower section for function codes related to Motor Vehicles and Garage Expenses.
11. Column M - If in Account 2001, enter in the upper section the last two digits of the Year Placed in service (YR. PL.). In the lower section, enter the Motor Vehicle Action Code (MV. ACT. CODE) for transactions related to Motor Vehicle and Garage Expenses per BSP 720-060-910SW.
12. Column N - Enter the Motor Vehicle type (MV. TYPE) as stated in the Accounting Handbook - Telephone Plant, Section V27.702.1, in the upper section when appropriate. In the lower section, enter the Motor Vehicle Frequency Code (MV. FREQ. CODE) when related to motor vehicle repairs to record and report their frequency. A "Y" will increment the frequency repair code by 1. An "X" will not increment it.
13. Column O - The PRORATE field in the upper section should only be completed when the charges for a function/location code should be prorated to other function/location codes. In the lower section, enter the Motor Vehicle Repair Code (MV. REPAIR CODE) on repair transactions as stated in BSP 720-060-910SW.
14. Column P - The FA. SO. CODE will be completed by Comptrollers.
15. Column Q - Enter M.V. CPR. - ITEM NO. for item being transferred or adjusted. Reference DAP Part F, Section 35.26 for further information. Enter the Building Group Number (BLDG. GRP.) for House Service transactions as stated in the Accounting Handbook - Telephone Plant, Section V27.503.
16. Column R - Enter the PRODUCT IDENTIFICATION CODE in the upper section. These codes may be found in DAP Part F, Sections 25.1 and 25.3, or the Procurement Catalog, Stock and Non Stock Products. In the lower portion enter the REFERENCE/SERIAL NUMBER. This field completed by Logistics Services only.

The "PREPARED BY" and the "APPROVED BY" data located at the bottom of the form must be completed prior to forwarding to the Comptrollers Department for processing.

If a transfer or adjustment is being made to correct a Responsibility Code or to transfer money or charges to an RCO or RCC different than that of the originator, but still in the same area and state, then the approved form must be forwarded for the "CONCURRENCE" of the other RC prior to sending it to Comptrollers for processing. If the charges are not going to a different RC or if the transfer is to another area or state, then the "CONCURRENCE" can be left blank.

PROPRIETARY

Not for use of disclosure outside Southwestern Bell
Telephone Company except under written agreement.

EXHIBIT 5

INSTRUCTIONS FOR PREPARING FORM FAS-9900
MECHANIZED FAS-9900 MAY BE USED IN PLACE OF THIS FORM

1. **BILLING SECTION**
Comptrollers location that will be issuing the bill. Must be one of the following:
 - Little Rock, Arkansas
 - Wichita, Kansas
 - St. Louis, Missouri
 - Oklahoma city, Oklahoma
 - Dallas, Texas
 - Houston, Texas
 - San Antonio, Texas
2. **DATE**
Current date.
3. **BILL/CREDIT MEMORANDUM**
Circle the appropriate term.
4. **NAME/ADDRESS/CITY/STATE**
Name and address of person or firm to which bill is to be rendered. Insure the zip code is included.
5. **SPECIAL FORWARDING ADVICE**
Name and address of person that is responsible for collection of account if it is other than the local business office. If the local business office is responsible, leave blank.
6. **COLLECTION CENTER**
Complete only if the customer is to remit payment to anyone other than the usual collection center.
7. **IF BILLS OR CREDIT MEMORANDUMS ARE TO BE RENDERED PERIODICALLY**
If the bill or credit memo is recurring, check the appropriate box and show the date the first bill is effective. If it is a one-time bill or credit memo, leave blank.
8. **DESCRIPTION**
Write the description of the charges that are to appear on the customer's bill.
9. **AMOUNTS**
Show the amount to be billed on the line with the corresponding description.
10. **FEDERAL TAX/STATE AND CITY TAX**
If the amount(s) is taxable, apply appropriate taxes. If not, show "Tax Exempt".
11. **TOTAL AMOUNT OF BILL OR CREDIT MEMORANDUM**
Total charge or credit to the customer (including tax).
12. **DEBIT/CREDIT**
Post the monies in the appropriate account codes in both columns. If the appropriate code is not preprinted, use the blank spaces to write in the correct code(s).
13. **TOTAL**
The total of each column should equal the total in Item 11. The total of the "Debit" column must equal the total of the "Credit" column.
14. **CORRECT**
Name, telephone number and title of person preparing the FAS-9900 and the date signed. If the person preparing the form is also the one authorizing the form, then leave blank.
15. **AUTHORIZED**
Name, telephone number and title of person authorizing the FAS-9900 and the date signed.

PROPRIETARY

Not for use or disclosure outside Southwestern Bell
Telephone Company except under written agreement.

