COMMUNICATIONS SERVICES LICENSE AGREEMENT
BETWEEN GOOGLE FIBER ARIZONA, LLC
AND CITY OF APACHE JUNCTION

THIS LICENSE AGREEMENT ("License" or "Agreement") is made this 24th day of February, 2026 ("Effective Date") by and between CITY OF APACHE JUNCTION, an Arizona municipal corporation ("Licensor" or "City"), and GOOGLE FIBER ARIZONA, LLC, an Arizona limited liability company ("Licensee"), collectively the "Parties" and individually as a "Party."

RECITALS

A. Licensee has applied to City for a License for the installation, placement, operation and maintenance of a Communications Network in, on, under, upon, along and across Public Highways within City.

B. Licensor desires to grant to Licensee a nonexclusive license to install, place, operate, maintain, operate, upgrade and repair the Communications Network in, on, under, upon, along and across Public Highways within City subject to the requirements of this Agreement.

C. Licensor and Licensee desire to set forth their respective responsibilities and the manner and terms upon which Licensor will grant this License to Licensee.

AGREEMENT

NOW, THEREFORE, for and in consideration of the foregoing Recitals, the amounts hereinafter to be paid by Licensee, and the covenants and agreements contained herein to be kept and performed by Licensee, and other good and valuable consideration, Licensor and Licensee agree as follows:

SECTION 1. Definitions. For the purpose of this License, unless the context otherwise requires, the following terms, phrases, words, and their derivatives have these meanings. When not inconsistent with the context, words in the present tense include the future tense, words in the plural include the singular, words in the singular include the plural, and the masculine shall include the feminine. The word "shall" is always mandatory and not merely directory. If there is a conflict between these definitions and those listed in Apache Junction City Code, the definitions in the code prevail and control.

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A. A.J.C.C. means the Apache Junction City Code, as amended from time to time.

B. A.R.S. means the Arizona Revised Statutes, as amended from time to time.

C. Affiliate means any Person that now or in the future, directly or indirectly controls, is controlled with or by, or is under common control with Licensee.

D. Applicable Laws means all state and federal constitutional provisions, rules, statutes, ordinances, codes, and regulations, now in force and effect and that may hereafter be imposed or enacted, including, but not limited to, building, zoning, and Hazardous Substances, promulgated by the federal, state, and municipal governments and any regulatory agency having competent jurisdiction over the actions to be taken by the Parties under this License.

E. Cabinets means above-ground enclosures placed within the Public Highway for the protection of active and passive equipment for the provision of service throughout the Communications Network.

F. Chambers means underground enclosures placed within the Public Highway facilitating access to the active and passive equipment for the provision of service throughout the Communications Network.

G. City means City of Apache Junction, an Arizona municipal corporation.

H. City Breach Notice means a written notice from City to Licensee setting forth specific details regarding the nature of an alleged noncompliance or default if City believes that Licensee has not complied with or is otherwise in default of any material term of this Agreement.

I. Communications Network means all parts of Licensee's fiber optic network under and above-ground within the Use Area, including the fiber optic cable and its component parts and appurtenances, and the other cables, wires, components, facilities, Cabinets, ducts, conduits, connectors, Chambers, manholes, manhole covers, pedestals, splitters, attachments, and other property, equipment, components, materials, apparatus and appurtenances to the fiber optic network.

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J. Communications Service means the offering of broadband Internet access service as defined in 47 C.F.R. 8.1(b) and voice over Internet protocol service for a fee directly to the public, or to such users as to be effectively available directly to the public, regardless of the facilities used.

K. Control means, with respect to: (a) a U.S. corporation, the ownership, directly or indirectly, of fifty percent (50%) or more of the voting power to elect directors thereof; (b) a non-U.S. corporation, if the voting power to elect directors thereof is less than fifty percent (50%), the maximum amount allowed by applicable law; or (c) any other Person, fifty percent (50%) or more ownership interest in said Person, or the power to direct the management of such Person.

L. Customers means residents and businesses in City that receive Communications Services from Licensee through the Fiber Optic Network located at least in part in the ROW.

M. Enforced Delay is defined in Section 19.

N. Extended City Cure Period means the additional maximum ninety (90) calendar day period that the Initial City Cure Period shall be extended to permit City to cure a default or noncompliance if it cannot be cured during the Initial City Cure Period so long as City initiates reasonable steps to remedy and continuously and diligently uses all reasonable efforts to cure such default or noncompliance promptly and notifies Licensee of the steps being taken and the projected date that they will be completed.

O. Extended Licensee Cure Period means the additional maximum sixty (60) calendar day period that the Initial Licensee Cure Period shall be extended to permit Licensee to cure a default or noncompliance if it cannot be cured during the Initial Licensee Cure Period so long as Licensee initiates reasonable steps to remedy and continuously and diligently uses all reasonable efforts to cure such default or noncompliance promptly and notifies City of the steps being taken and the projected date that they will be completed.

P. Gross Revenue means all consideration of any kind or nature, including without limitation, cash, credits, property, and in-kind contributions (services or goods) received by Licensee from Customers for broadband internet services that are provided to Customers through the Communications Network located at least in part in public ROW; however, Gross Revenues do not include:

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1. any revenue not actually received, even if billed, such as bad debt;

2. refunds, rebates, or discounts made to Customers, or Lessor;

3. revenue received from the sale of Communication Services for resale in which the purchaser is required to collect and remit similar fees from the purchaser's customer;

4. revenue derived from the provision of Communication Services to Customers where none of the Communications Network used to provide such Communication Services are located in the ROW;

5. any forgone revenue from Licensee's provision of Communication Services to Customers at no charge if required by state law;

6. any revenue derived from advertising;

7. any revenue derived from services other than Communication Services, including without limitation, any revenue derived from rental of modems or other equipment used to provide or facilitate the provision of the Communication Services;

8. any revenue derived from referral or marketing agreements with third party providers of online services which Licensee may make available to Customers;

9. any tax of general applicability imposed upon Licensee or its Customers by Lessor or by any state, federal, or any other governmental entity, and required to be collected by Licensee and remitted to the taxing entity (including but not limited to sales and use tax, gross receipts tax, excise tax, utility users tax, public service tax, communications taxes, and fees not imposed by this Agreement); and

10. sales of capital assets or sales of surplus equipment owned by Licensee.

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Q. Hazardous Substances means any hazardous substances, waste or materials, or any substance now or hereafter subject to regulation under the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. § 9601, et seq., the Arizona Hazardous Waste Management Act, A.R.S. § 49-901, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq., or the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq., as each may be amended from time to time, or any other federal, state, county, or local law pertaining to hazardous substances, waste or toxic substances and their reporting requirements.

R. Home means a residential single-family dwelling, or a residential single dwelling unit located within a Multiple Dwelling Unit, located within the Use Area.

S. Initial City Cure Period means the thirty (30) calendar day period City has to respond to a Licensee Breach Notice after its receipt.

T. Initial Licensee Cure Period means the fifteen (15) calendar day period Licensee has to respond to a City Breach Notice after its receipt.

U. License Fee means the fee Licensee shall pay to Licensor to compensate Licensor for Licensee's use and occupancy of the ROW pursuant to this Agreement.

V. Licensee Breach Notice means a written notice from Licensee to City setting forth specific details regarding the nature of an alleged noncompliance or default if Licensee believes that City has not complied with or is otherwise in default of any material term of this Agreement.

W. Licensee Cure Period means the Initial Licensee Cure Period and the Extended Licensee Cure Period.

X. Licensee Payments means the Application Fee and the License Fee, as defined in Section 4.

Y. Multichannel Video Service means multiple channels of video programming where some or all of the video programming is generally considered comparable to programming provided by a television broadcast station or by a direct to home satellite service and includes:

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1. A "cable system," as such term is defined in Title VI of the Federal Communications Act of 1934, providing service within City.

2. An "open video system," as such term is defined in Title VI of the Federal Communications Act of 1934 and implementing regulations, providing service within City.

3. Any other system providing Multichannel Video Service within City, where such service is transmitted in whole or in part via wires or lines that are in or cross any Public Highways, public streets or public utility easements within City. The preceding sentence shall apply whether the provider owns, leases or otherwise obtains the right to use such wires or lines, including wires or lines of a telecommunications provider used pursuant to tariff or otherwise for such purpose.

4. Any other system providing Multichannel Video Service within City where a license or similar permission or approval from City is required under Applicable Laws.

Z. Multiple Dwelling Unit means an apartment building or other building containing more than four dwelling units located within the Use Area.

AA. Person means an individual, corporation, limited liability company, partnership, joint venture, association, firm, joint stock company, trust, unincorporated association or other legal entity.

BB. Premises means a Home, Multiple Dwelling Unit, office or other building located within the Use Area.

CC. Proprietary Information means all information regarding the Communications System, including plans, drawings, designs, conceptual renderings, cost information, specifications, photographs, reports, manuals, and other documents. Proprietary Information shall include, but not be limited to, any customer lists, financial information, technical information, or other information clearly identified as confidential pertaining to the services provided by Licensee to its customers.

DD. Public Highways means all roads, streets and alleys and all other dedicated public rights-of-way and public utility easements of this state or a political subdivision, as that term is defined in A.R.S. § 9-581.

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EE. ROW and Rights-of-Way means any land which by deed, conveyance, agreement, easement, dedication, usage, zoning condition, process of law or other means is reserved for or otherwise dedicated to the general public for street, highway, alley, public utility, pedestrian walkway and other public purpose.

FF. Use Area means those portions of the Public Highways that Licensor authorizes Licensee to occupy with the Communications Network. The Use Area is limited to the public street, all ROWs, and any federally patented easements whose fee simple title is vested in Licensor and may decrease, increase, and otherwise change over time due to abandonments, dedications, annexations, extinguishments, and other legal means. The Use Area is set forth in the map in Exhibit A with a continuing map disclosure requirement as required under Section 2.3.

SECTION 2. Permission to Use ROW. Licensor hereby grants to Licensee a nonexclusive revocable license to use the Use Areas as follows:

2.1 Permitted Uses. Licensee shall use the Use Area to erect, construct, repair, maintain, replace, operate, lease, install, remove, reconstruct, and upgrade the Communications Network in, on, under, upon, along and across the Public Highways within the Use Area, and to make the Communications Network available within the Use Area for the purpose of providing broadband internet and voice over internet protocol services, subject to the applicable provisions of this License, Apache Junction City Code, and any future amendments, together with all Applicable Laws.

2.2 Design. Licensee shall have the right, subject to Licensor approval of the applicable permits, which approval shall not be unreasonably withheld, delayed, or conditioned, to determine the final engineering design including but not limited to depth, width, and height, of all equipment and other parts of the Communications Network, provided the proposed design and construction is consistent with the Apache Junction Engineering Design Standards (A.J.C.C., Vol II, Chapter 10).

2.3 Mapping. Licensee shall maintain as-built drawings of its Facilities and furnish a copy both electronically in an ESRI- compatible mapping format (or in a mapping format compatible with the current Licensor electronic mapping format as specified by the Licensor) and in hard copy form on an annual basis or upon reasonable request by the Licensor. Licensee shall create and maintain maps of

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any of its Fiber Optic Network routes, Use Areas, New Use Areas, and any above ground equipment located in the ROW and precise and verifiable horizontal and vertical location information and will make this information available to the Licensor. Licensee will also provide surface-location marking of any of the Facilities that are located underground within ten (10) business days of installation. The information provided by Licensee under this Section 2.3 will be accurate to the best of Licensee's knowledge. Licensee shall make every reasonable effort to provide accurate and useful information. Licensee shall be permitted to remove any information from the drawings provided hereunder that is not required for Licensor's purposes or is otherwise confidential to Licensee.

2.3.1. If complete updates are not provided in a compatible format, Licensee shall pay the actual, reasonable costs Licensor incurs to update the Licensor's electronic mapping format due to the location or relocation of the Facilities.

2.3.2. In the event Licensee fails to supply records in Licensor specified format and there is a cost to Licensor in converting Licensee provided files, Licensee will be responsible for the conversion costs and will pay such costs within thirty (30) calendar days of the date of the bill from Licensor invoicing the amount due.

2.3.3. The files and drawings provided by Licensee to Licensor shall be considered confidential and subject to the restrictions in Section 7 below and disclosed as a public record only to the extent required by A.R.S. § 39-121, et seq.

2.4 <u>Prohibited Uses</u>.

2.4.1. Licensee shall not use the Communications Network as a Multichannel Video System.

2.4.2. One-way transmissions by anyone directly to customers or any other type of video programming or other programming or transmissions, any one or more of which are subject to a uniform video service license, are prohibited.

2.5 <u>Privileges Subordinate</u>. Any privilege claimed under this License by Licensee in any Public Highway shall be subordinate to any prior or subsequent occupancy or use by City and shall be subordinate to any prior lawful occupancy or use by any other entity, and shall be subordinate to any prior easements.

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2.6 Reserved Right. There is hereby reserved to City every right and power which is required to be reserved or provided by any ordinance, the A.J.C.C., and Licensee, by its acceptance of this License, agrees to be bound thereby and to comply with any action or requirements of City in its exercise of all existing and future rights or powers enacted or established and exercised in its sole discretion. Neither the granting of any License nor any provision hereof shall constitute a waiver or bar to the exercise of any governmental right or power of City. Notwithstanding anything in this Agreement to the contrary, Licensor specifically reserves to itself and excludes from this Agreement a non-exclusive delegable right over the entire Use Areas for all manner of real and personal improvements and for streets, sidewalks, trails, landscaping, utilities and every other land use of every description.

2.7 Ownership of Communications Network. Except as otherwise set forth in this License, the Communications Network and all of its parts and components which are installed and constructed by Licensee in the License Area shall at all times be and remain the property of Licensee.

2.8 Compliance with Laws. Licensee shall comply with Applicable Laws to engage in business activities associated with use of the Public Highways; provided, however, no Applicable Laws shall enlarge or modify any of the rights or duties granted by this License without a written amendment to this License.

2.9 Application; Permitting Process. City will comply with all Applicable Laws and act in accordance with its standard procedures in reviewing and processing all applications for permits submitted under this License. If Licensee desires greater control over the speed of the permitting process, then Licensee may, by separate agreement, request that City engage a third-party consultant to work alongside City staff, and who will be solely dedicated to the processing of Licensee's applications.

SECTION 3. Construction; Permits; Maintenance; Damage; Relocation; Conditions.

3.1 Construction of Communications Network.

3.1.1. The Communications Network constructed, installed, operated, leased, repaired, replaced, removed, abandoned, or maintained pursuant to this License shall be constructed, installed, operated, leased, repaired, replaced and maintained in accordance with the Apache Junction Engineering Design Standards (A.J.C.C., Vol. II, Chapter 10) and all other applicable codes, regulations, policies,

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and standards, whether mandated by City, State of Arizona or any other governmental entity with jurisdiction over the Public Highways and, at a minimum, consistent with the terms of this License. Public Highways under the control of City shall be used according to plans approved by City Engineer or their designee.

3.1.2. The Communications Network to be constructed, installed, operated, leased, repaired, replaced, maintained, upgraded and removed under this License, shall be so located as to interfere as little as reasonably possible with traffic or other authorized uses within Public Highways. Licensee shall provide engineering designs to City, including intended locations of the Communications Network, prior to construction in accordance with City's permitting process. The phases of construction and installation relating to traffic control, backfilling, compaction and paving, as well as the location or relocation of the Communications Network shall be subject to reasonable regulation by City Engineer or designee and City's permitting process.

3.1.3. Licensee will use commercially reasonable efforts to commence construction on or before January 1, 2028, subject to any Enforced Delay. In addition, following construction commencement, Licensee shall provide City with a construction forecast for the upcoming three-year period each January 1st.

3.2 <u>Permits</u>.

3.2.1. Prior to the installation, construction, maintenance, abandonment, replacement, extension or relocation of any portion of the Communications Network, Licensee shall apply for and obtain at its own expense all permits required for such work and shall comply with all zoning, building safety, fire, public infrastructure, sidewalk, pavement and curb cut, restoration, and similar laws and procedures of every description. All work performed under this License shall be done in compliance with Right-of-Way Improvement Standards, the Uniform Standard Specifications and Details for Public Works Construction sponsored and distributed by the Maricopa Association of Governments ("MAG") as amended, City amendments to MAG, Apache Junction Standard Details and Specifications, Apache Junction's Approved Product List and Technical Specifications, and Occupational Safety and Health Administration ("OSHA") regulations, as all of which may be amended from time to time. Licensee shall retain a third-party testing company at its sole cost, approved by City in its reasonable discretion without undue condition or delay, to test all materials that will be used to remediate City and third-party facilities, and which are subject to materials testing pursuant MAG, and City amendments to MAG.

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3.2.2. Licensee shall submit the Right-of-Way Permit together with the details, plans and specifications for City review and consideration, and pay all lawfully applicable application, review, traffic barricading, remediation material testing and inspection fees prior to any and all construction work performed pursuant to the rights granted under this License including the installation, operation, maintenance, location and attachment of any and all of the Communications Network. The proposed locations of Licensee's planned initial installation of its Communications Network including related facilities or equipment shall be depicted more specifically on engineering drawings provided to City with the submittal of the plans and specifications during the permitting process. If Licensee desires to change the location of any part of the Communications Network, including any related facilities or equipment, from the location set forth in the initial Right-of Way Permit or Right-of-Way Encroachment Application(s), Licensee shall apply for a new permit prior to any relocation or construction.

3.2.3. This Agreement does not relieve Licensee of the obligation to obtain permits, licenses, and other approvals from Licensor or other units of government that are required for the installation, construction, maintenance, abandonment, replacement, extension or relocation of the Communications Network or from compliance with Applicable Laws.

3.3 Maintenance. Licensee shall be solely responsible for all repairs, maintenance, and adjustments, and damage to the Communications Network and City shall have no obligation to repair such damage, except where the damage is caused by the sole and exclusive actions of City or its agent. Excluding relocations reasonably requested by City and repairs or maintenance to the Communications Network, Licensee shall not relocate, materially modify, or materially alter the Communications Network components any time after issuance of the permit(s), except upon City's written approval, which approval will not be unreasonably withheld, delayed, or conditioned.

3.4 Communication Network Underground Responsibilities. Except as otherwise provided by this License , or permitted by City, all of Licensee's installations and Communications Network within City's Public Highways, except for above-ground or aerial facilities, and Cabinets, shall be underground and shall meet the specifications set forth in a City-issued permit.

3.5 Coordination of Work. Where possible installation and relocation of the Communications Network shall be coordinated with other utilities to accommodate

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opportunities for common trench installation. Participation in joint trench efforts is strongly encouraged, but shall not be mandatory.

3.6 Arizona 811. Licensee shall comply with A.R.S. §§ 40-360.21 et seq. by participating as a member of the Arizona 811 Center (or other appropriate organization selected by City). A copy of Licensee's membership in a one-call notification center shall be submitted to City upon request.

3.7 Damage. If Licensee damages, disturbs, or alters the surface or subsurface of any Public Highway or adjoining public property, any public improvement, landscaping, or property of third -parties, then Licensee shall promptly, at its own expense, and in a manner reasonably acceptable to City, repair and restore the damage or disturbance to a condition substantially comparable to its state immediately before such damage, disturbance, or alteration. If Licensee does not immediately repair or restore the damage, or if the repair is unacceptable to City, City shall give Licensee notice of such and allow Licensee thirty (30) calendar days to repair or restore the damage. If Licensee fails to complete such repair within 30 day timeframe, City may perform such repair upon fifteen (15) calendar days prior written notice to Licensee and Licensee shall pay all the actual, reasonable, and fully documented direct costs expended to complete the repair. It is hereby acknowledged that City policy requires that severed City-owned fiber must be completely replaced to nearest previously existing splice point. Any trimming of trees by the Licensee in the Public Highways shall be subject to such regulation as City Engineer or designee may establish to protect the public health, safety, and convenience.

3.8 Emergency Disruption by Licensor. Licensor may remove, alter, tear out, relocate or damage portions of the Communications Network in the case of fire, disaster, or other emergencies if Licensor's city manager or designee deems such action to be reasonably necessary under the circumstances. In such event, neither Licensor nor any agent, contractor, or employee of Licensor shall be liable to Licensee or its customers or third parties for any harm so caused to them or the Communications Network. When practical, Licensor shall consult with Licensee in advance to assess the necessity of such actions and to minimize damage to and disruption of operation of the Communications Network to the extent practical under the circumstances. In any event, Licensor shall inform Licensee after it takes such emergency actions.

3.9 Public Safety Hazard. If the Communications Network or any other Licensee equipment, improvements, or activities within the ROW presents any

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immediate hazard or impediment to the public, to Licensor, to other improvements or activities within or without the ROWs, or to Licensor's ability to safely and conveniently operate the ROW or perform utility services, public safety and other public health, safety and welfare functions, then Licensee shall immediately remedy the hazard, comply with Licensor's requests to secure the ROW, and otherwise cooperate with Licensor at no expense to Licensor to remove any such hazard or impediment. Licensee's work crews shall report to the ROW within two (2) hours of any request by Licensor under this Section 3.9.

3.10 Relocation Due to Public Improvements. Licensee shall bear the entire cost of relocating its Communications Network facilities located within Public Highways necessitated by the construction of public improvements by or on behalf of City. If Licensee is required to relocate its Communications Network facilities due to the construction of a public improvement, City shall provide Licensee with sixty (60) calendar days notice before any required action of Licensee to relocate affected portions of the Communications Network and shall cooperate with Licensee to identify a replacement and alternative location within the Public Highways for the relocation of affected portions of the Communications Network. Licensee, at its sole cost and expense, shall remove the designated portions of the Communications Network within the timeframes required by City, subject to this Section 3.10. Licensee, at its sole cost and expense, shall restore all public and private property damaged by Licensee's removal and relocation of the Communications Network to a condition substantially comparable to the condition before removal and relocation of the Communications Network. City will make reasonable efforts to design and construct projects as to minimize relocation expenses to Licensee, and shall entertain a reasonable request to support existing facilities in place. If Licensee fails to relocate as required by this Section 3.10, the Licensee shall reimburse City for actual and reasonable direct damages and costs incurred by City as a result of such delays.

3.11 Licensee's Agent. Licensee shall at all times retain an agent who will be available to City twenty-four (24) hours a day, seven (7) days a week who is active, qualified, competent, and experienced to supervise all activities in the Use Area and the operation of the Communication Network and who shall be authorized to represent and act for Licensee in all matters pertaining to emergencies and the calendar day-to-calendar day operation of the ROW and all other matters affecting this Agreement. Licensee shall provide notice to Licensor of the name, street address, electronic mail address, and regular and after hours telephone numbers of the agent. Any change in the name or contact information of the agent shall be given in writing in the manner stated for notices under this Agreement.

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SECTION 4. Licensee Payments.

4.1 Waiver of Rights. By entering into this Agreement, neither Party waives any current or future rights reserved under the Telecommunications Act of 1996, including but not limited to, those rights set forth in Section 253(C), reserving Licensor's right to manage the public ROW and to require fair, non-discriminatory and reasonable compensation from Licensee for use of the public ROW.

4.2 Payment of Fees. Licensee shall make payments to Licensor as follows:

4.2.1 Application Fee. Licensee shall pay Licensor an application fee of Three Thousand Five Dollars ($3,500.00) for the administrative costs involved in the issuance of a License which shall be due at the time of the submittal of the License application.

4.2.2 License Fee. Licensee and Licensor acknowledge and agree that the License Fee provides fair and reasonable compensation for Licensee's use and occupancy of the ROW. The License Fee will begin accruing on the Effective Date and shall be paid annually. Licensee shall choose either the ROW Usage Fee in Section 4.2.2.1 or the Lump Sum Payment in Section 4.2.2.2 as the License Fee.

4.2.2.1 ROW Usage Fee. The ROW Usage Fee shall be calculated as two percent (2%) of Gross Revenues. The ROW Usage Fee will be paid annually beginning on the Execution Date.

4.2.2.2 Lump Sum Fee. As an alternative to the fee structure in 4.2.2.1, Licensee may make a lump sum payment of $30,000.00 ("Lump Sum Pre-Payment") to the City for the right to occupy the ROW for a period of twenty-four (24) months (the "Pre-Payment Occupancy Period"). The Lump Sum Pre-Payment shall be invoiced by the City on the date Licensee receives its first permit under this License Agreement. Licensee will pay the invoice within forty five (45) calendar days upon receipt. At the end of the Pre-Payment Occupancy Period, Licensee's fee structure shall convert the ROW Usage Fee set forth in Section 4.2.2.1.

4.2.2.3 If Licensee elects to make the Lump Sum Pre-Payment described in 4.2.2.2, then it also retains the option to convert its fee structure the ROW Usage Fee if it begins earning revenue prior to the end of the Pre-Payment Occupancy Period. Upon that conversion, the City shall retain a pro-

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rata share of the Lump Sum Pre-Payment equal to the number of months that have passed under the Pre-Payment Occupancy Period. By way of example, if Licensee chooses to convert to the ROW Usage Fee on the thirteenth month of the twenty-four-month Pre-Payment Occupancy Period, then the City shall retain 13/24ths of the Lump Sum Pre-Payment, and the remaining 11/24ths shall be applied as a credit towards future payments of the ROW Usage Fee.

4.2 Payment of Licensee Payments to Lessor. Licensee shall make the Licensee Payments to Licensor within thirty (30) calendar days of the Effective Date of this Agreement and on the anniversary of the Effective Date for the Term or any Extension Term. All payments shall reference the contract number and be sent to: City of Apache Junction, Finance Department, 300 E. Superstition Blvd. Apache Junction, AZ 85119.

4.3 Late Fees. Licensee Payments are deemed paid only when Licensor actually receives good cash payment. Should any Licensee Payments not be paid on or before the date due, a late fee shall be added to the amount due in the amount of the greater of one percent (1%) of the amount due. Furthermore, any Licensee Payments that are not timely paid shall accrue simple interest at the rate of one and one-half percent (1.5%) per month from the date the amount first came due until paid. Licensee expressly agrees that the foregoing represent fair and reasonable estimates by Licensor and Licensee of Licensor's costs (such as accounting, administrative, legal and processing costs, etc.) in the event of a delay in payment of Licensee Payments. Licensor shall have the right to allocate payments received from Licensee among Licensee's obligations.

4.4 Licensee Payments Amount Report. Each installment of Licensee Payment, other than Permit Fee, shall include a report showing the manner in which each component of the Licensee Payment was calculated. The report shall summarize the transactions giving rise to the Licensee Payments.

4.5 Permit Fees. Licensee shall pay all applicable construction permit fees to place Facilities in the ROW, which includes charges for encroachment permit applications, issuance, inspection, testing, plan review and any other fees adopted by Licensor and applicable to persons doing work and/or encroaching in Licensor's ROW pursuant to A.J.C.C., Vol. I, Article 13-3.

4.6 Performance Bond.

4.6.1 Prior to receiving any permit to construct, install, maintain or

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perform any work on public property that requires a permit from Licensor pursuant to Applicable Laws, Licensee shall cause to be filed and maintained a faithful performance bond in favor of Licensor in the sum of One Hundred Thousand Dollars ($100,000.00) until either completion of the construction or termination of this Agreement to guarantee that Licensee shall observe, fulfill, and perform each and every condition of this Agreement. In case of any breach of this Agreement, any amount of the sum in the bond, up to the whole amount, may be forfeited to compensate Licensor for any damages it may suffer by reason of such breach. Said bond shall be acknowledged by Licensee, as principal, and shall be issued by a surety with an AM Best rating of A-VII or better for the last four quarters. The procedure for drawing upon, curing, and replenishing the performance bond are set forth in Exhibit B.

4.6.2 If Licensee has completed the above construction and wants the bond released, Licensor will need to inspect and approve the construction prior to such release. A performance bond will be required for each subsequent or additional construction project and/or work on public property.

4.7 In-Kind Payment as an Offset to Licensee Permits. This Agreement does not currently provide for any future in-kind payments by Licensee; however, the Parties may agree in writing through an addendum to this Agreement to an in-kind payment of Facilities or services provided by Licensee to Licensor to offset such fees or transaction privilege taxes owed.

4.8 Taxes. Licensee shall pay any applicable city, county and state transaction privilege and use tax. Such taxes are in addition to any non-tax amounts owed by Licensee pursuant to this Section 4. Licensee consents to the disclosure of any and all information reported on Licensee's transaction privilege tax returns by authorizing and allowing City's tax collector to release such information to City manager or designee.

4.9 Business License. Licensee understands that the activity described in this License constitutes "doing business in the City of Apache Junction" and Licensee agrees to obtain a business license pursuant to Chapter 8 of A.J.C.C., Vol. I, and keep such license current during the Term. Licensee also acknowledges that the tax provision of A.J.C.C., Chapter 8A, may also apply and, if so, shall obtain a transaction privilege license and/or other licenses as may be required by A.J.C.C. Any activity by any subcontractor used in the performance of any aspect of the work under this License shall invoke the same licensing and Licensee shall require its subcontractors to obtain and keep all applicable licenses current.

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4.10. Licensee Payment Amounts Cumulative. All amounts payable by Licensee under this Agreement or under any tax, assessment or other existing or future ordinance, law or other contract or obligations to City or the State of Arizona shall be cumulative and payable in addition to each other payment required under this Agreement, and such amounts shall not be credited toward, substituted for, or setoff against each other in any manner.

SECTION 5. Insurance and Indemnity.

5.1 General Requirements. Licensee shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the Work in the amounts and types set forth in this Section 5. Failure to do so, may, at the sole determination of Licensor, be declared a material breach of this Agreement and may result in termination.

5.2 Insurance. Not later than the Effective Date, and at all times thereafter when Licensee is occupying or using the Use Areas in any way, Licensee shall obtain and cause to be in force and effect the following insurance:

5.2.1. Commercial General Liability. Commercial General Liability insurance with limits of Five Million Dollars ($5,000,000.00) for each occurrence for bodily injury and property damage and, Ten Million Dollars ($10,000,000.00) general aggregate. Coverage shall be written on Insurance Service Office ("ISO") occurrence form or a substitute form providing equivalent coverage and shall cover liability arising from premises-operations, independent contractors, products-completed operations, personal injury and advertising injury and contractual liability assumed under an insured contract. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse, or underground property damage. City, its elected and appointed officers, officials, agents, employees, and special districts shall be included as additional insured parties under Licensee's Commercial General Liability insurance policy with respect to the Work using ISO Additional Insured Endorsements or substitute endorsements providing equivalent coverage. The policy shall contain a waiver of transfer of rights of recovery (subrogation) against City, its mayor and council, employees, officials, special districts, appointees and agents. Limits for the commercial general liability, commercial, automobile liability and employer's liability required by this Agreement may be attained by a combination of primary and excess/umbrella liability insurance.

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5.2.2. Automobile Liability. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles with a combined single limit for bodily injury and property damage of Five Million Dollars ($5,000,000.00) per accident relating to any ROW work. Coverage shall be written on ISO form or a substitute form providing equivalent liability coverage. Such insurance shall cover hazards of motor vehicle use for loading and offloading.

5.2.3. Workers' Compensation. Such Workers' Compensation and similar insurance as is required by law and employer's liability insurance with a minimum limit of One Hundred Thousand Dollars ($100,000.00) for each accident, One Hundred Thousand Dollars ($100,000.00) disease for each employee, Five Hundred Thousand Dollars ($500,000.00) policy limit for disease.

5.2.4. Professional Liability Insurance. Professional Liability insurance with limits of Five Million Dollars ($5,000,000.00) per claim and aggregate covering the negligent actions of Licensee in the performance of professional services under this Agreement.

5.2.5. Subrogation. All policies outlined in 5.2.1, 5.2.2 and 5.2.3, shall waive transfer rights of recovery (subrogation) against Licensor and Licensor's employees, officials, representatives, officers and agents.

5.3 Policy Limit Escalation. Licensor may elect by notice to Licensee to increase the amount or type of any insurance to account for inflation, changes in risk, or any other factor that Licensor reasonably determines to affect the prudent amount of insurance to be provided.

5.4 Form of All Insurance. The insurance policies shall be primary insurance with respect to City. Any insurance, self-insurance, or insurance pool coverage maintained by City shall be in excess of Licensee's insurance and shall not contribute to it.

5.4.1. Licensee shall require its insurers to provide Licensor thirty (30) calendar days' prior written notice of any nonrenewal, cancellation, or material change in the coverage under such policy reducing coverage to below contractually required amounts. If a policy does expire during the Term, a renewal certificate must be sent to Licensor thirty (30) calendar days prior to the expiration date.

5.4.2. Insurance is to be placed with insurers with a current A.M. Best

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rating of not less than A-VII and legally authorized to do business in the State of Arizona.

5.4.3. Policies must also cover and insure Licensee's activities relating to the business operations and activities conducted away from the ROW.

5.5 Verification of Coverage. Prior to commencing any work under this Agreement, Licensee shall furnish Licensor with Certificates of Insurance, or formal endorsements as required by the Agreement, issued by Licensor's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect. Licensor shall not be obligated, however, to review same or to advise Licensor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Licensee from, or be deemed a waiver of, Licensor's right to insist on strict fulfillment of Licensor's obligations under this Agreement.

5.6 Certificates of Insurance. The form of the certificates of insurance and endorsements shall be subject to the approval of the Apache Junction City Attorney's Office, shall comply with the terms of this Agreement. Policies or certificates and completed forms of Licensor's Additional Insured Endorsement (or a substantially equivalent insurance company form acceptable to City Attorney) evidencing the coverage required by this Agreement shall be delivered to City Attorney, City of Apache Junction, 300 East Superstition Boulevard, Apache Junction, AZ 85119.

5.7 Subcontractors. Licensee shall expressly bind any contractors, subcontractors, and any other lower tier subcontractors, used in the performance of any aspect of work under this Agreement, to the insurance requirements in this Agreement, making such obligations applicable to the other contractor to the same extent as it is applicable to Licensee. The purpose of this provision is to require any lower tier contractor, regardless of level, to provide insurance and indemnity required by this Agreement.

5.8 No Licensee Limitation of Liability. Licensee's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of Licensee to the coverage provided by such insurance or otherwise limit Licensor's recourse to any remedy to which Licensor is otherwise entitled at law or in equity.

5.9 Indemnification. In addition to all other indemnities and other

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obligations under this Agreement, throughout the Term and until all obligations and performances under or related to this Agreement are satisfied, Licensee (and all other persons using, acting, working or claiming through or for Licensee or this Agreement if they or their subcontractor, employee or other person or entity hired or directed by them participated in any way in causing the claim in question), shall jointly and severally pay, protect, indemnify, defend and hold harmless Licensor its elected officials, employees, officers, special districts, representatives, appointees, agents, and contractors for, from, and against:

a. any and all third party claims or harm related to labor, materials, professional services and other work for Licensee's Improvements and any interest, penalties and other expenses which may be imposed, and from any lien thereof or sale or other proceedings to enforce payment thereof;

b. any disturbance in Hazardous Substances in the course of the contractor's or other person's work;

c. any loss or liability incurred by reason of any Hazardous Substance on or affecting the Use Area attributable to or caused by Licensee or anyone using the ROW under this Agreement;

d. Licensee's use of the ROW;

e. the rights granted to Licensee with respect to the ROW or Licensee's exercise of its rights under this Agreement; and

f. all costs, damages, and/or expenses incurred by Licensor, its officers, employees, appointees and agents in the defense of any litigation brought by third parties challenging the right of Licensor to enter into this Agreement with Licensee under Applicable Laws.

Except as otherwise limited by this Agreement, the Indemnification shall include and apply to any and all allegations, demands, judgments, assessments, taxes, impositions, expenses, proceedings, liabilities, obligations, suits, actions, claims (including without limitation claims of personal injury, bodily injury, sickness, disease, death, property damage, destruction, loss of use, financial harm, or other impairment), damages, losses, expenses, penalties, fines or other matters (together with all attorney fees, court costs, and the cost of appellate proceedings and all other costs and expenses of litigation or resolving the claim) that may arise in any manner out of any use of the ROW or other property related to

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this Agreement or any actions, acts, errors, mistakes or omissions relating to work or services in the performance of or related to this Agreement, including without limitation any injury or damages or cause of action claimed or caused by any employees, contractors, subcontractors, tenants, subtenants, agents or other persons upon or using the ROW or surrounding areas related to this Agreement, including without limitation, claims, liability, harm or damages caused in part by Licensee or any other additional insured or anyone for whose mistakes, errors, omissions or negligence Licensee or Licensor may be liable.

As a condition to Licensor's executing this Agreement, Licensee specifically agrees that to the extent any provision of this Section 5.9 is not fully enforceable against Licensee for any reason whatsoever, this Section 5.9 shall be deemed automatically reformed to the minimal extent necessary to cause it to be enforceable to the fullest extent permitted by law.

Notwithstanding the foregoing, the Indemnification does not apply to claims arising from the gross negligence or intentionally wrongful acts of Licensor and claims that the law prohibits from being imposed upon the indemnitor.

The provisions of this Section 5.9 shall survive termination of this Agreement.

The Indemnification applies even if the party seeking damages makes a claim against Licensor or brings a claim against Licensor based on vicarious liability or non-delegable duty or any other legal theory or theories.

Licensee shall pay, indemnify, defend and hold harmless Licensor from any and all such obligations, including any interest, penalties and other expenses which may be imposed, and from any lien thereof or sale or other proceedings to enforce payment thereof.

5.10 Risk of Loss. Licensee assumes the risk of any and all loss, damage or claims related to Licensee's use of the ROW or other property of Licensor, Licensee or third parties throughout the Term. Licensee shall be responsible for any and all damage to its property and equipment related to this Agreement.

SECTION 6. Leasing of Communications Network.

6.1 Purpose. The License granted in this Agreement is only for Licensee for the purpose of constructing, maintaining and operating the Communications Network. Transfer of the License or any interest therein or control of the

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Communications Network is subject to the provisions of Section 9. A material consideration of City in granting this License to Licensee is Licensee's experience, reputation, knowledge, and business track record.

6.2 Leasing Purposes. This License Agreement further authorizes Licensee to do the following:

6.2.1. In its ordinary course of business to lease to or contract with others for use of all or part of the Communications Network, as distinguished from selling telecommunications services carried on the Communications Network. Any entity selling telecommunications services on the Communications Network must obtain a telecommunications license from City.

6.2.2. To lease or provide wholesale access to fiber or conduit that are part of the Communications Network to others that have contracts, franchises or other agreements with City to use its public property within City (an "Existing Third-Party ROW User"), without further prior consent of City, provided that Licensee notifies City of the identity of the Existing Third-Party ROW User.

6.2.3. The Licensee agrees that if Licensee leases or licenses the Communications Network facilities to others for any other use, then Licensee shall condition the effectiveness of such upon the lessee/licensee applying for and obtaining from City any required authorization for such use, including, if required, a telecommunications services license, or any other license that City may require. Additionally, should Licensee's lessees/licensees self-perform any work on the Communications Network within the Public Highways, then Licensee shall require that such lessee/licensee provide an indemnification of City to the same extent required of Licensee in this Agreement.

6.3 Lessees Telecommunication License Required. Licensee agrees and will take reasonable actions to inform entities delivering telecommunications services over the Communication Network that persons using Licensee's facilities must obtain a telecommunication license if such person constructs, installs, operates or maintains telecommunication facilities within the Public Highways.

SECTION 7. Proprietary Information.

7.1 Third-Parties. Proprietary Information disclosed by Licensee to City shall be regarded as proprietary as to third-parties.

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7.2 Opportunity to Defend Against Disclosure. If City receives a request to disclose Proprietary Information, City shall notify Licensee of the request and allow Licensee a reasonable opportunity to defend its information from disclosure.

7.3 Public Records. Notwithstanding any provision in this License, the Licensee acknowledges and understands that Licensor is a political subdivision of the State of Arizona and is subject to the disclosure requirements of Arizona's Public Records Law (A.R.S. §§ 39-121 et seq.).

SECTION 8. Term; Abandonment of Facilities.

8.1 Initial Term. The initial term of this Agreement shall be from _____, 2026 through _____, 2036, unless earlier terminated as set forth in this Agreement.

8.2 Extensions. The initial term of this Agreement may be extended for one (1) additional ten (10) year period provided that Lessee is not then and has never been in default of any terms or conditions of this License beyond any applicable notice and cure periods ("Extension Periods") subject to the following:

8.2.1. No Extension Period shall be effective without the written consent of both Licensor and Licensee through a written agreement approved by City Council at an appropriately agendized public meeting.

8.2.2. Both Licensor and Licensee may withhold their consent to an Extension Period in their sole and absolute discretion.

8.2.3. Both Licensor and Licensee shall provide written notice of their intent to consent or not consent to an Extension Period by giving notice to the other party at least ninety (90) calendar days before the end of the then current term (either the initial term or an Extension Period).

8.2.4. Any Extension Periods may include an increase in the annual fee and any other applicable fees set forth in this license.

8.3 Abandonment of Facilities. If Licensee elects to not renew this Agreement pursuant to Section 8.2 or provide evidence of transfer of the Communications Network to another entity, then the Communications Network will be deemed abandoned and shall become the property of City.

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8.4 Changes to the Apache Junction Engineering Design Standards. In the event City revises the Apache Junction Engineering Design Standards in a manner that prohibits, restricts, or materially alters the methods of construction that Licensee plans to use to construct its Communications System, and if Licensee can show that such change materially and adversely impacts its ability to continue building its Communications System or to complete construction of the Communications System, then Licensee may either: (a): terminate this License and cease operations within City; or (b) cease construction of new portions of the Communications System, but may continue to operate the portion of the Communication System completed to that date. In the event Licensee chooses to discontinue construction, but to continue operations pursuant to (ii), above, Licensee shall not begin construction of new facilities unless and until it agrees to a new construction schedule approved in writing by City Engineer. In order to exercise either option under this Section 8.4, Licensee shall first provide City with at least thirty (30) calendar days written notice.

8.5 Removal of Communication Facilities in lieu of Abandonment. If the Licensee abandons use of all or any part of its Communications System, Licensee shall notify City within ninety (90) calendar days of such abandonment and may, subject to City's approval, permanently abandon the improvements in place. In lieu of permanent abandonment, City may require Licensee to the reasonable satisfaction of City and without cost or expense to City, to promptly remove its above-ground facilities and to restore the Public Highways to a reasonable condition under the supervision of City. Pursuant to 8.3, upon permanent abandonment, if City does not require removal, the Licensee shall submit to City a proposal, as-builts for the Communication Network, and instruments for transferring ownership to City. Any such facilities which are not removed as required by City within one hundred eighty (180) calendar days of either such date of termination or revocation of this License or the date City issued a permit authorizing removal, whichever is later, then the Communication Network shall automatically become the property of City. If abandoned, Licensee must notify the Arizona811 Center of such abandonment and shall record the abandonment consistent with A.R.S. §§ 40-360.21 et seq.

SECTION 9. Transferability of License.

9.1 Assignment. Except as set forth below, Licensee shall not assign, sell, or transfer its interest in this License without the Licensor's prior written approval.

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9.1.1. Notwithstanding the foregoing, Licensee may at any time, on written notice to City and without consent of City, assign this Agreement or any or all of its rights and obligations under this Agreement:

9.1.1.1. to any Affiliate of Licensee;

9.1.1.2. to any successor in interest of Licensee's business operations in City in connection with any merger, acquisition, or similar transaction if Licensee determines after a reasonable investigation that the successor in interest has the resources and ability to fulfill the obligations of this Agreement; or

9.1.1.3. to any purchaser of all or substantially all of the Communication Network in City if Licensee determines after a reasonable investigation that the purchaser has the resources and ability to fulfill the obligations of this Agreement.

9.2 Assignee Bound by License. Any agreed upon assignee will take the place of the assigning Party and shall agree in writing (for the benefit of City) to be bound by each and all of the covenants and conditions of this License. The assigning Party will be released from all of its rights and obligations upon such assignment.

9.3 Licensee Responsible for Affiliate. Following any assignment of this Agreement to an Affiliate, Licensee will remain responsible for such Affiliate's performance under the terms of this Agreement.

SECTION 10. Nonexclusive License.

The grant of this License not exclusive, and nothing in this License shall be construed to prevent City from granting other like or similar grants or privileges to any other Person. Nor shall this License deny or lessen the powers and privileges granted to City under Applicable Laws; provided, however, that upon issuance of the applicable permit by City, the area actually used by Licensee for installation of the Communications Network shall be for the exclusive use of the Communications Network during the Term, subject to the terms and conditions of this Agreement.

SECTION 11. Termination of License. The License granted hereunder may be revoked by the Licensor prior to expiration of the then-current Term if any one of the following events occurs:

11.1 Failure to Comply with License. The Licensee fails to comply with the material terms and conditions of this License or Applicable Laws and does not remedy or cure such failure to comply as provided by Section 12.

11.2 Insolvency. The Licensee is or becomes insolvent or is a party to a voluntary bankruptcy, reorganization, or receivership case or proceeding, makes an assignment for the benefit of creditors, is subject to other actions by creditors that, in the reasonable, good faith opinion of City, threaten the financial viability of Licensee as a going concern, or if there is any similar action that affects Licensee's capability to perform its obligations under this License.

11.3 Bankruptcy. Licensee is the subject of a petition for involuntary bankruptcy not dismissed within sixty (60) calendar days.

SECTION 12. Breach; Rights and Remedies; Termination.

12.1 Termination by Licensee. Licensee may terminate this Agreement for convenience upon one hundred eighty (180) calendar days' written notice to City. Notwithstanding anything to the contrary in this Agreement, in no event shall the Licensee be permitted to terminate this Agreement if the Licensee has an uncured material breach or default under this Agreement and has received a breach notice from Licensor prior to seeking to terminate for convenience.

12.2 Licensee Breach or Default. In the event City believes that Licensee has not complied with or is otherwise in default of any material term of this Agreement, City shall provide Licensee with a City Breach Notice. The failure to promptly provide a City Breach Notice, however, shall not act as a waiver of any rights and remedies of City under this Agreement unless and only to the extent that the Licensee is materially prejudiced by such failure. At all times, including the cure periods, Licensee retains all of its legal rights and remedies, including the right to seek judicial relief.

12.2.1. Licensee's Right to Cure or Respond. During the Initial Licensee Cure Period, Licensee may either:

12.2.1.1. respond to City, contesting the assertion of noncompliance or default and in such event the Parties shall use commercially reasonable efforts to promptly resolve such contest, but in the event the Parties are unable to resolve such contest within fifteen (15) calendar days of Licensee's

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response, City may proceed to enforce any of the remedies set forth in Section 12.1.3 ; or

12.2.1.2. cure an actual default or noncompliance. If Licensee is unable to cure the default during the Initial Licensee Cure Period or Extended Licensee Cure Period (whichever is applicable), then City may proceed to enforce any of the remedies set forth in Section 12.1.3.

12.2.2. City Rights and Remedies. If Licensee fails to cure any actual noncompliance or default as provided in Section 12.1.2 within the applicable Cure Period, City may take any or all of the following actions:

12.2.2.1. terminate this License as a material breach.

12.2.2.2. seek special action or other similar relief (whether characterized as mandamus, injunction or otherwise), requiring Licensee to undertake and to fully and timely address or to enjoin any construction or activity undertaken by Licensee which is not in accordance with the terms of this Agreement.

12.2.2.3. seek indemnity (including but not limited to filing an action for damages) arising under Licensees indemnity or duty to hold harmless obligations set forth in Section 5 or seek damages for failure to restore property under Sections 3.7, 3.10, and 8.5.

12.2.2.4. enforce its rights given under any bond or similar financial assurance given or provided by or for the benefit of Licensee or City pursuant to this Agreement.

12.2.3. City Breach or Default. In the event Licensee believes that City has not complied with or is otherwise in default of any material term of this License, Licensee shall provide City with a Licensee Breach Notice. The failure to promptly provide a Licensee Breach Notice, however, shall not act as a waiver of any rights and remedies of Licensee under this Agreement unless and only to the extent that City is materially prejudiced by such failure.

12.2.4. City's Right to Cure or Respond. During the Initial City Cure Period, City may either:

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12.2.4.1. respond to Licensee, contesting the assertion of noncompliance or default and in such event the Parties shall use commercially reasonable efforts to promptly resolve such contest, but in the event the Parties are unable to resolve such contest within fifteen (15) calendar days of City's response, Licensee may proceed to enforce any of the remedies set forth in Section 12.2.3.; or

12.2.4.2. cure an actual default or noncompliance. If City is unable to cure the default during the Initial City Cure Period or Extended Licensee Cure Period (whichever is applicable), then Licensee may proceed to enforce any of the remedies set forth in Section 12.2.3.

12.2.5. Licensee Rights and Remedies. If City fails to cure any actual noncompliance or default as provided in Section 12.2.2 within the applicable Cure Period, Licensee's sole and exclusive remedies shall be limited to any or all of the following, as applicable:

12.2.5.1. file a special action or seek other similar relief (whether characterized as mandamus, injunction or otherwise), requiring City to undertake and to fully and timely perform its obligation under this Agreement;

12.2.5.2. an action for damages for repairs to its Communications Network as set forth in Section 3.3, if applicable; and

12.2.5.3. in the event of the breach of, noncompliance with or default under any material term of this Agreement, terminate this Agreement and seek recovery of termination-related attorneys fees.

12.3 Limitation of Liabilities.

12.3.1. City and its officers, agents, elected or appointed officials, employees, departments, boards and commissions shall not be liable to Licensee or to its affiliates or customers for any interference with or disruption in the operation the Communications Network or the provision of services, or for any damages arising out of Licensee's use of the Public Highways, unless caused solely by the negligence or willful misconduct of the City.

12.3.2. Except where explicitly permitted by the terms of this License, City and Licensee each waives its respective right to seek and recover consequential (including lost profits or harm to business), indirect, incidental,

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reliance, exemplary, special, beneficial, numerical, punitive or similar damages from the other.

SECTION 13. Acceptance of License; Terms and Conditions.

13.1 Acceptance of License. This License shall not become effective until after approval by City council, execution by City mayor, and Licensee's written acceptance thereof shall have been filed with City clerk. By entering into this License, the Licensee covenants and agrees to perform and be bound by each and all terms and conditions imposed by Applicable Laws and this License.

13.2 No Challenge to License. Licensee acknowledges and accepts the right of City to issue a License and Licensee agrees it shall not now or at any time hereafter challenge this right to issue the License in any way or in any City, state or federal court. Licensee has reviewed the Licensor's ability to grant a License and accepts such a License as City may now be legally able to grant.

13.3 Applicable Laws Control. In the event of conflict between the terms and conditions of the License and the authority under which City can grant a license or permission to use the Public Highways as set forth in Applicable Laws, the Applicable Laws shall control. Nothing in this License shall be deemed to waive the requirement of the codes, ordinances, and regulations of City.

13.4 No Action Against City. Licensee shall have no recourse whatsoever against City, its elected and appointed officers, officials, special districts, agents, or employees for any loss, cost, expense, or damage arising out of any actions taken in their official capacities pursuant to this Agreement.

SECTION 14. Partial Invalidity.

14.1 Partial Invalidity. If any section, paragraph, clause, phrase, or provision of this License shall be adjudged invalid or unconstitutional, or superseded by other lawful authority including any state or federal, legislative, regulatory or administrative authority having jurisdiction over this Agreement, the same shall not affect the validity of this License as a whole or any part of the provisions of this License other than the part superseded or adjudged to be invalid or unconstitutional.

14.2 Severability. In the unlikely event that any provision of this License is declared void or unenforceable (or is construed as requiring City to do any act in

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violation of any Applicable Laws), such provision shall be deemed severed from this License and this License shall otherwise remain in full force and effect; provided that this License shall retroactively be deemed reformed to the extent reasonably possible in such a manner so that the reformed agreement (and any related agreements effective as of the same date) provide essentially the same rights and benefits (economic and otherwise) to the Parties as if such severance and reformation were not required.

14.3 Conflict with Applicable Laws. The Parties agree that this License is intended to satisfy the requirements of all Applicable Laws, administrative guidelines, rules, order and ordinances. Accordingly, any provision of this License which conflicts with any such Applicable Law shall be invalid and unenforceable, whether occurring before or after execution of this License, it being the intention of the parties: (a) to preserve their respective rights and remedies under all Applicable Laws; and (b) that the execution of this License does not constitute a waiver of any rights or obligations by either Party under Applicable Laws. In the event that a provision is invalid and unenforceable, all other provisions shall remain in full force and effect. Both City and Licensee expressly reserve all rights they may have under law to the maximum extent possible; neither the Licensor nor the Licensee shall be deemed to have waived any rights they may now have or may acquire in the future by entering into this License.

SECTION 15. Notices.

Notices shall be given in writing delivered to the other party or mailed by registered or certified mail, return receipt requested, postage prepaid addressed to:

If to Licensor: Emile Schmid
City Engineer
City of Apache Junction
300 East Superstition Boulevard
Apache Junction, AZ 85119

With copies to: Richard J. Stern
City Attorney
City of Apache Junction
300 East Superstition Boulevard
Apache Junction, AZ 85119

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If to Licensee: Attention: Google Fiber Legal
1600 Amphitheatre Parkway
Mountain View, CA 94043
Email: googlefibernotices@google.com

With copies to: legal-notices@google.com

By notice from time to time, a person may designate any other street address be deemed to be complete seven (7) calendar days (excluding Friday, Saturday, Sunday and legal holidays) after the notice is deposited in the United States mail.

SECTION 16. Entire Agreement and Amendment.

16.1 Entire Agreement. This License, and the exhibits listed below that are either attached and/or on file at City and available for inspection, are incorporated by this reference, and constitute the entire agreement between Licensor and Licensee with respect to this License and supersede all prior negotiations, communications, discussions and correspondence, whether written or oral, concerning this License. No supplement, modification, waiver or amendment of any term of this License shall be binding or effective unless executed in writing by the Parties. No waiver of any provision of this License shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

16.2 Amendments. This License may only be amended by a written instrument signed by an authorized representative of each Party, except that Licensor may modify this License as necessary to comply with Applicable Laws. In the event that an amendment in this License is necessary in order for the Parties to comply with Applicable Laws, each Party must use good faith efforts to amend the License to effect such compliance. This License will be fairly interpreted in accordance with its terms and conditions and not for or against either Party.

SECTION 17. Governing Law.

17.1 Governing Law. The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona. Any action at law or in equity brought by either Party for the purpose of enforcing a right or rights provided for in this Agreement, shall be tried in a court of competent jurisdiction in Pinal County, State of Arizona. The Parties hereby waive all

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provisions of law providing for a change of venue in such proceeding to any other county or for removal to federal court.

17.2 Compliance with Federal and State Laws. Licensee understands and acknowledges the applicability of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 to the services performed under this Agreement. As required by A.R.S. § 41-4401, Licensee and its subcontractors, assignees and permittees hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Licensee and its subcontractors, assignees and permittees further warrant that after hiring an employee, they will verify the employment eligibility of the employee through the E-Verify program. If Licensee uses any subcontractors in performance of services, subcontractors shall be required to comply with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), including verifying the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Agreement that is subject to penalties up to and including termination of this Agreement. Licensee is subject to a penalty of $100.00 per day for the first violation, $500.00 per day for the second violation, and $1,000.00 per day for the third violation, or greater if statutorily permitted. Licensor at its option may terminate this Agreement after the third violation. Licensee shall not be deemed in material breach of this Agreement if Licensee and/or its subcontractors, assignees or permittees establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Licensor retains the legal right to inspect the papers of any Licensee, its subcontractor or assignee or permittee employee who works under this Agreement to ensure that they are complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the Parties may modify this Section 17.2 consistent with state law

17.3 Prohibition to Contract with Parties who engage in a Boycott of the State of Israel. The Parties acknowledge A.R.S. §§ 35-393 through 35-393.03, as amended, which forbids public entities from entering into an agreement with any party who engage in boycotts of the State of Israel. Should Licensee or its subcontractors, assignees or permittees under this Agreement engage in any such boycott against the State of Israel, this Agreement is automatically terminated as if this Agreement expired with no remaining term or option to extend. Additionally, any such boycott is a material breach of contract and will subject Licensee and its

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subcontractors, assignees and permittees to monetary damages, including but not limited to, consequential damages.

SECTION 18. Attorney Fees.

If any action, suit or proceeding is brought by either Party to enforce this Agreement or for failure to observe any of the covenants of this Agreement or to vindicate or exercise any rights or remedies under this Agreement, the substantially prevailing party in such proceeding shall be entitled to recover from the other party such prevailing party's reasonable attorneys fees and other reasonable litigation costs, as determined by the court, and not a jury, in such proceeding.

SECTION 19. Force Majeure.

Neither Licensor nor Licensee, as the case may be, shall be considered not to have performed its obligations under this Agreement in the event of enforced delay (an "Enforced Delay") due to causes beyond its control and without its fault or negligence or failure to comply with Applicable Laws, including, but not restricted to, acts of God, fires, floods, epidemics, pandemics and related executive orders, quarantine, restrictions, embargoes, labor disputes, and unusually severe weather or the delays of subcontractors or materialmen due to such causes, acts of a public enemy, war, terrorism or act of terror (including but not limited to bio-terrorism or eco-terrorism), nuclear radiation, blockade, insurrection, riot, labor strike or interruption, extortion, sabotage, or similar occurrence or any exercise of the power of eminent domain of any governmental body on behalf of any public entity, or a declaration of moratorium or similar hiatus (whether permanent or temporary) by any public entity directly affecting the obligations under this Agreement. In no event will Enforced Delay include any delay resulting from unavailability for any reason of labor shortages, or the unavailability for any reason of particular Licensees, subcontractors, vendors or investors desired by Licensee in connection with the obligations under this Agreement. Licensee agrees that Licensee alone will bear all risks of delay which are not Enforced Delay. In the event of the occurrence of any such Enforced Delay, the time or times for performance of the obligations of the Party claiming delay shall be extended for a period of the Enforced Delay; provided, however, that the Party seeking the benefit of the provisions of this Section 19 shall, within thirty (30) calendar days after such Party knows or should know of any such Enforced Delay, first notify the other Party of the specific delay in writing and claim the right to an extension for the period of the Enforced Delay; and provided further that in no event shall a period of Enforced Delay exceed ninety (90) calendar days.

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SECTION 20. Representations and Warranties.

20.1 City's Authority to Enter Into License. Subject to the limitations set forth in Sections 13 and 20, City represents and warrants to Licensee that, as of the Effective Date: (a) it has full authority, including the authority required by Applicable Laws, to enter into and perform this License and the execution, delivery and performance of this License and the consummation of the transactions contemplated by this License are within the right, power and authority of City and have been duly authorized by all necessary action on the part of City; (b) this License has been duly executed and delivered by City and it constitutes a legal, valid and binding agreement of City enforceable against City in accordance with its terms (except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity); and (c) the execution and delivery of this License by City and its performance of this License does not violate any law, ordinance, rule, or regulation applicable to City.

20.2 Licensee Authority to Enter Into License. Licensee represents and warrants to City that: (a) it has full authority to enter into and perform this License and the execution, delivery and performance of this License and the consummation of the transactions contemplated by this License are within the power and authority of Licensee and have been duly authorized by all necessary action on the part of Licensee; (b) this License has been duly executed and delivered by Licensee and it constitutes a legal, valid and binding agreement of Licensee enforceable against Licensee in accordance with its terms (except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity); and (c) the execution and delivery of this License by Licensee and its performance under this License will not violate any law, rule, or regulation applicable to Licensee.

20.3 No Representations or Warranties. Other than the explicit representations and warranties made by Licensee to City under this License, Licensee makes no representations or warranties to City or any Person with respect to the Communication Network and hereby disclaims any and all express, implied, or statutory warranties, including, without limitation, any warranties of merchantability, fitness for a particular purpose, availability, error-free or uninterrupted operation, and any warranties arising from a course of dealing, course of performance, or usage of trade. To the extent that Licensee may not under Applicable Laws disclaim any implied warranty, the scope and duration of such warranty will be the minimum permitted under such law.

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SECTION 21. No Waiver.

Licensee acknowledges Licensee's unconditional obligation to comply with this License. No failure by Licensor to demand any performance required of Licensee under this License, and no acceptance by Licensor of any imperfect or partial performances under this License, shall excuse such performance or impair in any way Licensor's ability to insist, prospectively and retroactively, upon full compliance with this License. No acceptance by Licensor of Licensee Payments and no statement, bill or notice by Licensor or Licensee concerning payments or other performances or other performances under this License shall be deemed a compromise or settlement of any right Licensor may have for additional, different or further payments or performances. Any waiver by Licensor of any breach of condition or covenant in this License to be kept and performed by Licensee shall not be deemed or considered as a continuing waiver and shall not operate to bar or otherwise prevent Licensor from declaring a default for any breach or succeeding or continuing breach either of the same condition or covenant or otherwise. No failure by Licensor to demand from Licensee any performance under this License shall excuse Licensee from compliance with this License nor stop Licensor (or otherwise impair Licensor's ability) to at any time correct such notice and/or insist prospectively and retroactively upon full compliance with this License. No waiver of any description (including any waiver of this sentence or paragraph) shall be effective against Licensor unless made in writing by a duly authorized representative of Licensor specifically identifying the particular provision being waived and specifically stating the scope of the waiver. Licensee expressly disclaims and shall not have the right to rely on any supposed waiver or other change or modification, whether by word or conduct or otherwise, not conforming to this Section 21.

SECTION 22. No Third Party Beneficiaries.

Unless otherwise stated in this License, no person or entity shall be a third-party beneficiary to this License or shall have any right or cause of action under this License. Licensor shall have no liability to third parties for any approval of plans, Licensee's construction of improvements, Licensee's negligence, Licensee's failure to comply with the provisions of this License (including any absence or inadequacy of insurance required to be carried by Licensee), or otherwise as a result of the existence of this License.

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SECTION 23. No Rights to the Communications Network.

City expressly agrees that, except as expressly set forth in this License, it does not and shall not claim at any time any interest or estate of any kind or extent whatsoever in the Communications Network during the Term. Licensee shall at all times retain title to and ownership of the Communications Network and all future extensions of the Communications Network and shall have the right to lease or license the Communications Network or parts thereof to providers of internet, data, voice, video and other services.

SECTION 24. Construction.

24.1 Representation by Counsel. Each of the Parties acknowledge that each Party has been represented by counsel in connection with this License. Legal or equitable principles that might require the construction of this License or any provision hereof against the Party drafting this License shall not apply in any construction or interpretation of this License and is expressly waived. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this License.

24.2 Interpretation. This License was negotiated on the basis that it shall be construed according to its plain meaning and neither for nor against any party, regardless of their respective roles in preparing this License. The terms of this License were established in light of the plain meaning of this License and this License shall therefore be interpreted according to its plain meaning and without regard to rules of interpretation, if any, which might otherwise favor Licensee.

SECTION 25. Survival.

The rights and obligations of the Parties under Sections 5, 7, 18, 21, and any other obligations which reasonably should survive expiration or other termination or completion of this License, shall remain in full force for a period of three (3) years following any such termination, expiration, or completion except that if an action is brought by any Party prior to the expiration of three (3) years following any termination, expiration, or completion of this License, the provisions of this License that are the subject of such action shall survive until any settlement, judgment, or order resulting from such action is fully satisfied.

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Section 26. Entire Agreement.

This License, and the exhibits listed below that are either attached and/or on file at City and available for inspection, are incorporated by this reference, and constitute the entire agreement between Licensor and Licensee with respect to this License and supersede all prior negotiations, communications, discussions and correspondence, whether written or oral, concerning this License. No supplement, modification, waiver or amendment of any term of this License shall be binding or effective unless executed in writing by the Parties. No waiver of any provision of this License shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

SECTION 27. Regulatory Process; Inspections.

27.1 Regulatory Approval Process. The building permit processes, ROW management, and similar regulatory requirements that apply to any improvements and construction upon or about the ROW are completely separate from the requirements of this License. Licensee's satisfaction of any requirement of this License does not count toward any compliance with any regulatory requirement. Licensee's satisfaction of any regulatory requirement does not count toward compliance with any requirement of this License. Licensee must make all submittals and communications regarding the requirements of this License through Licensor's contract administrator for this License, and not through planning, building safety or other staff. Licensee must obtain all approvals in accordance with all present and future Licensor codes, policies and procedures.

27.2 Relationship of Plans Approval to Regulatory Processes. Licensee's submission of plans under this License, Licensor's approval of plans for purposes of this License, and the plans approval process under this License, shall be separate and independent of all zoning, design review, and other regulatory or similar plans submittal and approval processes, all of which shall continue to apply in addition to the requirements of this License and its approvals. Building permits, zoning clearances, or any other governmental reviews or actions do not constitute approval of any plans for purposes of this License.

27.3 Right of Inspection. Licensor shall be entitled to inspect all construction, reconstruction, or installation work and to make such tests as it deems necessary to ensure compliance with the terms of this License and Applicable Laws. All Licensor plans reviews, inspections, standards and other rights and actions with relation to any construction are for Licensor's sole and

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exclusive benefit and neither Licensee nor any other person shall rely thereon or have any rights related thereto.

27.4 Inspection. Licensor shall have access to all portions of the Use Area at all times and without notice for the purpose of examining, inspecting, evaluating, planning, repairing, designing, maintaining or showing the Use Area or exercising Licensor's other rights under this License. Licensee shall promptly undertake appropriate action to rectify any deficiency (identified by Licensor during such inspections or otherwise) in Licensee's compliance with this License. This Section 27.4 does not limit Licensor's other rights of access to the Use Area elsewhere in this License or otherwise. This right of access is in addition to access rights for Licensor inspectors or other employees and officers acting within their legal authority.

SECTION 28. Taxes, Liens and Assessments.

In addition to all other amounts provided by this License and to the extent consistent with Applicable Laws, Licensee shall pay, when the same become due and payable, all taxes and general and special fees, charges and assessments of every description that may be levied upon or assessed upon or with respect to Licensee's use of the ROW, Licensee's operations conducted therein, any amounts paid or other performances under this License by either party, and all of Licensee's possessory interest in the ROW and improvements and other Licensor or Licensee property thereon.

SECTION 29. Licensee's Records. During the Term, Licensee shall keep records and provide information to Licensor as follows:

29.1 Scope of Information. Unless otherwise specified, all of Licensee's recordkeeping and disclosure obligations under this Section 29 include the following cumulative topics as reasonably determined by Licensor (collectively the "Covered Information"):

29.1.1 The status of the construction, repair or restoration of any improvements on or about the ROW.

29.1.2 Information relating to this Agreement or to Licensor's or Licensee's rights or obligations under this Agreement.

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29.2 Records Inspection. Licensee shall:

29.2.1. Permit and assist Licensor and its representatives at all reasonable times to inspect, audit, and copy Licensee's records of Covered Information, as permitted under Applicable Laws following thirty (30) calendar days prior written notice and only to the extent reasonably necessary to ensure compliance with this Section 29. Licensee shall keep records reflecting its Licensee Payments for at least two (2) calendar years.

29.2.2. Make the records of Covered Information (and reasonable accommodations for Licensor's audit and inspection) available to Licensor at Licensee's offices in Arizona or at Licensor's location.

29.2.3. Cause Licensee's employees and agents and accountants to give their full cooperation and assistance in connection with Licensor's access to the Covered Information, including electronic access to the Covered Information.

29.2.4. Notwithstanding any provision in this Agreement, Licensee acknowledges and understands that Licensor is a municipal corporation of the State of Arizona and is subject to the disclosure requirements of Arizona's Public Records Act (A.R.S. §§ 39-121, et seq.).

29.2.5. Upon request from Licensor, but no more than annually, Licensee shall make available to Licensor reports or records related to the Covered Information in the formats in which they are customarily prepared by Licensee. Licensee reserves the right to seek appropriate confidentiality protections for any information to be produced to Licensor. Such records shall be made available to Licensor by Licensee via electronic delivery.

29.3 Record Retention. City may examine the business records of Licensee as permitted under applicable law, but in any event only during reasonable times and following no less than thirty (30) days' prior written notice, and only to the extent reasonably necessary to ensure compliance with the fees owed under this License Agreement or applicable tax laws. Licensee will keep business records reflecting its revenues used to calculate fees paid for at least two (2) years.

29.4 Record Media Included. Licensor's and Licensee's rights and obligations regarding the Covered Information apply regardless of the type of media, materials, or data repositories that may contain the Covered Information.

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Licensor's rights to the Covered Information apply regardless of whether the Covered Information is stored on recordings, notes, ledgers, correspondence, reports, drawings, memoranda, or other repository of Covered Information.

IN WITNESS WHEREOF, Licensee and City have executed this Agreement as of the date first set forth above.

LICENSEE:
GOOGLE FIBER ARIZONA, LLC, an Arizona limited liability company

Darrel Hegar

By: Darrel Hegar
Its: Head of Market Operations

CITY:
CITY OF APACHE JUNCTION, ARIZONA, an Arizona municipal corporation

By: Walter "Chip" Wilson
Its: Mayor

ATTEST:

Evie McKinney
City Clerk

APPROVED AS TO FORM:

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R. Joel Stern
City Attorney

STATE OF Texas)
) **ss.**
COUNTY OF Kaufman)

The foregoing was subscribed and sworn to before me this 24th **day of** February**, 2026, by** Darrel Hegar **as** Head of Market Operations **of Google Fiber Arizona, LLC, an Arizona limited liability company.**

NOTARY PUBLIC STATE OF TEXAS

Daphene Mayfield

ID NUMBER
13394381-1
COMMISSION EXPIRES
September 1, 2026

Notary Public

My Commission Expires:

09/01/2026

Electronically signed and notarized online using the Proof platform.

STATE OF ARIZONA)
) **ss.**
COUNTY OF PINAL)

The foregoing was subscribed and sworn to before me this _____ **day of** _____**, 2026, by Walter "Chip" Wilson, as Mayor of City of Apache Junction, Arizona, an Arizona municipal corporation.**

Notary Public

My Commission Expires:

_____

EXHIBIT A

USE AREA

EXHIBIT B

PROCESS AND PROCEDURE FOR DRAWING UPON BOND

A. Licensor may draw on the Bond upon any Event of Default, and in the following circumstances whether or not they are an Event of Default:

1. Licensee fails to cause the Bond to be renewed, extended, increased in amount or otherwise maintained as required by this Agreement.

2. Licensee fails to make monetary payments required under this Agreement, subject to the Licensee Cure Period.

3. The issuer of the Bond fails to immediately honor a draft on the Bond or otherwise repudiates or fails to honor Bond.

B. Licensor shall also have such additional rights regarding the Bond as may be provided elsewhere in this Agreement.

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