EXTENET SYSTEMS, INC.

WIRELESS USE AGREEMENT

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ATTACHMENTS

WIRELESS USE AGREEMENT

THIS WIRELESS USE AGREEMENT (the "Agreement") is executed to be effective the 1st day of July, 2007 (the "Effective Date"), and entered into by and between the City of Las Vegas, a political subdivision of the State of Nevada (the "City"), and Extenet Systems, Inc., a Delaware corporation ("Company").

Recitals

A. WHEREAS, the City is the owner of ROW Poles (as defined in Subsection 1.16 below) located in the Rights-of-Way of the City; and

B. WHEREAS, Company desires to use space on certain of the ROW Poles for construction, operation and maintenance of its telecommunications Network (as defined in Subsection 1.13 below) serving Company's wireless customers and utilizing Equipment (as defined in Subsection 1.8 below), certified by the Federal Communications Commission ("FCC") and in accordance with FCC rules and regulations; and

C. WHEREAS, for the purpose of operating the Network, Company wishes to locate, place, attach, install, operate, control, and maintain Equipment on the ROW Poles, and on other facilities owned by third parties; and

D. WHEREAS, Company is willing to compensate the City in exchange for a grant and right to use and physically occupy portions of the ROW Poles.

Agreement

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

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

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

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

1.3 ***City.*** "City" means the City of Las Vegas, a political subdivision of the State of Nevada.

1.4 ***Commence Installation.*** "Commence Installation" shall mean the date that Company commences to install its Network, or any expansion thereof, in City ROW.

1.5 ***Commence Operation.*** "Commence Operation" shall mean the date that Equipment is installed and operational by Company pursuant to this Agreement.

1.6 ***Company.*** "Company" means Extenet Systems, Inc., a corporation duly organized and existing under the laws of the State of Delaware, and its lawful successors, assigns, and transferees, registered with the PUCN as a Telecommunications Service provider.

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

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

1.9 ***Gross Revenue.*** "Gross Revenue" shall mean and include any and all income and other consideration of whatever nature in any manner gained or derived by Company or its Affiliates from or in connection with the provision of Telecommunications Service (as defined in Subsection 1.19 below), either directly by Company or indirectly through its Affiliates, to customers of such Telecommunications Service within the City, including any imputed revenue derived from commercial trades and barters equivalent to the full

retail value of goods and services provided by Company. Gross Revenue shall not include: (a) sales, ad valorem, or other types of "add-on" taxes, levies, or fees calculated by gross receipts or gross revenues which might have to be paid to or collected for federal, state, or local government (b) non-collectable amounts due Company or its Affiliates; (c) refunds or rebates; and (d) non-operating revenues such as interest income or gain from the sale of an asset.

1.10 ***Information Service.*** "Information Service" has the same meaning as that term is defined in the United States Code, 47 U.S.C. 153(20).

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

1.12 ***Municipal Facilities.*** "Municipal Facilities" means ROW Poles, lighting fixtures or electroliers located within the ROW and may refer to such facilities in the singular or plural, as appropriate to the context in which used.

1.13 ***Network.*** "Network" or collectively "Networks" means one or more of the neutral-host, protocol-agnostic, fiber-based optical repeater networks operated by Company to serve its customers in the City.

1.14 ***PUCN.*** "PUCN" means the Public Utilities Commission of Nevada.

1.15 ***Rights-of-Way.*** "Rights-of-Way" or "ROW" means public property including air space, dedicated, granted, held, prescriptively used, or authorized by patent of the United States of America, for City public street and public utility purposes, except as limited by any underlying grant, including rights-of-way granted by the United States Bureau of Land Management, United States Bureau of Reclamation or the Nevada Department of Transportation, and except public streets predominantly used for public freeway or expressway purposes.

1.16 ***ROW Pole.*** "ROW Pole" means any Streetlight Pole, Traffic Signal Pole or School Zone Flasher.

1.17 ***School Zone Flasher.*** "School Zone Flasher" means any metal pole that is owned by the City, is located in the ROW, and is used for traffic signal or traffic control purposes for schools. School Zone Flasher does not include any pole that is made from any material other than metal.

1.18 ***Streetlight Pole.*** "Streetlight Pole" means any standard-design metal pole that has a mast arm for the support of a light fixture, is owned by the City, is located in the ROW, and is used for street lighting purposes. Streetlight Pole does not include any pole supporting a streetlight that is made from any material other than metal.

1.19 ***Telecommunications Service.*** "Telecommunications Service" has the same meaning as that term is defined in the United States Code, 47 U.S.C. 153(46).

1.20 ***Traffic Signal Pole.*** "Traffic Signal Pole" means any standard-design metal pole that is owned by the City, is located in the ROW, and is used for traffic signal or traffic control purposes, including School Zone Flashers. Traffic Signal Pole does not include any pole that is made from any material other than metal.

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

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

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

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

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

4.1.2 Company shall not attach its Equipment to more than a total of 25 poles in the ROW within one square mile, regardless of whether such poles are owned by the City, Company or third parties.

4.1.3 Subject to the conditions herein, the City hereby authorizes and permits Company to enter upon the ROW and to locate, place, attach, install, operate, maintain, control, remove, reattach, reinstall, relocate, and replace Equipment in or on identified Municipal Facilities for the purposes of operating the Network and providing Telecommunications Service and Information Service that is provided over the Telecommunications Service Network.

4.1.4 To reduce the disruption to Municipal Facilities, Company may power its Equipment by using the power sources that service the existing ROW Pole structure and its components. The power used by Company's Equipment shall be determined by the usage identified on the specifications for the Equipment installed pursuant to this Agreement, provided that the City may verify the actual power consumed by Company's Equipment using measurements of the power consumed prior to the installation of the Equipment compared to the power consumed after the installation of the Equipment. All electrical work and installations related to the power-sharing authorized by this Subsection 4.1.4 shall be performed by a licensed contractor that is approved by the City and in a manner that is approved by the City. Company shall make all requests for power-sharing arrangements pursuant to this Subsection 4.1.4 in advance and in writing. Company shall reimburse the City, as provided in Subsection 5.6, for the increased power costs that the City incurs as a result of any power-sharing authorized by this Subsection 4.1.4.

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

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

4.1.7 Company may apply to the City to expand its initial Network installation through the same process as specified in this Subsection 4.1.

4.1.8 In the event of an emergency or to protect the public health or safety, prior to the City accessing or performing any work on a Municipal Facility on which Company has installed Equipment, the City may require Company to deactivate

such Equipment if any of City's employees or agents must move closer to the Equipment than the recommended one foot minimum distance. In such case, City will contact Company at the contact telephone number referenced in Subsection 14.3 herein to request immediate deactivation. If Company fails to respond in a timely manner, depending on the nature of the emergency, City may deactivate said Equipment to perform necessary work with no liability to City.

4.2 Attachment to Third-Party Property. Subject to obtaining the written permission of the owner(s) of the affected property, the City hereby authorizes and permits Company to enter upon the ROW and to attach, install, operate, maintain, remove, reattach, reinstall, relocate, and replace such number of Equipment in or on poles or other structures lawfully owned and operated by public utility companies or other property owners located within or outside the ROW as may be permitted by the public utility company or property owner, as the case may be. Company shall furnish to the City documentation in a form acceptable to the City of such permission from the individual utility or property owner responsible. A denial of an application for the attachment of Equipment to third-party-owned poles or structures, or installation of Company's own poles, in the ROW shall not be based upon the size, quantity, shape, color, weight, configuration, or other physical properties of Company's Equipment if the Equipment proposed for such application conforms to one of the pre-approved configurations and the Equipment specifications set forth in Exhibit A, except that Equipment must conform as closely as practicable with the design and color of existing poles in the vicinity of Company's Equipment and/or pole location.

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

4.4 No Interference. Company in the performance and exercise of its rights and obligations under this Agreement shall not interfere in any manner with the existence and operation of any and all public and private rights-of-way, sanitary sewers, water mains, storm drains, gas mains, poles, aerial and underground electrical and telephone wires, traffic signals, communication facilities, electroliers, cable television, location monitoring services, public safety and other telecommunications, utility, or municipal property,

without the express written approval of the owner or owners of the affected property or properties, except as permitted by applicable Laws or this Agreement.

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

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

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

4.8 Nonexclusive Use Rights. Notwithstanding any other provision of this Agreement, any and all rights expressly or impliedly granted to Company under this Agreement shall be non-exclusive, and shall be subject and subordinate to: (a) the continuing right of the City to use, and to allow any other person or persons to use, any and all parts of the ROW or Municipal Facilities, exclusively or concurrently with any other person or persons; and (b) the public easement for streets and any and all other deeds, easements, dedications, conditions, covenants, restrictions, encumbrances and claims of title (collectively "Encumbrances") which may affect the ROW or Municipal Facilities now or at any time during the term of this Agreement, including, without limitation, any Encumbrances granted, created or allowed by the City at any time.

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

5.1 Business License Fee. Company shall obtain and maintain at all times during the term of this Agreement a business license pursuant to Las Vegas Municipal Code Chapter 6.67 and shall pay all business license fees due for its provision of Telecommunications Service pursuant to said Chapter.

5.2 Municipal Facilities Attachment Fee. Company shall pay to the City a quarterly fee (the "Municipal Facilities Attachment Fee") in the amount of Two Hundred Fifty-Eight Dollars for the use of each Municipal Facility, if any, upon which Equipment has been installed pursuant to this Agreement. The aggregate Municipal Facilities Attachment Fee with respect to each calendar quarter of a year during the term shall be an amount equal to the total number of Municipal Facilities to which Equipment is attached at any time during the calendar quarter multiplied by the Municipal Facilities Attachment Fee and shall be due and payable not later than forty-five (45) days after each calendar quarter. City represents and covenants that City owns all Municipal Facilities for the use

of which it is collecting from Company the Municipal Facilities Attachment Fee pursuant to this Subsection 5.2. The City and Company may by mutual written consent agree upon the provision of Company services to the City in lieu of payment of the Municipal Facilities Attachment Fee.

5.3 CPI Adjustment to Attachment Fee. Effective commencing on the first anniversary of the Effective Date and continuing annually thereafter during the term, the Municipal Facilities Attachment Fee shall be adjusted (rounded to the nearest whole dollar) by a percentage amount equal to the percentage of change in the Annual Average Consumer Price Index, All Urban Consumers for All Items, U.S. City Average (1982–84=100) ("CPI-U"), for the most recently completed calendar year as compared to the previous calendar year, as published by the U.S. Department of Labor, Bureau of Labor Statistics, Washington, D.C.

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

5.5 Delinquent Payment. If Company fails to pay any amounts due for Municipal Facilities Attachment Fees within 45 days from the due date, Company will pay, in addition to the unpaid fees, a sum of money equal to two percent of the amount due, including penalties and accrued interest, for each month and/or fraction thereof during which the payment is due and unpaid. If Company fails to timely pay any business license fees, Company will pay interest and penalties on such delinquent fees as specified by the applicable provisions of Las Vegas Municipal Code Chapter 6.67.

5.6 Reimbursement of City's Increased Power Costs. The City may, in its discretion and on a calendar quarterly basis: (a) calculate and bill Company, as provided herein, for the City's increased power costs resulting from power-sharing at any Municipal Facility by using the power consumption estimates noted on the specifications for the Equipment, multiplied by the applicable energy charges for such consumption based on twenty-four hours per day, seven days per week usage; or (b) measure the actual increase in power consumption at any Municipal Facility resulting from power-sharing, and bill Company, as provided herein, for the City's increased power costs based on such measurements. If the City's increased power costs for any ROW pole are $30.00 or less for a quarter, the increased power costs shall be deemed to be included as part of the Municipal Facilities Attachment Fee required by Subsection 5.2 above, and Company shall not be required to pay any separate power costs for that ROW Pole for that quarter. If the City's increased power costs for any ROW pole are more than $30.00 for a quarter, the City shall bill Company only for the incremental power costs that are above the first $30.00 in increased power costs. The City shall bill Company for the reimbursements

due under this Subsection 5.6 at the end of each calendar quarter, and Company's reimbursements for the City's increased power costs shall be due and payable not later than 45 days after each calendar quarter. The City may change its methodology for determining reimbursement costs on an annual basis, and any change in methodology shall take effect on July 1 of each year.

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

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

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

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

6.3 Location of Equipment. The proposed locations of Company's planned initial installation of Equipment shall be provided to the City in the form of a map or on an annotated aerial photograph, either of which must be in a format acceptable to the City,

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

6.4 Zoning Height Restrictions. Notwithstanding anything to the contrary in this Agreement (including the specifications attached hereto at Exhibit A), no portion of Company's Equipment shall extend higher than 24 inches above the height of any existing structure. In the case of a new installation by Company, the overall height of Company's pole and equipment shall not exceed 35 feet above grade unless otherwise approved by the City.

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

6.6 Visual Impact of Cross-Arm Installations. Company agrees that, in order to minimize the visual impact of its attachments on utility poles, in any instance where a cross-arm is set on a utility pole as the locus for attachment of Equipment, Company shall use its best efforts to work with the applicable third parties to ensure that such Equipment shall be attached at the point on the cross-arm that is acceptable to the City. If, however,

the third party does not accommodate the City's request, Company shall be allowed to attach in whatever fashion is required by the third party.

6.7 Relocation and Displacement of Equipment. Company understands and acknowledges that City may require Company to relocate one or more of its Equipment installations. Company shall at City's direction relocate such Equipment at Company's sole cost and expense whenever City reasonably determines that the relocation is needed for any of the following purposes: (a) if required for the construction, modification, completion, repair, relocation, or maintenance of a City or other public agency project; (b) because the Equipment is interfering with or adversely affecting proper operation of ROW Poles, traffic signals, communications, or other Municipal Facilities; or (c) to protect or preserve the public health or safety. In any such case, City shall use reasonable efforts to afford Company a reasonably equivalent alternate location. If Company shall fail to relocate any Equipment as requested by the City within a reasonable time under the circumstances in accordance with the foregoing provision, City shall be entitled to remove or relocate the Equipment at Company's sole cost and expense, without further notice to Company. Company shall pay to the City actual costs and expenses incurred by the City in performing any removal work and any storage of Company's property after removal within thirty days of the date of a written demand for this payment from the City. To the extent the City has actual knowledge thereof, the City will attempt promptly to inform Company of the displacement or removal of any ROW Pole on which any Equipment is located. If the Municipal Facility is damaged or downed for any reason, and as a result is not able to safely hold the Equipment, the City will have no obligation to repair or replace such Municipal Facility for the use of Company's Equipment. Company shall bear all risk of loss as a result of damaged or downed Municipal Facilities pursuant to Subsection 6.12 below, and may choose to replace such Municipal Facilities pursuant to the provisions of Subsection 4.1.6 above.

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

6.9 Damages Caused by Company. Company shall, at its sole cost and expense and to the satisfaction of the City: (a) remove, repair or replace any of its Equipment that is damaged, becomes detached or has not been used for Telecommunications Service for a period of more than 90 days; and/or (b) repair any damage to ROW, Municipal Facilities or property, whether public or private, caused by Company, it agents, employees or contractors in their actions relating to attachment, operation, repair or maintenance of Equipment. If Company does not remove, repair or replace such damage to its Equipment or to ROW, Municipal Facilities or other property, the City shall have the option, upon 15 days' prior written notice to Company, to perform or cause to be performed such removal, repair or replacement on behalf of Company and shall charge Company for the actual costs incurred by the City. If such damage causes a public health or safety emergency, as determined by the City, the City may immediately perform

reasonable and necessary repair or removal work on behalf of Company and will notify Company as soon as practicable. Upon the receipt of a demand for payment by the City, Company shall within 30 days of such receipt reimburse the City for such costs. The terms of this provision shall survive the expiration, completion or earlier termination of this Agreement.

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

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

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

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

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

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

8. SECURITY FOR PERFORMANCE.

8.1 General Requirements. As security for compliance with the terms of this Agreement and applicable City Code provisions, Company shall, no later than 10 days after the issuance of the first permit by the City to install Network Equipment and prior to any use of the ROW, provide security to the City in the form of either cash deposited with the City, or an irrevocable pledge of certificate of deposit, an irrevocable letter of credit, or a performance bond, payable in each instance to the City, in an amount of $75,000 to remain in full force and effect for the term of this Agreement, any or all of which may be claimed by the City as payment for liquidated damages assessed in accordance with Section 11 below, and to recover losses resulting to the City from Company's failure to perform.

8.2 Bond Requirements. If bonds are used to satisfy these security requirements, they shall be in accordance with the following:

8.2.1 All bonds shall, in addition to all other costs, provide for payment of reasonable attorneys' fees.

8.2.2 All bonds shall be issued by a surety company authorized to do business in the State of Nevada, and which is listed in the U.S. Department of the Treasury Fiscal Service (Department Circular 570, Current Revision): companies holding certificates of authority as acceptable sureties on federal bonds and as acceptable reinsuring companies.

8.2.3 Company shall require the attorney-in-fact who executes the bonds on behalf of the surety to affix thereto a certified and current copy of his or her power of attorney.

8.2.4 All bonds prepared by a licensed nonresident agent must be countersigned by a resident agent per NRS 680A.300.

8.2.5 All bonds shall guarantee the performance of all of Company's obligations under this Agreement and all applicable laws.

8.2.6 All bonds shall be substantially in the same form as that contained in Exhibit B attached hereto or as otherwise approved by the City.

8.3 Replenishment of Security. If at any time the City draws upon such performance security, Company shall within 30 days of notice from the City replenish such performance security to the original minimum amount required by this Section 8.

8.4 Security Adjustments. If this Agreement is renewed or otherwise extended beyond its original five-year term, the security amount required by this Section 8 shall be adjusted based upon the percentage of change in the CPI-U. Security amount changes shall be effective as of July 1 following the fifth anniversary date of this Agreement, and shall be based upon the percentage change in the CPI-U for the preceding five calendar years.

9. INSURANCE. Company shall obtain and maintain at all times during the term of this Agreement Commercial General Liability insurance and Commercial Automobile Liability insurance protecting Company in an amount not less than One Million Dollars ($1,000,000) per occurrence (combined single limit), including bodily injury and property damage, and in an amount not less than Two Million Dollars ($2,000,000) annual aggregate for each personal injury liability and products-completed operations. The Commercial General Liability insurance policy shall name the City, its Council members, officers, and employees as additional insureds as respects any covered liability arising out of Company's performance of work under this Agreement. Coverage shall be in an occurrence form and in accordance with the limits and provisions specified herein. Claims-made policies are not acceptable. Such insurance shall not

be canceled, nor shall the occurrence or aggregate limits set forth above be reduced, until the City has received at least 30 days' advance written notice of such cancellation or change. Company shall be responsible for notifying the City of such change or cancellation.

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

9.1.1 the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts;

9.1.2 that the City shall receive 30 days' prior notice of cancellation;

9.1.3 that Company's Commercial General Liability insurance policy is primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to contribute with this insurance; and

9.1.4 that Company's Commercial General Liability insurance policy waives any right of recovery the insurance company may have against the City.

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

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

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

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

10. Notices.

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

if to the City:
CITY OF LAS VEGAS
Attn: Director of Finance and Business Services
400 Stewart Avenue
Las Vegas, NV 89101

if to Extenet:
Extenet Systems, Inc.
Attn: _____
_____
_____

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

11. DEFAULT; CURE; REMEDIES; LIQUIDATED DAMAGES.

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

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

11.3 Liquidated Damages. If Company fails to cure any noncompliance with the terms and conditions of this Agreement within the time allowed under Subsections 11.1 and 11.2 above, after the City gives Company reasonable notice of such noncompliance

and an opportunity to be heard by the City Manager, the City may assess the following liquidated damages for such noncompliance:

11.3.1 Failure to comply with the City's requirements concerning actual usage of the ROW or Municipal Facilities, including but not limited to any defaults resulting in construction-delay claims against the City: $500.00 per day, for each day such failure continues.

11.3.2 Failure to comply with any other provisions of this Agreement, including but not limited to failure to promptly provide data, documents, reports, or information to the City, or to provide insurance or security for the performance of Company's obligations hereunder: $100.00 per day, for each day such failure continues.

11.4 Payment of Damages. Any liquidated damages assessed pursuant to this Section 11 shall be due and payable by check mailed or delivered to the Director of Finance and Business Services, at the address provided for in Section 10 above, not later than 30 days after the City provides Company with written notification of the assessment.

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

12. ASSIGNMENT. This Agreement shall not be assigned by Company without the express written consent of the City. Notwithstanding the foregoing, the transfer of the rights and obligations of Company to an Affiliate or to any successor in interest or entity acquiring 51 percent or more of Company's stock or assets (collectively "Exempted Transfers") shall not require the consent of the City, provided that Company reasonably demonstrates to the City's lawfully empowered designee the following criteria (the "Exempted Transfer Criteria"): (a) such transferee will have a financial strength after the proposed transfer at least equal to that of Company immediately prior to the transfer; (b) any such transferee assumes all of Company's obligations hereunder, including all obligations and/or defaults under this Agreement occurring prior to the transfer (whether known or unknown), signed by Company's and its transferee's respective officers duly authorized to do so, on a notarized form approved by the City; (c) the experience and technical qualifications of the proposed transferee, either alone or together with Company's management team, in the provision of Telecommunications Service, evidences an ability to operate the Company's Network; (d) the transferee provides the City with a copy of an appropriate certificate of public convenience and necessity from the PUCN authorizing it to operate Company's Network; and (e) the transferee has a valid City business license. Company shall give at least 30 days' prior written notice (the "Exempted Transfer Notice") to the City of any such proposed Exempted Transfer and shall set forth with specificity in such Exempted Transfer Notice the reasons why Company believes the Exempted Transfer Criteria have been satisfied. The City shall have a period of 30 days ("Exempted Transfer Evaluation Period") from the date that Company gives the City its Exempted Transfer Notice to object in writing to the adequacy of the evidence contained therein. Notwithstanding the foregoing, the Exempted

Transfer Evaluation Period shall not be deemed to have commenced until the City has received from Company and the proposed transferee any and all additional information as the City may reasonably require in connection with its evaluation of the Exempted Transfer Criteria as set forth in the Exempted Transfer Notice, so long as the City gives Company notice in writing of the additional information the City requires within 15 days after the City's receipt of the original Exempted Transfer Notice. If the City fails to act upon Company's Exempted Transfer Notice within the Exempted Transfer Evaluation Period (as the same may be extended in accordance with the foregoing provisions), such failure shall be deemed an affirmation by the City that Company has in fact established compliance with the Exempted Transfer Criteria to the City's satisfaction.

13. RECORDS; AUDITS.

13.1 Records Required by Code. Company will maintain complete records pursuant to the applicable provisions of Las Vegas Municipal Code Title 6.

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

13.3 Production of Records. Company shall provide records within 20 business days of a request by the City for production of the same unless the City agrees to additional time. Such records shall be made available in the City. Failure to provide records in a timely manner shall subject Company to liquidated damages under Section 11. If any person other than Company maintains records on Company's behalf, Company shall be responsible for making such records available to the City for auditing purposes pursuant to this Section.

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

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

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

14.3 Contacting Company. Company shall be available to the staff employees of any City department having jurisdiction over Company's activities 24 hours a day, seven days

a week, regarding problems or complaints resulting from the attachment, installation, operation, maintenance, or removal of the Equipment. The City may contact by telephone the network control center operator at telephone number (___) ___-____ – Office or (___) ___-____ - Fax regarding such problems or complaints.

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

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

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

14.7 Representations and Warranties. Each of the parties to this Agreement represents and warrants that it has the full right, power, legal capacity, and authority to enter into and perform the party's respective obligations hereunder and that such obligations shall be binding upon such party without the requirement of the approval or consent of any other person or entity in connection herewith, except as provided in Subsection 4.2 above.

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

14.9 Entire Agreement. This Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations, agreements, or understandings (whether oral or written) between or among the parties relating to the subject matter of this Agreement which are not fully expressed herein.

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

information. The City retains the final discretion to determine whether to release the requested information designated as confidential by Company, in accordance with applicable laws.

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

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

14.13 Construction of Agreement. The terms and provisions of this Agreement shall not be construed strictly in favor of or against either party, regardless of which party drafted any of its provisions. This Agreement shall be construed in accordance with the fair meaning of its terms.

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

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

15. DISCLOSURE OF PRINCIPALS. Pursuant to Resolution R-79-99 adopted by the City Council effective October 1, 1999, and amendments thereto by the City Council on November 17, 1999, Company warrants that it has disclosed, on the form attached hereto as Exhibit C, all principals, including partners, of Company, as well as all persons and entities holding more than 1% interest in Company or any principal of Company. If Company, principals, or partners described above are required to provide disclosure under federal law (such as disclosure required by the Securities and Exchanges Commission (SEC) or the Employee Retirement Income Security Act (ERISA)), and attaches current copies of such federal disclosures to Exhibit C, the requirement of this Section shall be satisfied. Throughout the term hereof, Company shall within ten (10) days notify City in writing of any material change in the above disclosure. Copies of new federal disclosure filings shall also be sent to the City within ten (10) days of any such filing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be legally executed to be effective on the Effective Date specified herein.

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

ATTEST:

_____, City Clerk

APPROVED AS TO FORM

_____ 6-6-07

By: LARRY G. BETTIS
Deputy City Attorney

EXTENET SYSTEMS, INC.
A Delaware Corporation

By: _____
Terry Ray
Vice President and CFO

Exhibits:

Exhibit A – Equipment
Exhibit B – Bond Form
Exhibit C – Disclosure of Ownership/Principals