Master Services Agreement

1. Parties. This agreement and the attached Schedule A and separately attached Scheduled B together constitute two contracts for services (each, a "Contract" and together, the "Contracts") between the Town of Rindge, New Hampshire (the "Town"), and Consolidated Communications Enterprise Services, Inc., a Delaware company with a mailing address of 121 S. 17th Street, Mattoon, IL, 61938 ("Consolidated").

2. Subject Matter. This Master Services Agreement and Schedule A are for the furnishing, construction, and installation of facilities and equipment to make available to all residential and business locations in the Town a "Fiber to the Premises" network capable of delivering up to 1G of symmetrical Internet Access (the "Project"). The Town, through a Request for Proposal has conducted a public procurement process to identify and enter into an agreement with a qualified private-sector entity to construct and operate the network contemplated by the Project and to provide the Internet Access and other services to all Town residents and businesses. The Town has identified and selected Consolidated as the best candidate to construct and operate the network and provide these services and, to that end, the Town has negotiated thes Contracts with Consolidated. Detailed services to be provided by Consolidated as part of the Project are described in Attachment A (Network Construction) and Attachment B (Network Operation)

3. Project Management, Reporting and Compliance. Consolidated will assign a Project Manager to oversee construction of the network and act as a primary point of contact with the Town during the operations phase. The Project Manager will provide the Town quarterly updates through the initial construction of the network. These reports will include service addresses where the new network is available, maps of service availability and documents outlining progress to the initial implementation timeline.

4. Liability and Insurance. The Town shall not in any event whatsoever be liable for any injury or damage, cost or expense of any nature whatsoever that occurs as a result of, or in any way in connection with the broadband network build, operation or maintenance. Consolidated hereby agrees to defend, indemnify and hold harmless the Town and their respective agents and officers (collectively the "Indemnitees") from and against any and all such liability, other than that caused by negligence or willful misconduct by the Indemnitees.

In support of the foregoing, Consolidated shall, for the term of this Contract. maintain a policy of commercial liability insurance, including public liability, bodily injury, and property damage, written by a company licensed to do business in the State of New Hampshire, covering use and activity contemplated by this Contract with combined single limits of no less than Two Million Dollars (\$2,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) aggregate. Consolidated shall also maintain motor vehicle insurance meeting the requirements of New Hampshire law and covering every vehicle and driver involved in performing the Work and providing Consolidated services, in the following amounts: (1) bodily injury liability with limits of \$500,000.00 each person and \$1,000,000.00 each accident; (2) property damage liability with a limit of

\$100,000.00 each accident. Consolidated will name the Town and its applicable designees, as additional insureds for under the foregoing policies. Consolidated will also maintain Workers' Compensation insurance to meet the requirements of the Workers' Compensation laws of New Hampshire where applicable. Certificates of Insurance evidencing the foregoing coverage shall be provided to the Town upon request.

NOTWITHSTANDING ANY OF THE FOREGOING, HOWEVER, OR ANYTHING ELSE IN THIS CONTRACT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL COSTS, LIABILITIES OR DAMAGES, WHETHER FORESEEABLE OR NOT, INCLUDING WITHOUT LIMITATION AS ECONOMIC LOSS OR LOST APPLICABLE, BUSINESS OR PROFITS. INTERRUPTIONS OF SERVICE, OR ANY DELAY, ERROR OR LOSS OF DATA OR INFORMATION, ARISING IN ANY MANNER OUT OF, OR IN CONNECTION WITH. THIS CONTRACT OR EITHER PARTY'S PERFORMANCE OR NONPERFORMANCE OF ITS OBLIGATIONS HEREUNDER. REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY), AND THE TOWN AGREES THAT ALL CLAIMS FOR THE FOREGOING ARE HEREBY SPECIFICALLY WAIVED.

ADDITIONALLY, EXCEPT AS SPECIFICALLY SET FORTH IN THIS CONTRACT, NEITHER PARTY MAKES ANY WARRANTIES, WHETHER EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF ANY OF THE NETWORK ASSETS OR ANY SERVICE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER, ALL OF WHICH ARE HEREBY EXPRESSLY EXCLUDED AND DISCLAIMED.

5. General Default and Termination. A default under this Contract shall occur if (a) a party materially breaches this contract, (b) such breach is not excused by any provision of this Contract, and (c) such breach continues un-remedied for a period of thirty (30) days following receipt of written notice from the non-breaching party. If the breach by its nature cannot be cured within thirty (30) days and the breaching party within that time has commenced its cure, there shall be no default as long as the party diligently continues such cure to completion beyond the thirty (30) days cure period.

Upon the occurrence of a default, the non-breaching party shall have the right, subject to the express limitations contained in this Contract but without otherwise limiting the terminating party's rights in law or equity, to terminate this Contract.

The parties also agree that Consolidated will be deemed to be in default under this Contract if, after all applicable cure periods in the Operating Agreement have elapsed, it fails to make a payment as required by the Operating Agreement (a "Payment Default") or becomes insolvent as described in the Operating Agreement (an "Insolvency Default").

6. Force Majeure. Neither the Town nor Consolidated will be liable for any failure or

delay in performing its obligations, or for any loss or damage, resulting from any event or circumstance beyond the reasonable control of the party, including but not limited to an earthquake, hurricane, fire, flood, lightning, sinkhole or other forces of nature, acts of war, terrorism (including cyberterrorism), or civil unrest, strikes, lockouts or other labor unrest, or legal order, government action or application of laws, regulations or codes ("Force Majeure Event"). However, a party whose performance is impacted by a Force Majeure Event shall provide reasonable notice to the other party and shall make commercially reasonable efforts to minimize the impact of the Force Majeure Event on its performance.

7. Eminent Domain. Should any portion of the Network Assets or any other interest belonging to the Town or to Consolidated with respect to this Contract be acquired by condemnation, eminent domain, nationalization or expropriation (each of which, a "Taking") by any government authority or other person possessing such power, then each party will be excused from performance of its obligations to the extent of the taking, as provided in this Section. In the proceeding for any Taking or an involuntary discontinuance of the use of the Network Assets in anticipation of an imminent Taking, the interests of Town and Consolidated in the affected portion will be severed. The Town and Consolidated each may claim and receive the portion of the total award attributable to its interest in the Network Assets, and the Town and Consolidated each may claim damages payable on account of the Taking and the relocation or re-routing expenses relating to the Network Assets.

8. Assignment and Survivorship. Except as otherwise provided herein, neither party may assign, sell, transfer, delegate or in any other manner dispose of any of its rights, privileges or obligations under this Contract without the other party's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Any attempt to make any such assignment, sale, transfer, delegation or disposition without any such prior written consent of the other party shall be null and void. Notwithstanding the foregoing, Consolidated may assign, sell, transfer, delegate or in any other manner dispose of, any of its rights, privileges or obligations under this Contract without consent of the Town to an affiliate or to a purchaser of substantially all of Consolidated's assets or to a successor by merger or similar corporate transaction, so long as Consolidated remains liable for all of its obligations under this Contract prior to the assignment date and assignee is liable for all of its obligations under this Contract from and after the assignment date.

9. Entire Agreement; Amendment. This Contract represents the entire agreement between the parties. No changes, modifications, or amendments in the terms and conditions of this Contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the Town and Consolidated.

10. Severability. Nothing contained in this Contract shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision of this Contract and any law, such law shall prevail; provided, however, that in such event, the provisions of this Contract so affected shall be curtailed and limited only to the extent necessary to permit compliance with the minimum legal requirement, and no other provisions of this Contract shall be affected thereby and all such other provisions shall continue in full force and effect, except to the extent the affected provision is a material provision which negates the contemplated benefits of the transaction, in which event the parties shall negotiate in good faith for alternatives to achieve the contemplated consideration, or the adversely impacted party shall have the right to terminate this Contract on one hundred 180 days' notice.

11. Books and Records; Project Audit. Consolidated will maintain accurate books and records concerning the Project until final completion of the Project and for two (2) years thereafter and will make those books and records available to the Town, its agents, officers and employees during Consolidated's normal business hours upon reasonable request. The Town shall have the right, upon reasonable notice, to conduct or cause to be conducted, audits, including field inspections, during such time to ensure that Consolidated is in compliance with this Contract. Such audits and field inspections will be solely at the Town's expense.

12. Attachments. This Contract includes the following attachments which are incorporated herein:

Attachment A – Network Construction Exhibit A-1 – Map and list of the Project Area within the Town Exhibit A-2 – Work Locations / Address List within Town Exhibit A-3 – Description of the Town Funded Network facilities Exhibit A-4 – RFP Response Attachment B – Network Operation Exhibit B-1 Operating Payment Schedule

13. Governing Law and Arbitration. The agreement and all provisions of this Contract shall be governed by and construed in accordance with the laws of the State of New Hampshire without regard to such state's conflict of laws or provisions.

Any dispute that arises under this grant or this Contract shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association in effect on the date that a party gives notice of its demand for arbitration. If the parties cannot agree on a single arbitrator within fifteen (15) calendar days after the notice demanding arbitration is received, then either party may request that the American Arbitration Association select and appoint a neutral arbitrator who shall act as the sole arbitrator. The parties shall be entitled to submit expert testimony and/or written documentation on such arbitration proceeding. The decision of the arbitrator or arbitrators shall be final and binding upon the parties and shall include written findings of law and fact, and judgment may be obtained thereon by either party in a court of competent jurisdiction. Each party shall each bear the cost of preparing and presenting its own case. The cost of the arbitration, including the fees and expenses of the arbitrator or arbitrators, shall be shared equally by the parties unless the award otherwise provides. The arbitrator shall be instructed to establish procedures such that a decision can be

rendered within sixty (60) calendar days of the appointment of the arbitrator. In no event shall the arbitrator have the power to award any damages described in and limited by Section 4 or any similar provision in this Contract or any Attachments, all of which provisions shall be binding on the arbitrator.

The foregoing obligation to arbitrate shall not be binding upon either party with respect to requests for preliminary injunctions, temporary restraining orders, specific performance, or other procedures in a court of competent jurisdiction to obtain interim relief when deemed necessary by such court to preserve the status quo or prevent irreparable injury pending resolution by arbitration of the actual dispute. For any such proceeding, the parties hereby submit to and consent to the jurisdiction of the State of New Hampshire and agree that such proceeding shall be conducted in the courts of County of Cheshire, New Hampshire or the federal courts for the United States for the District of New Hampshire.

14. Notices. Any legal notice applicable under this Contract shall be given in writing and shall be effective and deemed to be properly given or served, if in writing and delivered personally, by courier or by registered mail to the following addresses.

Notices to Consolidated shall be delivered to:

Consolidated Communications Vice President – Product Management Consolidated Communications 121. S. 17th Street Mattoon, IL 61938

With a copies to:

Consolidated Communications Attn: Contract Manager 121 S. 17th Street Mattoon, IL 61938

Consolidated Communications Attn: General Counsel 350 S. Loop 336 Conroe, TX 77304

Notices to the Town shall be delivered to:

Town of Rindge, NH Attn: Board of Selectmen 30 Payson Hill Road Rindge, NH 03461 With copy to:

Rindge Town Clerk 30 Payson Hill Road Rindge, NH 03461

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

Consolidated Communications Enterprise Town of Rindge, NH Services, Inc.

By:	By: Its Board of Selectmen
Name:	By:
	Name:
Title:	Date:
Date:	By:
	Name:
	Date:
	By:
	Name:
	Date:

ATTACHMENT A

NETWORK CONSTRUCTION

1. Introduction. It is the intent of the parties that Consolidated provide Fiber to the Premise broadband access to the Town of Rindge, NH in accordance with the specifications set forth herein. Locations described in Exhibit A-2 to this Attachment A, will receive access to the Fiber to the Premise network as a result of this Project.

2. Project Description. Consolidated shall construct a Fiber to the Premise data network capable of delivering 1G of symmetrical speeds. The "Work" is defined as the labor, materials and services to be performed by Consolidated as part of the Project, as described in herein.

3. Project Timeline. The period of Consolidated's performance shall begin within thirty (30) days of the Town securing Project funding. The construction project contemplated in Attachment A will be completed within twenty-four (24) months of funding. The scope and term of work described by Attachment B are described in that document. Time shall be of the essence as to all dates and performance deadlines set forth in this Contract.

4. Service Requirement. Upon completion of the Project, the network shall be capable of offering Fiber based Internet access to all residential and business premises within the Town limits to the specifications outlined in the RFP.

5. Project Contribution; Payment Terms. In consideration of the network construction services to be performed by Consolidated, and in consideration of Consolidated's estimated \$2,519,059 investment in "Consolidated-Funded Facilities" described below, the Town agrees to pay Consolidated as a contribution to the cost of construction and in consideration for the Work to be performed, a sum equal to \$2,518,750 (the "Contribution"). Payment of the Contribution shall be made to Consolidated in three (3) installments as follows: (i) the first installment of \$1,259,375 (representing 50% of the Contribution) shall be payable within thirty (30) days of receipt Town funding sources; (ii) the second installment of \$629,687 (representing an additional 25% of the Contribution) shall be payable at 50% substantial Project completion (95% completion or more) and (iii) the third installment of \$629,688 (representing the remaining 25% of the Contribution) following completion of the Project. Agreement between the Town's and Consolidated's Project Managers will be sufficient to make the percent completion estimate. Written documentation signed by both is required. The amount of the Contribution has been established by the parties in anticipation of the orderly and continuous progress of the Project. Accordingly, Consolidated's obligation to render the services for the amount of the Contribution will extend until the Work is completed in accordance with the scope of the Project outlined hereunder; provided, that the scope of the Work does not change or is not delayed through no fault of Consolidated. In the event the scope of the Work is modified or delayed through no fault of Consolidated, then the parties shall equitably adjust the Contribution using the Change Order process described in below. Consolidated is solely responsible for and has sufficient funds to complete any elements of the Project in excess of the Contribution from the Town.

6. Project Plan. Consolidated shall supply all of the labor and materials required to construct the network infrastructure. Consolidated will purchase and supply all of the labor and materials to install and activate equipment to enable Consolidated High-Speed Internet Service in each

location.

A current map is attached as Exhibit 1 to this Attachment A and additional location detail of sites to be included within the scope of this Work are shown in Exhibit 2 to this Attachment A.

7. **Project Managers.** The parties identify the following Project Managers who shall be empowered to act for their respective organization in all matters relating to the technical administration of services to be provided (unless otherwise indicated herein):

For Consolidated:Jeff McIverName/email/phone:Jeff McIver@consolidated.com / 603-703-3613

For the Town: Name Name/email/phone: Email / Phone

8. Permitting. Consolidated shall obtain, at its sole cost, all necessary permits and governmental approvals necessary for the construction, use and repair and maintenance of the Project. The Town hereby authorizes and permits Consolidated to perform the Work and to access Town property and use Town rights-of-way in connection therewith. Furthermore, during the term of this Contract, Town will work in good faith to provide to Consolidated all rights-of-way and easements reasonably necessary or desirable for use and access to properties owned by Town for purposes of allowing Consolidated to perform the Work.

9. Consolidated's Representations and Warranties. Consolidated represents and warrants to the Town as follows:

- i. Consolidated has sufficient qualified, experienced personnel to administer and conduct the Work in a prompt, skillful and competent manner.
- ii. Consolidated is able to obtain and furnish the labor, materials, and equipment required to complete the Work.
- iii. Consolidated's execution of this Contract and the performance thereof is within the corporate powers of Consolidated and has been duly authorized by all requisite corporate action.
- iv. Consolidated is duly registered to do business in the State of New Hampshire.

10. The Work. Consolidated agrees to furnish all items necessary to perform all of its Work within the scope of the Work, all in good workmanlike manner and in strict accordance with this Contract.

11. Safety.

A) Consolidated shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to:

- i. all employees on the Work and all other persons who may be affected thereby;
- ii. all the Work and all materials and equipment to be incorporated therein, whether in storage on or off-the site, under the care; custody or control of Consolidated or any of its subcontractors; and
- iii. other property at the site or adjacent thereto, including trees, shrubs; lawns, walks,

pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

B) Consolidated shall give all notices and comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the safety of persons or property or their protection from damage, injury or loss.

C) Consolidated shall erect and maintain, as required by existing conditions and progress of the Work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.

D) When the use or storage of hazardous materials or equipment is necessary for the execution of the Work, Consolidated shall: (1) exercise the utmost care and shall carry on such activities under the supervision of properly qualified personnel; and (2) give the Town notice, in writing, seven (7) days in advance of the planned activity of Consolidated's intent to store and/ or use hazardous materials or equipment on the Project site.

12. Final Completion. Consolidated shall notify as to Final Completion and the Town shall accept the Final Completion of the Work for the respective phase only when all Work has been completed in accordance with this Contract and Consolidated has offered services to the public.

13. Operation of the Project. Except as set forth in this Contract:

A) The operations and management of the Project, including, but not limited to, marketing, pricing and expansion of services shall be Consolidated's sole responsibility; and

B) The Town shall not have any managerial rights or other rights to control, whether by ownership or otherwise, Consolidated or the Project.

C) Consolidated's Project Manager will keep the Town's Project Manager up to date on the project as it progresses. Placement of large components on utility poles will be done to minimize the aesthetic impact on the area and the Town's Project Manager should be consulted as necessary for location options in areas that have high visual appeal, such as in front of homes.

14. Ownership of the Work Product; Proprietary Rights. It is anticipated that the Project Contribution as defined in Section 5 above will be used to furnish, construct, and install fiber facilities from Consolidated-designated termination points to all "drop-points" within Town, state or private rights of way irrespective of whether those assets were funded through a Town contribution or Consolidated contribution (such facilities, the "Town-Funded Network") and that Consolidated will fund the construction of "drops" from each drop-point to the served premises and will provide the equipment necessary to "light" and provide service over the network (such drops and equipment, the "Consolidated-Funded Facilities" and, together with the Town-Funded Network, the "Network Assets"). As to the Town-Funded Network, the parties desire that the Town maintain appropriate rights as to such Network so that the Town can ensure Consolidated's remittance of fees and, if necessary, additional payments, in an amount sufficient to satisfy the Town's funding repayment obligations and operation of the network as committed

in this Contract. Therefore, the parties agree that the Town-Funded Network will be owned as follows:

A) The Town will retain ownership of and title to the Town-Funded Network, but the Town hereby grants Consolidated the exclusive right to operate the Town-Funded Network as described in the Town Network Operation Agreement (Attachment B) (the "Operating Agreement") for the purposes described and subject to the terms and conditions set forth in this Contract and in the Operating Agreement.

B) For clarity, the Town-Funded Network inclusive of all network, equipment and facilities required to deliver services to all end users is described in the Description of Town Funded Network facilities (Exhibit A-3 to Attachment A), and such network, equipment, and facilities will be deemed owned by the Town to the extent provided in Exhibit A-3 and irrespective if such equipment or facilities are funded by the Town's bond obligation or if such equipment or facilities are funded by Consolidated but designated as Town-owned on Exhibit A-3. However, ownership of and title to all other facilities furnished by Consolidated in connection with the Project, including, without limitation, any facilities designated as Consolidated-owned on Exhibit A-3 and the Consolidated-Funded Facilities, will remain with Consolidated.

Except as expressly set forth in the Contract, Consolidated will have sole ownership rights to any drawings, specifications and any documents prepared by Consolidated under this Contract shall be the property of Consolidated and Consolidated shall be deemed the author of such documents and retain all common law, statutory and other rights thereto unless Consolidated defaults on this Contract, in which instance Consolidated shall transfer any such drawings, specifications or other documents prepared by Consolidated under this Agreement relating to the Town-Funded Network to the Town within thirty (30) days of such default. Copies of "as built" network designs and documents will be provided to the Town and are subject to non-disclosure components of this Contract.

15. Consolidated Warranty; Correction of Work. Consolidated warrants and represents that each of its employees, independent contractors or agents assigned to perform services hereunder shall have training, background and skills reasonably commensurate with the level of performance reasonably expected for the tasks to which he or she is assigned. Consolidated hereby warrants its Work against all defects of materials and/or workmanship and agrees to correct, repair, or replace promptly any Work that is defective or does not conform to the requirements of this Contract.

16. Suspension of the Contract.

A) <u>Suspension by Consolidated</u>. Without limiting its termination rights under the Contract, Consolidated will have the right to suspend its performance under the Contract without liability, in whole or in part, with respect to any Work to be performed if the Town has not made the initial payment by the start of the Work for each respective Zone.

B) <u>Suspension by the Town</u>. Without limiting its termination rights under the Contract, if (i) Consolidated is adjudged a bankrupt, or (ii) it makes a general assignment for the benefit of its creditors, or (iii) a receiver is appointed on account of its insolvency, or (iv)

it persistently or repeatedly refuses or fails, except in cases for which extension of time is provided, to supply enough properly skilled workmen or proper materials, or (v) it fails to make prompt payment to subcontractors or for materials or labor, or (vi) it persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or (vii) it otherwise is guilty of a substantial violation of a provision of this Contract, then the Town may, without prejudice to any right or remedy and after giving Consolidated thirty (30) days written notice, given in the manner required by the Contract, do one or more of the following: (a) supply labor, materials or equipment on the Town's behalf to complete the Work, (b) expel Consolidated from the Project and complete or arrange for the completion of the Work in such manner as the Town sees fit, or (c) suspend the Contract, in whole or in part, and withhold any further payments to Consolidated until Consolidated's Work hereunder shall be wholly finished and approved.

17. Claims; Extra or Changed Work. Without invalidating this Contract, the Town may by written order (a "Change Order") agreed upon by both parties, make additions to, deletions from, or otherwise change the Work, with the Contribution amount and time for completion of the Project being equitably adjusted for such changes. If Consolidated is delayed at any time in the progress of the Work by changes ordered in the Work or by actions of the Town, the time for completion of the Project shall be equitably extended by Change Order.

18. Documentation. The Town shall provide Consolidated with all plans, drawings, surveys, deeds and other documents reasonably necessary to perform the Work and shall notify Consolidated in writing of any special criteria or other requirements related to the Work that are not specified in this Contract ("Town Documentation"). The Town acknowledges that Consolidated may rely on deeds, plats, maps and other information filed with Town or otherwise publicly available to Consolidated ("Public Information") and that Consolidated may rely on Public Information in rendering the Work. Consolidated shall not be responsible for errors or omissions or additional costs or expenses arising out of its reliance on Town Documentation or Public Information.

19. Limitation of Liability. Consolidated's entire liability to the Town with respect to this Contract and the Operating Agreement shall be limited to the amount of the Contribution. In no event shall either party be liable to the other party or its subsidiaries, affiliates, employees or agents for any indirect, incidental, consequential, special, or lost profits claim or demand of any nature or kind arising out of or in connection with this Contract or the Operating Agreement.

20. Late Performance Penalty. Should Consolidated fail to substantially complete the Town-Funded Network within 2 years and 30 days of the date when the Town provided written notice to Consolidated that the Town has received Project funding and that the Project Work may proceed, Consolidated shall pay a \$1,000.00 per day penalty for such day that the Town-Funded Network Work remains uncompleted.

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS AGREEMENT.

Consolidated Communications Enterprise	By: Its Board of Selectmen
Services, Inc.	
	By:
By:	Name:
	Date:
Name:	
	By:
Title:	Name:
	Date:
Date:	
	By:
	Name:
	Date:

Map and List of the Project Area

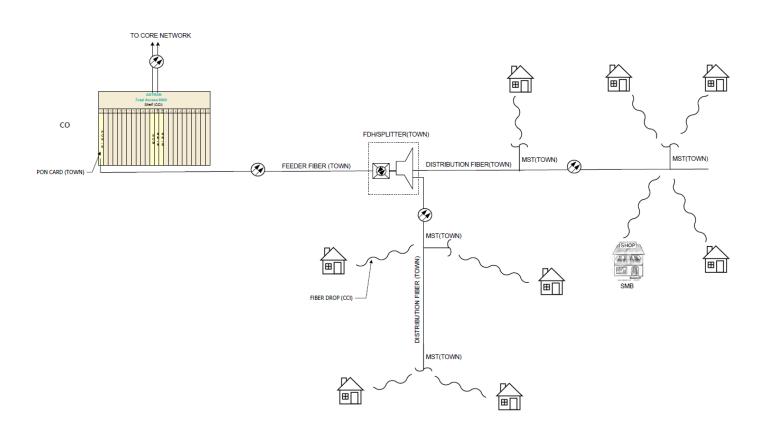


Work Locations and Address List



Description of the Town Funded Network Facilities

FAST NETWORK BUILDOUT



Detailed drawings indicating town funded facilities will be detailed in "as built" maps provided at the completion of the project.

Original RFP Response



ATTACHMENT B

NETWORK OPERATION

1. Subject Matter. This Agreement is for the establishment of a relationship between the Town and Consolidated in regard to the ownership interest in and daily operation and maintenance of the Town Funded Network in Exhibit A-3 to Attachment A (the "Town Funded Network Facilities"). This Schedule B together with the Master Services Agreement to which it is attached constitute the Network Operation Contract. The Parties acknowledge that the Town Funded Network Facilities include fiber optic cable ("Cable") and fibers contained therein ("Fibers") and associated splicing connections, splice boxes and vaults, and conduit, all as described in Exhibit A-3.

Consolidated's obligations under this Agreement will only commence when the Network Assets are funded, constructed, accepted, and put into operation by Consolidated as contemplated in the Master Services Agreement, provided however, that prior to completion of the Network Assets, Consolidated may start marketing, pricing and expansion of services to be provided under this Network Operation Agreement and may start providing such services may be provided for portions of the Network that have been built out. Such operations shall be Consolidated's sole responsibility.

2. Term. The "Initial Term" of this Agreement will be twenty (20) years from the Effective Date. The term of this Agreement will automatically renew for consecutive one (1) year terms (each a "Renewal Term") upon expiration of the Initial Term or any applicable Renewal Term, unless either Party provides the other Party with written notice of non-renewal at least one hundred and eighty (180) days prior to the expiration of the then current term. The Initial Term together with all applicable Renewal Terms are collectively referred to in this Agreement as the "Term."

3. Grant of Exclusive Operating Authority. As described in the Master Services Agreement Contract, legal title to the Town Funded Network facilities is and will continue to be held by the Town, and nothing in this Agreement will convey any legal title in the Town Funded Network to Consolidated. However, during the term of this Agreement, Consolidated will have the exclusive right and obligation to maintain and operate the Network Assets in total for commercial purposes. The Town will have no right to access any physical Fibers within any Cable, to enter any splice or Consolidated vault or access any electronic devices connected to the Town Funded Network. Consolidated will undertake all work to interconnect the Fibers and to construct, install, maintain and repair the associated conduit, cable and appurtenances as described in Exhibit A-3 to Attachment A.

For clarity, it is the Town's intent to transfer complete and exclusive operating control over the Town Funded Network to Consolidated, and the Town acknowledges that it will have no right to manage or control Consolidated's operation or maintenance of the Town Funded Network facilities under this Agreement. Additionally, while the Town will maintain legal ownership of the Town Owned Network, it may not, during the Term of this Agreement, sell, assign, or otherwise transfer any of the Town Funded Network without Consolidated's prior written consent. Consolidated may condition any such consent on any such sale, assignment, or transfer being explicitly made subject to and conditioned upon the continuation of the operating authority granted by this Agreement.

4. Network Operation Fee. In consideration for exclusive right to maintain and operate the Town Funded Network for commercial purposes, Consolidated shall pay an annual fee to the Town in the amount of \$186,000 (the "Network Operation Fee"), with the first monthly payment commencing on the first full month following the date the Town makes the first installment of the Contribution provided for in Section 5 of Schedule A (the "Commencement Date"). The Network Operation Fee will be paid in twelve monthly payments of \$15,500 due on the 1st day of each month.

Consolidated's failure to pay the Network Operation Fee will be considered a default under Section 11 below. Should any payment by Consolidated be late (e.g., not received by the Town within 30 days of its due date), interest shall accrue at 18% per annum from the due date until the date the late payment is received by the Town and shall be paid by Consolidated to the Town on or before the scheduled payment.

5. End User Fee. The Town acknowledges that Consolidated intends to impose a specially assessed subscriber fee payable on all end user bills associated with customers utilizing the fiber optic network for broadband data services to offset the amount of the Network Operation Fee. Users accessing the network solely for voice services will not be assessed the fee. The End User Fee shall be set at \$7.80 per month per broadband subscriber.

6. Free Service to Public Buildings. Consolidated shall provide one outlet of Internet service at each location designated as core facilities at any commercially available speed without limitations by the Town at no charge to the Town for the Internet services excluding school facilities, provided that the buildings are within the Town limits and such property locations are within 150 feet from the feeder cable of the system. If the property locations are beyond 150', the Town may elect to receive such service by paying for the necessary line extension beyond 150' at the rate for system extensions set forth above.

The Internet service provided pursuant to this Section shall not be used for commercial or resale purposes and such outlets shall not be located in areas open to the public, other than the Town Public Library. The Town shall take reasonable precautions to prevent any use of the network that result in the inappropriate use thereof under Consolidated Terms as defined below or applicable law or any loss or damage to the Network Assets. The Town shall hold the Consolidated harmless for any and all liability or claims arising out of the provision and use of services provided to the Town.

7. Network Operation Standards. As the operator of the Town Funded Network, Consolidated will interconnect the Town Funded Network with its own network and will offer broadband Internet and other network services (the "Consolidated Services") to end

user customers within or proximate to the Town ("Subscribers"). Consolidated warrants that it will operate and maintain the Consolidated Services within commercially reasonable standards of service. This in no way guarantees any specific level of service, uptime or reliability. However, the Network Asset will be capable of offering Internet download speeds consistent with the RFP and defined within its guidelines.

Consolidated will have the right to manage and control all aspects of the customer relationships with Subscribers to the Consolidated Services. The Consolidated Services will in all cases be offered and provided subject to Consolidated's Internet Terms & Conditions, Internet Acceptable Use Policy, and all other applicable terms, conditions, and policies located at <u>https://www.consolidated.com/support/terms-policies</u> (collectively, the "Consolidated Terms"), and Consolidated reserves its right to restrict or terminate a Subscriber's use of any Consolidated Service in accordance with the Consolidated Terms.

8. Subscriber Connections. As Subscribers order Consolidated Services, Consolidated will fund the construction of all facilities from an appropriate drop-point on the Town Funded Network to each applicable Subscriber premises (the "Drop Facilities"). Consolidated will only be required to install these Drop Facilities as and when the applicable premises owner requests services from Consolidated and permits Consolidated access to the premises owner's property. Following a premises owner's request for service, Consolidated will enter into an agreement for services with the owner and will thereafter furnish and install the necessary Drop Facilities in coordination with the owner.

Monthly service fees will be equal to those charged to similarly-situated subscribers in other portions of New Hampshire. In each instance where a premises owner requests service and executes the applicable agreement for services, Consolidated will install the Drop Facilities to an appropriate demarcation point at the owner's premises and will furnish the customer premises equipment ("CPE") needed for the owner to receive the services. For clarity, all Drop Facilities and CPE are not Town Funded Network facilities and will therefore be owned by Consolidated at all times during the Term. Additionally, Consolidated will continue to own all Drop Facilities and CPE following termination of this Agreement unless any Drop Facilities are purchased by the Town as contemplated by the Master Services Agreement.

9. System Extension. Cable extensions from the public right of way to a subscriber premise shall be provided to any subscriber who is located within one hundred fifty (150) feet of aerial feeder cable at no charge. Additional cost may be incurred by the End User if the private property portion of the drop requires any special construction to conform to national electrical code standards. To be clear, all users will be connected to the network at no additional charge if they have existing infrastructure. Additional cost may be incurred only if the location does not currently have customers owned facilities suitable for use.

10. Subscriber Data Management and Privacy. Consolidated will not block, throttle

or otherwise impede any lawful traffic and will manage end user data and privacy in accordance with policies established and published at the above link containing the Consolidated Terms. These policies include Consolidated's Broadband Management Policies, Open Internet Information FAQs, and Privacy Policy, all available at the above link. The Network Asset and Subscriber data will be managed by Consolidated in the same manner as Consolidated manages its network and subscriber data generally for all residents of the state of New Hampshire.

Independent of changes over time of Consolidated's posted Internet Terms and Conditions, Consolidated will:

A) Never block, throttle, impede, or cap any lawful Internet traffic for locations in the Town; and

B) Maintain monthly broadband service fees for locations in the Town, in line with those for similarly-situated customers in other portions of New Hampshire; and

C) Operate the Network Assets within the guidelines of "net neutrality." An exception to this may be if a broadband wholesaler to Consolidated does not follow these guidelines.

Consolidated will maintain sole ownership and control over all Subscriber data, including all "customer proprietary network information" as defined under the Telecommunications Act of 1996 and applicable Federal Communications Commission rules (the "CPNI Laws"). Consolidated will collect and store all Subscriber data, including all "customer proprietary network information" in accordance with the Consolidated Terms and the CPNI Laws. To ensure compliance with the foregoing, Consolidated will not be required to share Subscriber data with the Town in the normal course of its operations under this Agreement and, notwithstanding anything in the Master Service Agreement to the contrary, will be entitled to withhold any CPNI or other personally-identifying Subscriber data in response in any audit conducted by the Town or otherwise in any response to the Town's request for information.

11. Default. Where Consolidated is the party in default, including as a result of a Payment Default or Insolvency Default, and all applicable cure periods have elapsed, the Town will have the following rights:

A) The Town will have the right, upon notice to Consolidated, to require immediate remittance to the Town of all End User Fees then held or subsequently received by Consolidated. Within five (5) business days' receipt of such a notice, Consolidated will remit all such End User Fees then in its possession to the Town with an appropriate accounting and will continue to remit End User Fees to the Town as and when received by Consolidated until either (i) the applicable default is cured or (ii) the Town terminates this Operating Agreement as described below. B) The Town will also have the right, upon 30 days' notice and absent a cure of the default by Consolidated, to terminate the Operating Agreement and thereby reclaim the exclusive right to use the Town-Funded Network, including the right to grant an operating agreement to and/or lease of such Network to a third party to serve as a successor operator.

In the event the Town terminates the Operating Agreement under this Section, the Town reserves the right to negotiate for Consolidated to serve as the successor operator under a successor network operating agreement with different terms as determined to be necessary by the Town in its sole discretion. However, if the Town elects to operate the Town-Funded Network itself or to engage a successor operator, Consolidated will cooperate with Town and/or successor operator as reasonably requested by the Town to effect the orderly transition of operation from Consolidated to the Town or successor operator as required by the Operating Agreement, subject to payment of any pole attachment fees or other fees and other obligations for use of Consolidated infrastructure generally imposed by Consolidated upon third parties using its poles or other infrastructure. Upon termination of the Operating Agreement, Consolidated shall also remove any Consolidated-Funded Facilities from Town-owned or operated property within ninety (90) days of Operating Agreement termination excluding, to the extent applicable, any "drops" from the Town-Funded Network to the end user premises which, at Consolidated's election and subject to applicable laws, may remain in place subject to purchase by the Town or Operating Agreement successor subject to assessment of valuation by a mutually agreed to, independent third party. Notwithstanding the foregoing, though, Consolidated will not be required to remove such Consolidated-Funded Facilities from Town-owned or -operated property if continued placement of such Facilities is permitted by any Franchise Agreement and such Franchise Agreement has not been terminated in accordance with its terms.

12. Termination For Cause. Either Party may terminate this Agreement for cause:

A) If either Party defaults in the performance of, or fails to perform, any of the material obligations of this Agreement, and such default is not remedied within thirty (30) days after written notice from the non-defaulting Party ("Default Notice"); provided, however, that if the default (other than a payment default) by its nature cannot be cured within thirty (30) days and the defaulting Party within that time has commenced its cure, there shall be no default as long as the defaulting Party diligently continues such cure to completion beyond the thirty (30) days cure period; or

B) Immediately in the event of the insolvency of either Party hereto. A Party will be deemed to be insolvent if (1) a petition has been filed against the non-terminating Party for an involuntary proceeding under any applicable bankruptcy, insolvency, or other similar law now or hereafter in effect, and (i) such petition has not been dismissed within sixty (60) days of filing; or (ii) a court having jurisdiction has appointed a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of such Party for any substantial portion of its property, or ordered the winding up or liquidation of its affairs, or (2) the nonterminating Party has commenced a voluntary proceeding under applicable bankruptcy, insolvency, or other similar law now or hereafter in effect, or has made any general assignment for the benefit of creditors.

In the event this Agreement is terminated for default, Consolidated's right to operate the Town Funded Network will automatically cease and Consolidated will have no further obligation to collect End User Fees or to make any Network Operating Fees or other payments to the Town other than any payment amounts that are then due and payable. Upon termination of this Agreement, Consolidated's sole obligation for payment to the Town will be to remit any amounts past due to Town and any Subscriber Fees then in Consolidated's possession or received by the date of termination.

13. Post-Termination Procedures. Following termination of this Agreement for any reason, the Town may elect to assume operational control over the Town Funded Network facilities or may, in its discretion, appoint a successor operator (a "Successor Operator") to assume operational control over the Town Funded Network facilities. The following terms will apply in any transition of operational control over the Town Funded Network from Consolidated to the Town or a Successor Operator:

A) If requested by the Town, Consolidated may elect to sell certain Drop Facilities to the Town or a Successor Operator in its sole discretion. The purchase price for any such sale may be determined by a mutually agreed independent third party valuation expert. However, if any Drop Facilities are not purchased by the Town or a Successor Operator, Consolidated will have the right to either leave all or any portion of the Drop Facilities in place or to remove all or any portion of the Drop Facilities. If the Town does not purchase any applicable Drop Facilities and Consolidated elects to remove the Drop Facilities, the Town will permit Consolidated access to its property to remove such facilities as reasonably requested by Consolidated.

B) To the extent any Town Funded Network facilities are installed on Consolidated-owned poles or within Consolidated-owned conduit, Consolidated will have the right, as of the termination date, to charge the Town or the Successor Operator Consolidated's then-standard pole attachment or conduit occupancy fees for the applicable pole or conduit. If requested by Consolidated, the Town or Successor Operator will enter into Consolidated's then-standard pole attachment or conduit occupancy agreement for the applicable poles or conduit. However, following termination, Consolidated will have the right to charge its standard pole attachment or conduit occupancy fees regardless of whether the Town or Successor Operator enters into such an agreement, and unless otherwise provided in an agreement executed by the applicable parties, such fees will be payable by the Town within thirty (30) days of the Town's receipt of an invoice from Consolidated therefor.

C) To the extent any Town Funded Network facilities are installed on third

party poles or within third party conduit or to the extent Consolidated is required to obtain any other rights from third parties to install and operate the Town Funded Network, (collectively, "Third Party Required Rights"), Consolidated will endeavor to assign all pole attachment, conduit occupancy, or other contracts documenting the Third Party Required Rights to the Town or Successor Operator. In this event, the Town or Successor Operator will agree to assume all of Consolidated's obligations under such contracts from the termination date, including payment of all fees following the termination date. If Consolidated elects to pay any post-termination fees under such contracts following termination, the Town will reimburse those fees within thirty (30) days of the Town's receipt of an invoice from Consolidated therefor. If Consolidated is unable to secure the assignment of any Third Party Required Rights contracts for any reason, it will be entitled to terminate such contracts, and Consolidated will have no responsibility or liability for actions taken by the third party with respect to Town Funded Network facilities installed on or within the third party's facilities. The Town will also indemnify and hold Consolidated harmless from any liability arising under any Third Party Required Rights contracts following the termination date.

Except as may be expressly provided in subsections (a)-(c) above, Consolidated will have no further obligation or liability with respect to the Town Funded Network following termination of this Agreement for any reason.

14. Maintenance.

A) Scheduled Maintenance. Maintenance and repair of the Network Asset described in this section ("Scheduled Maintenance") will only be performed by or under the direction of Consolidated. Scheduled Maintenance will include the following activities:

i) Monitoring of the Network Asset on a regular basis;

ii) Maintenance of a "Call-Before-You-Dig" program and all required and related cable locates;

iii) Assignment of fiber maintenance technicians to a location within the fiber optic telecommunications area network.

B) Unscheduled Maintenance. Non-routine maintenance and repair of the Network Asset which is not included as Scheduled Maintenance ("Unscheduled Maintenance") will be performed by or under the direction of Consolidated. Unscheduled Maintenance will consist of:

i) "Emergency Unscheduled Maintenance" in response to an alarm identification by Consolidated' Network Operations Center ("NMC"), or notification by any third party of any failure, interruption or impairment in the operation of the Network Asset, or any event imminently likely to cause the failure, interruption or impairment in the operation of the Network Facilities.

ii) "Non-Emergency Unscheduled Maintenance" in response to any potential service-affecting situation to prevent any failure, interruption or impairment in the operation of the Network Asset.

C) Relocation. For clarity, Consolidated's right to maintain the Network Asset includes the right for Consolidated to relocate portions of the Network Asset should it determine such a relocation is necessary or advisable. Circumstances in which Consolidated may relocate all or any portion of the Network Asset include, but are not limited to, the following: (i) if a third party with legal authority to do so orders or threatens to order such relocation (e.g., through filing or threatening to file a condemnation suit), (ii) in order to comply with applicable laws, (iii) to prevent or abate interference with or interruption of the Network Facilities, or an unreasonable risk thereof, due to the existence of physical conditions (e.g. rock slides, seismic conditions), (iv) to reduce governmental fees or taxes assessed against it or the Town if mutually agreed by the parties, or (v) if it determines to do so in its reasonable business judgment. Any relocation of the Network Assets will be performed at Consolidated's sole cost and expense unless such relocation is requested or required by or as a result of the Town, in which case the Parties will negotiate an appropriate Change Order under or amendment to the Master Services Agreement apportioning the cost of such relocation between them.

Consolidated will perform any relocation in accordance with its normal business practices and in a manner that complies with the specifications and requirements set forth in the Master Services Agreement and that does not unreasonably interrupt service on the Fibers. In the event of any required relocation, the Town will cooperate as reasonably requested by Consolidated to secure alternate routes for the Network Assets and to interface with third parties as needed to accomplish the relocation.

15. Network Monitoring and Repair Standards. Consolidated will operate and maintain a NMC staffed twenty-four (24) hours a day, seven (7) days a week by trained and qualified personnel. Consolidated' maintenance employees will be available for dispatch twenty-four (24) hours a day, seven (7) days a week. Consolidated will respond immediately to any Emergency Unscheduled Maintenance activity; and where commercially practicable have its first maintenance employee at the site requiring Emergency Unscheduled Maintenance activity within two (2) hours after the time Consolidated becomes aware of an event requiring Emergency Unscheduled Maintenance, unless delayed by circumstances beyond the reasonable control of Consolidated. Consolidated will maintain a toll-free telephone number to contact personnel at the NMC. Consolidated' NMC personnel will dispatch maintenance and repair personnel along the system to handle and repair problems detected in the System.

16. Facilities.

A) Consolidated will maintain the Network Assets in a manner which will permit use, in accordance with the terms and conditions of the Agreement.

B) Consolidated will be solely responsible for providing and paying for any and all maintenance of all electronic, optronic and other equipment, materials and facilities used in connection with the operation of the network.

17. Cable/Fibers.

A) Consolidated will perform appropriate Scheduled Maintenance on the Cable contained in the System in a good and workmanlike manner and in accordance with Consolidated current preventative maintenance procedures and standard industry practice.

B) Consolidated will have qualified representatives on site any time Consolidated has reasonable advance knowledge that another person or entity is engaging in construction activities or otherwise digging within five (5) feet of the Cable.

C) Consolidated will maintain sufficient capability during Emergency Unscheduled Maintenance to provide regular communications during the repair process. When correcting or repairing Cable discontinuity or damage, including but not limited to Emergency Unscheduled Maintenance, Consolidated will use commercially reasonable efforts to repair traffic-affecting discontinuity within four (4) hours after notice of the discontinuity or damage. In order to accomplish such objective, it is acknowledged that the repairs so effected may be temporary in nature. In such event, within twenty-four (24) hours after completion of any such Emergency Unscheduled Maintenance, Consolidated will commence its planning for permanent repair, and will implement such permanent repair within an appropriate time thereafter. Restoration of open fibers on fiber strands not immediately required for service will be completed on a mutually agreed-upon schedule. If the fiber is required for immediate service, the repair will be scheduled for the next available Planned Service Work Period (PSWP).

D) Consolidated's representatives or contracted companies that are responsible for initial restoration of a cut Cable will carry on their vehicles the typically appropriate equipment that would enable a temporary splice, with the objective of restoring operating capability in as little time as possible. Consolidated will maintain and supply an inventory of spare Cable in storage facilities supplied and maintained by Consolidated at strategic locations to facilitate timely restoration. **18. Planned Service Work Period (PSWP).** Scheduled Maintenance which is reasonably expected to produce any signal discontinuity will generally be scheduled after midnight and before 6:00 a.m. local time. Major system work, such as fiber rolls and hot cuts, will be scheduled for PSWP weekends.

19. Subcontracting. Consolidated may subcontract any of the maintenance services hereunder; provided that Consolidated will require the subcontractor(s) to perform in accordance with the requirements and procedures set forth herein. The use of any such subcontractor will not relieve Consolidated of any of its obligations hereunder.

20. Demarcation and Ownership.

A) Demarcation Points. Consolidated Communications will designate an installation demarcation) between the Town Funded Network facilities described in Exhibit A-3 and the Consolidated-owned network to safeguard and maintain Consolidated operational control over the system as a whole.

B) Ownership. The Town will retain ownership of the Network Assets as described in Exhibit A-3. Consolidated will retain ownership if its network facilities on the Consolidated side of any demarcation point and will retain ownership of all Drop Facilities and CPE unless purchased by the Town in accordance with the terms of this Agreement or as may otherwise be mutually-agreed between the Parties.

21. Fees and Taxes. Consolidated, as the operator of the Network Asset, will be responsible for all charges and fees that arise as a result of network operation including but not limited to pole attachment fees, right of way charges including all current and future assessments necessary to maintain the network in a full operational capacity.

As part of its operating obligations under this Agreement, Consolidated will be responsible for all ad valorem, property or other taxes assessed on the Town Funded Network facilities or Consolidated's operation thereof. Without limiting the generality of the foregoing, it is the Parties' intent that Consolidated assume the obligation to pay all taxes required to be paid by Consolidated under New Hampshire RSA 72:23 I(b) or any successor statute, and, as required by RSA 72:23 I(b), the failure by Consolidated to pay such taxes will be cause to terminate this Agreement. However, to the fullest extent permitted by applicable New Hampshire law, the Town will not be entitled to terminate this Agreement for Consolidated's failure to pay the required taxes unless the Town first provides Consolidated a notice of default and opportunity to cure under Section 8 above.

For clarity, Consolidated will no longer be obligated to pay any taxes assessed on or related to the Town Funded Network if this Agreement is terminated and any such taxes assessed in the year of termination will be apportioned between Consolidated and the Town or any Successor Operator according to days of operation. If Consolidated pays the Town's or any Successor Operator's share of such taxes for the year of termination, Consolidated may invoice the Town for its or the Successor Operator's share, and the

Town will reimburse such share within thirty (30) days of its receipt of an invoice from Consolidated therefor.

22. Other Terms. The applicable terms of the Master Services Agreement, including, without limitation, Liability and Insurance (Section 10), Default and Termination (Section 11), Force Majeure (Section 12), Eminent Domain (Section 13), Assignment and Survivorship (Section 14), Entire Agreement and Amendment (Section 15), Severability (Section 16), Notices (Section 19), and Governing Law (Section 20), will apply to this Agreement and to the Parties' respective rights and obligations herein.

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS AGREEMENT.

Consolidated Communications Enterprise	By: Its Board of Selectmen
Services, Inc.	
	By:
By:	Name:
	Date:
Name:	
	By:
Title:	Name:
	Date:
Date:	
	By:
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