DARK FIBER IRU AGREEMENT

This sets forth the Agreement made as of January 1, 2020 (the "Effective Date") between the City of Gillette, Wyoming, a municipality with its principal offices at 201 East 5th Street, Gillette, Wyoming 82716 ("Owner"), and Advanced Communications Technology, Inc., a Montana corporation with its principal offices located at 290 North Brooks Street, Sheridan, Wyoming, 82801 ("ACT").

RECITALS

WHEREAS, Owner owns and operates a fiber optic network in the City of Gillette using certain public and private rights-of-way ("ROW"); and

WHEREAS, ACT constructs, installs, owns and operates fiber optic communications networks in Montana and Wyoming and is a certificated provider of voice, video, data and wireless communications services; and

WHEREAS, ACT desires to obtain and Owner desires to provide to ACT Indefeasible Rights of Use (IRU) of dedicated strands of Dark Fiber in certain Segments of the Owner's Network as further described in this Agreement.

TERMS

NOW THEREFORE, in consideration of the matters recited and the mutual promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1.0 **DEFINITIONS**

- 1.1 "Access Points" means any point along the Owner's fiber network in which ACT is authorized to establish interconnect.
- 1.2 "Affiliate" means any Person or entity that, directly or indirectly, controls, is controlled by, or is under common control with another Person or entity. For purposes of the preceding sentence, "control" with respect to any Person or entity means ownership of at least fifty percent (50%) of the voting interest in the Person or entity.
- 1.3 "Initial Agreement" means this Dark Fiber IRU Agreement between Owner and ACT, including the Exhibits attached hereto and incorporated herein, which Exhibits and Agreement may be modified from time to time. Such Amendments and modifications if mutually agreed upon and jointly executed shall be considered part of the Agreement.

- 1.4 "**Business Day**" means any day, excluding Saturdays and Sundays and all legal Federal and Wyoming State holidays.
- 1.5 "Customer Fibers" means ACT's IRU from Owner for dedicated strands of Dark Fiber within the Owner's Network.
- 1.6 "Customer Network" means the telecommunications networks and related structures, Demarcation Points and equipment and electronics that are constructed, installed, operated or owned by ACT in the Gillette, Wyoming community, including the Customer Fibers.
- 1.7 "Dark Fiber" means strands of optical fiber that have no optronics or electronics attached to them and which meet the specifications set forth in the Dark Fiber Specifications noted in Section 1.7 below.
- 1.8 **"Dark Fiber Specifications"** means the specifications applicable to the Customer Fibers attached hereto as Exhibit D.
- 1.9 "**Demarcation Points**" means the points of interface between Owner's Network and the Customer Network. Said Demarcation Points shall be owned and established by ACT in conjunction with "Exhibit G" and shall serve as the only points of access for ACT to Customer Fibers.
- 1.10 "Fiber Mile" means one strand of Dark Fiber per Route Mile.
- 1.11 "Indefeasible Right of Use" or "IRU" means the indefeasible and exclusive rights to use, for the purposes described herein, the Customer Fibers; provided, however, that granting such IRU to Customer does not convey legal title to Customer of the Customer Fibers.
- 1.12 "IRU Fee" means the fee charged by Owner to ACT for the Customer Fibers as set forth in Section 3.1 of this Agreement.
- 1.13 "Maintenance Fee(s)" means the fee or fees charged to ACT for the maintenance of the Customer Fibers as set forth in Section 3.2 of this Agreement.
- 1.14 "Owner's Network" means the telecommunications networks and related structures, and equipment or electronics that are constructed, installed, operated and owned by the City of Gillette in the Gillette, Wyoming community.
- 1.15 "**Person(s)**" means a natural person, corporation, firm, partnership, Limited Liability Company, joint venture, municipality or other form of association or entity.
- 1.16 "Right of Way" or "ROW" means public and private property, conduit, towers, poles and any other facilities used by Owner to install the Owner's Network containing the Customer Fibers, whether in fee, by contract, franchise or otherwise.
- 1.17 "Route Mile" means a one mile length of the Dark Fiber bundle.

- 1.18 "Segment" means a portion of the total Route Miles of Dark Fiber.
- 1.19 "Service Order" means orders that may be submitted by ACT to Owner requesting renewal of or additional lease of Owners fiber network and new routes that connect to existing network. All orders are subject to the terms of this Initial Agreement with the exception that the lease "Term" of additional fibers is subject to approval by both parties.
- 1.20 "Term" of this Initial Agreement means the period commencing on the Effective Date and continuing for a period of ten (10) years after the date of Acceptance as defined in Section 4 of this Initial Agreement (the "Initial Term"). At the expiration of the Initial Term, the parties shall have the option, but not the obligation, to extend this Initial Agreement on terms to be negotiated by the parties prior to such expiration (the "Successive Term(s)"). The Initial Term and any Successive Terms shall collectively be referred to as the "Term." The parties agree the to extend the Initial Agreement for a period of five (5) years, effective when all parties have executed this agreement and all required approvals have been granted. With the exception of items explicitly delineated in this Agreement, all terms and conditions of the Initial Agreement, including but not limited to governmental immunity, shall remain unchanged and in full force and effect. This Agreement may be renewed once by agreement of both parties in writing and subject to the required approvals. There is no right or expectation of renewal and any renewal will be determined at the discretion of the Owner.

2.0 GRANT OF IRU AND SCOPE OF AGREEMENT

- 2.1 Pursuant to the conditions set forth in this Initial Agreement, Owner agrees to grant to ACT, and subject to the provisions in Section 4 of this Initial Agreement as a condition precedent, ACT agrees to accept from Owner an Indefeasible Right of Use (IRU), for the Term specified in the Initial Agreement:
 - (a) Dark fiber strands in Owner's network along the route designated in Exhibit B.
 - (b) With additional requests to be agreed upon by mutual consent and the submission of a Service Order.
- 2.2 The parties intend that Owner shall tender to ACT in accordance with Section 4 the Customer Fibers as soon as possible and no later than 30 days following the effective date of this Initial Agreement.
- 2.3 Upon Acceptance, ACT shall obtain and be deemed to have obtained an IRU for designated Customer Fibers initially limited to Exhibit B, for the duration of the Initial Term and any Successive Term. Additional fibers may be offered to the Customer by the Owner as the Owner's Network is extended throughout the Gillette area. Should additional fiber be offered by the Owner (and accepted by the Customer) all such additional fibers shall be subject to the terms and conditions of this Agreement for the duration of the Initial Term and as well as any Successive Term.
- 2.4 Upon Acceptance, ACT shall obtain and be deemed to have a non-exclusive right of use of Owner's tangible and intangible property rights in Owner's network to the extent needed for use

of the Customer Fibers including use of the associated conduit; and Owner's rights in all underlying rights; and where space is not otherwise occupied or reserved for use by owner or another user access to associated regeneration, amplifier, junction and terminals or points of presence.

2.5 The following Exhibits to this Initial Agreement shall be prepared by the parties and incorporated herein by reference hereto and made a part of this Initial Agreement as of the Effective Date:

Fiber Optic System Distance
Fiber Optic System Map
Dark Fiber Specifications
Fiber Facilities Restoration Plan
Emergency and Routine Maintenance Contacts
Service Order Procedures and Sample Order
Typical Demarcation Point

- 2.6 ACT hereby agrees to not sublease any of the fiber being leased to them by the Owner without the Owner's permission. Any such sub-lease without prior written permission from owner is void.
- 2.7 A Demarcation Point shall be installed at each location where the Owner has established a ground level appearance for access to the Owners Network. ACT shall provide all material and labor necessary to establish the Demarcation Point as depicted in attached "Exhibit G", to include a conduit and fiber optic cable stub which the Owner shall extend into its hand hole and splice to the Customer Fibers. Additional Demarcation Points may be constructed from time-to-time upon mutual agreement by both Parties.
- 2.8 ACT hereby agrees that access to Customer Fibers will only be available at the Customer owned and establish Demarcation Point and at no other point within the Owners Network, except as set forth in Exhibit D in circumstances of restoration of services. Under no other circumstances shall the Customer enter any facility within the Owners Network other than at the established Demarcation Point. Intentional or unintentional access by the Customer to the Owners Network beyond the Demarcation Point shall result in the following fines imposed upon the Customer:
 - 1. First Offence \$15,000 payable to the Owner within 30 days
 - 2. Second Offence \$30,000 payable to the Owner within 30 days
 - 3. Third Offence The right of the Owner to suspend the IRU agreement and to retain all lease payments for the balance of the 10 year initial term of the agreement. Owner agrees to grant 180 days notice on suspension of agreement as to allow reasonable time for Customer to pursue alternative options.

3.0 COMPENSATION, COSTS AND FEES

3.1 As compensation to Owner for the IRU in the Customer Fibers during the Initial Term and upon Acceptance of the Customer Fibers, ACT agrees to pay to Owner in advance the sum of fifty dollars (\$50.00) in U.S. currency per Fiber Mile per month for each dedicated strands of Customer Fibers delivered to and Accepted by Customer pursuant to this Initial Agreement.

IRU Fee formula: (Rate) X (# of Fibers) X (Total Miles) X (# of months)

- 3.2 The fee of each additional dark fiber lease will be calculated by tenths of a mile (minimal charge one tenth of a mile), and prorated by the number of months remaining in the Initial Term or any Subsequent Term of this Agreement.
- 3.3 In addition to the IRU Fee set forth in Section 3.1 above, and in exchange for Owner's maintenance of the Customer Fibers, ACT shall pay to Owner, annually in advance, a yearly maintenance fee of five hundred dollars (\$500.00) in U.S. currency per each Route Mile of ACT Leased Fiber (the "Maintenance Fee"). The initial annual Maintenance Fee shall be due upon ACT's Acceptance of the Customer Fibers. Subsequent payments of the Maintenance Fee shall be annually invoiced by the City to ACT and will be due on the anniversary date of the initial annual Maintenance Fee and annually thereafter during the Initial Term. Fees not paid within 30 days after the date of the invoice for Maintenance Fees are subject to a late payment fee of 1 % per month.
- 3.4 Owner agrees to allow ACT unescorted access to the ACT Demarcation Points for the purpose of installing and maintaining cabinetized electronic equipment for the local distribution of communications services.

4.0 TESTING, ACCEPTANCE AND DELIVERY

- 4.1 Customer Fibers shall be deemed ready for delivery to ACT on that date when (i) all necessary approvals and authorizations for Owner to deliver the specific Customer Fibers have been secured by Owner; (ii) the Dark Fiber in the Owner's Network has been tested; and (iii) the Dark Fiber meets the Specifications set forth in Exhibit D. The availability of each Segment of Owner's Fibers for delivery, together with the actual miles of Dark Fiber available for delivery, shall be certified to ACT in writing by Owner ("Certification").
- 4.2 Owner shall notify ACT at least one week in advance as to the date when testing of the Customer Fibers is to occur, so that ACT may have an observer present. Owner shall also notify ACT when the Customer Fibers are ready for delivery by sending the Certification and all Dark Fiber test results (collectively the "Delivery Documentation") to ACT, which Dark Fiber test results shall specify end-to-end loss and chromatic dispersion, measured from end to end, and shall include Optical Time Domain Reflectometer traces. Owner will also provide ACT with written notice of the Actual Route Mile and the Actual Fiber Mile.

- 4.3 ACT will have ten (10) Business Days from the date Owner delivers the Delivery Documentation (the "Inspection Period") to inspect the Delivery Documentation and if ACT determines in its discretion that it is appropriate to re-test to ensure that the Dark Fiber Specifications have been met. During and until expiration of the Inspection Period, ACT will also be given all reasonable and necessary escorted access to inspect Owner's Network to ensure that the Dark Fiber Specifications have been met.
- 4.4 Upon the expiration of the Inspection Period, the Customer Fibers shall be deemed delivered by Owner to ACT ("Acceptance"), unless prior to the expiration of the Inspection Period, ACT provides written notice of any deficiencies in any of the Dark Fiber or the Demarcation Points, specifying the failure to meet particular Dark Fiber Specifications, and describing the same. Owner shall rectify any specification deficiencies identified in such notice within 30 days of receipt of the same. The notice and Acceptance provisions of 4.2 and 4.3 will be repeated until the Customer fibers conform to the Dark Fiber Specifications. A failure by ACT to notify Owner on or before expiration of the Inspection Period shall constitute Acceptance by ACT of the Customer Fibers. If prior to Acceptance the parties dispute whether there are any deficiencies or whether the deficiencies have been rectified, either party may file a claim with a court of competent jurisdiction in accordance with Section 13.14 of this Agreement.
- 4.5 Upon Acceptance, subject to the provisions of this Agreement, the IRU of the Customer Fibers shall be deemed to have been delivered to ACT in accordance with the provisions of this Agreement and all applicable payments due Owner, including but not limited to the IRU Fee and the Maintenance Fee for the first year of the Term shall be due in accordance with the terms of this Agreement.

5.0 MAINTENANCE AND RELOCATION

- 5.1 Throughout the Term of this Agreement, Owner shall maintain the Customer Fibers in the Owner's Network upon and in accordance with the terms and conditions set forth in this Agreement and in accordance with the standards set forth in the Operations and Maintenance Standards attached hereto as Exhibit C and in the Fiber Facilities Restoration Plan attached hereto as Exhibit E. If, after Acceptance, ACT, acting in good faith, has a bona fide basis for believing that any strands of the Customer Fibers do not meet the standards described in Exhibits C and E, ACT shall provide written notice to Owner specifying the bona fide basis and the potential deficiency, and unless Owner provides a reasonable basis to repudiate ACT's asserted deficiency without additional testing, Owner and ACT shall jointly retest the strands described in ACT's notice. In the event that at any time during the Term of this Agreement any of Customer Fibers or the Demarcation Points in the Owner's Network do not meet such standards and specifications as set out in this Agreement, then upon written notice and subject to the cure period specified in Section 6 below, ACT will be entitled to the rights and remedies set out in Section 6 hereof.
- 5.2 Owner reserves to itself, its Affiliates, successors and assigns, the right, in its sole discretion, to operate the Owner's Network and the Demarcation Points in such manner as will

best enable it to meet its purposes, provided however that Owner shall use commercially reasonable efforts to ensure there is no interference with ACT's IRU in the Customer Fibers or ACT's access to and use of the Customer Network. Any maintenance conducted by Owner shall be conducted in accordance with the terms of this Agreement and the Maintenance Schedule set forth below. Owner shall provide ACT with at least ten (10) Business Days' prior written notice of any non-routine, non-emergency maintenance, and shall use commercially reasonable efforts to ensure that such maintenance shall not in any way interfere with ACT's IRU, use and possession of the Customer Fibers. Owner shall provide ACT with notice of any emergency maintenance as quickly as possible under the circumstances giving rise to the emergency, and if only verbal notification is possible, Owner shall provide ACT with written notice within three (3) Business Days thereafter.

MAINTENANCE SCHEDULE:

	OPERATIONAL HOURS	
BUSY HOURS	AFTER HOURS	OFF HOURS
0700-1700 Local Monday	1701-2400 Local Monday	0001-0600 Local Monday
thru Friday	thru Friday	thru Sunday (seven days a
		week)
0700-1200 Local	1200-2400 Local Saturday	·
Saturday and Sunday	and Sunday	
No activities will take place	The time in which activities	The time reserved for any
except for EMERGENCY	that have minimal impact	activities that could have a
activities.	on the network and	direct effect on the network
	customers will take place.	and/or customers. This
	This would include non-	would include splicing
	traffic affecting activities	active fibers,
	(e.g., splicing a new	installation/removal of
	element on non-traffic	active equipment, battery
	bearing fiber, fiber prep	maintenance, etc.
	work)	

5.3 Owner reserves to itself, its successors and assigns, the right, in its sole discretion, to relocate and maintain the Owner's Network and the Customer Fibers as may be required for its purposes or as required under any right of occupancy by any regulator or governmental entity of competent jurisdiction, but shall use commercially reasonable efforts to minimize the effect of such relocation on ACT's use of such Segment(s). Owner shall be responsible for all costs associated with relocation of any Customer Fibers as may be required exclusively by the Owner.

6.0 EVENTS OF DEFAULT, CURE AND TERMINATION RIGHTS

6.1 Owner and ACT will, respectively, be in default of this Agreement if it or any of its Affiliates responsible to perform any of the obligations under this Agreement: (a) becomes insolvent, liquidates, is adjudicated as bankrupt, makes an assignment for the benefit of creditors, invokes any provision of law for the relief of debtors, or initiates any proceeding seeking protection from its creditors; or (b) violates any applicable laws, rules or regulations which result in a material

adverse impact on the rights, benefits, obligations or duties of the other party under this Agreement; or (c) fails to perform any material obligation under this Agreement, and does not cure such failure to perform within the cure period as provided in Section 6.2 below.

- 6.2 Except as set forth in this Section 6.2, no party hereto shall be considered in default under Section 6.1(c) of this Agreement unless any default by such party continues for thirty (30) days following receipt by such party of a written notice of default from the other party (hereinafter called "Notice of Default"), provided, however, that if a non-monetary default by a party reasonably requires more than thirty (30) days to cure, such party shall not be in default, provided that the curing of the default is promptly commenced upon receipt by such party of the Notice of Default, and with due diligence is thereafter continuously prosecuted to completion and is completed within a reasonable period of time, and provided further that the party in receipt of the Notice of Default keeps the other party well informed at all times of its progress in curing the default. Notwithstanding the foregoing or any other provision of this Agreement, a party that is in default as to any payment of monies due under this Agreement shall be considered in default if such monetary default is not cured within ten (10) days from the Notice of Default. Notwithstanding the foregoing or any other provision of this Agreement after Acceptance Owner will be considered in default if ACT experiences and has provided Owner with a notice that it is suffering a material degradation in service due to either the Owner's actions or the condition of Owner's network, and Owner has not promptly remedied the same to ACT's satisfaction within the time frames set forth in 6.4.
- 6.3 If ACT fails to cure a default within the applicable cure period, Owner, if it is not then in default, may terminate this Agreement by providing written notice thereof to ACT. In such event, Owner shall be entitled to keep the IRU Fee and any Maintenance Fees paid by ACT as of the effective date of termination. Termination of this Agreement by Owner for default shall not preclude Owner from seeking any remedy that is available to it at law or in equity. If Owner fails to cure a default within the applicable time period, ACT, if it is not then in default, may terminate this Agreement by providing written notice thereof to Owner. In such event, ACT shall be entitled to recover a portion of the IRU Fee from the owner as follows: The total IRU fee multiplied by (the number of years remaining in the term including the year of default/the total term) plus any maintenance fee paid for the year in which the default occurred. Termination of this Agreement by ACT for default shall not preclude ACT from seeking any remedy that is available to it at law or in equity. ACT may at its option require specific performance of the agreement.

Without limiting the generality of the foregoing provisions of this Section 6, in the event that at any time after Acceptance and during the Term of this Agreement any part of the Customer Fibers do not meet the specifications or standards set out in this Agreement, and materially degrade service to ACT, Owner shall rectify the deficiencies promptly, and in no event later than 72 hours of receiving written notice from ACT of the deficiencies. Owner shall ensure the Customer Fibers as specified in the written notice meet, and continue to meet, the specifications and standards set out in this Agreement throughout the Term. In the event Owner is unwilling or unable to rectify the deficiencies within that time period, Owner shall provide ACT with alternative Dark Fiber or other fiber optic facilities for the Customer Fibers identified in the written notice for which Owner has not rectified the specified deficiency within 72 hours with specifications and standards at least equal to those described herein at no additional cost to ACT, and Owner shall ensure a seamless

and uninterrupted migration of ACT's affected traffic from the deficient Customer Fibers or Demarcation Points to the replacement fiber or fiber optic facilities. Owner agrees that ACT's use of any such replacement fiber or fiber facilities shall be on terms and conditions not less favorable to ACT than the terms and conditions of this Agreement. In the event Owner fails to rectify the deficiency within the 72 hour period and further fails to provide ACT with alternate Dark Fiber or other fiber optic facilities as set forth in this Section, ACT shall be entitled to rectify the deficiency stated in ACT's notice at Owner's cost and expense, which cost may be set off against the Maintenance Fees. If the Customer fibers do not meet the specifications or standards set out in this Agreement, but do not materially degrade service to ACT, Owner shall rectify as soon as reasonably feasible, but in no event later than thirty days.

7.0 INSURANCE

7.1 ACT represents that it now carries, and agrees it will continue during the Term of the Agreement to carry, as a minimum, worker's compensation, comprehensive general and contractual liability and comprehensive automobile liability insurance with carriers reasonably satisfactory to the other party, with the Owner named as additional insured or as additional insured (except for worker' compensation), in the following amounts:

Worker's Compensation Statutory Employer's Liability \$500,000

Comprehensive General Liability or Commercial General Liability (Public Liability), including:

a. Bodily Injury, Personal Injury and Property Damage - \$2,000,000 Per Occurrence Or Claim, or;

b. Bodily Injury, Personal Injury and Property Damage - \$4,000,000 combined single Limit

Automobile Liability Insurance (owned, hired, and non-owned), including:

a. Bodily Injury and Property Damage - \$2,000,000 combined single Limit

- 7.2 Owner represents that it carries, and agrees that it will continue during the Term of the Agreement to carry joint powers liability coverage through the Wyoming Association of Risk Management ("WARM"), a Wyoming Joint Powers Board composed of several Wyoming counties and municipalities which provides a self-funded pool for comprehensive general liability and automobile liability coverage in accordance with WYO. STAT. §§ 1-39-101-120. The parties intend and agree that the City does not waive governmental immunity by entering into this section of the Agreement and specifically retains governmental immunity and all defenses available to it pursuant to WYO. STAT. §§ 1-39-101-120 and all other applicable law.
- 7.3 Prior to the commencement of the Initial Term, each party shall furnish an insurance certificate to the other party, and if such certificate has an expiration date, the party furnishing the

certificate shall furnish updated insurance certificates to the other party, each certifying to the foregoing coverage. Each certificate shall include:

- (a) Name of insurance company, policy number and expiration date;
- (b) The coverage required whether claims made or occurrence, and the limits on each, including the amount of deductibles or self-insured retentions (which shall be for the account of the Party obtaining furnishing the insurance certificate)
- (c) A statement that the Owner shall receive thirty (30) days' notice of cancellation or modification of any of the policies, which may affect the other party's interests'. It is understood and agreed that ACT's policies are primary and not contributory. All insurance certificates shall be submitted to the Owner for review and approval before the effective date of this lease;
- (d) A statement that the Owner has been named as insured or as additional insured (except for worker's compensation) on all policies;
- (e) If a vehicle is carrying Hazardous Substances, the certificate must show that the vehicle is insured for limits specified in the Motor Carrier Act of 1980, as amended.
- 7.4 ACT hereby grants to the Owner a waiver of any right to subrogation which any insurer of ACT may acquire against the Owner by virtue of the payment of any loss under such insurance. ACT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Owner has received a waiver of subrogation endorsement from the insurer. Owner is a City of the First Class under Wyoming law and expressly preserves all immunities, rights and defenses it may have under Wyoming law, including the Wyoming Governmental Claims Act.
- 7.5 Neither party shall commence any construction, operation, or maintenance services or permit any subcontractor to enter on the other party's property unless their respective obligations under this Section 7 are met. Each party shall cause its subcontractors to name the other party as additional insured on all policies (except for worker's compensation). Compliance shall be evidenced by a certificate of insurance from any subcontractor, retained by each party and available to the other party upon request.
- 7.6 Each party shall furnish to the other party copies of any accident report(s) sent to a party's insurance carriers covering accidents occurring in connection with or as a result of the performance of construction, operation, or maintenance services under this Agreement.

8.0 WRITTEN NOTICE

8.1 All notices, demands, requests, instructions, approvals, proposals and claims arising from, relating to or required by this Agreement ("Notices") shall be in writing and shall be addressed as follows:

If to ACT:

General Manager Advanced Communications Technology, Inc. 290 North Brooks Street Sheridan, Wyoming 82801 307.673.0910 Phone 307.673.0911 Fax

If to Owner:

Utilities Director 611 N. Exchange, Gillette, Wyoming 82717 307.686.5277 Phone 307.686.6564 Fax

and

Information Technology Manager 201 E. 5th Street Gillette, Wyoming 82717 307.686.5221 Phone 307.686.1593 Fax

and

City Attorney 201 E. 5th Street Gillette, Wyoming 82717 307.686.5290 Phone 307.686.0726 Fax

The parties shall be entitled to change the addresses for such notices upon five (5) days advance written notice to the other party. Notices may be sent by personal delivery, overnight courier service or mail, telefax or facsimile transmission, or certified-mail, return receipt requested, and shall be deemed delivered upon receipt if personally delivered, upon delivery if validated with proof of delivery by an overnight courier or mail services, upon receipt with proof of written confirmation of successful transmission for delivery by telefax or facsimile transmission, or upon delivery if validated by a certified return receipt.

9.0 CHOICE OF LAW AND INTERPRETATION

9.1 The construction, interpretation, and enforcement of this Agreement shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the parties, and the venue shall be the Sixth Judicial District, Campbell County, Wyoming. The parties

intend and agree that the Owner does not waive governmental immunity by entering into this Agreement and specifically retains governmental immunity and all defenses available to it pursuant to WYO. STAT. §§ 1-39-101-120 and all other applicable law.

10.0 INDEMNIFICATION

10.1 ACT shall indemnify, defend, and hold harmless the Owner, and its officers, agents, employees, successors, and assignees from any and all claims, lawsuits, losses, and liability arising out of ACT's failure to perform any of ACT's duties and obligations hereunder or in connection with the negligent performance of ACT's duties or obligations, including but not limited to any claims, lawsuits, losses, or liability arising out of ACT's actions.

11.0 CONFIDENTIALITY

- 11.1 The parties agree that in accordance with the Wyoming Public Records Act, WYO. STAT. §§ 16-4-201 through 16-4-205 ("Act"), all information, analysis, conclusions, drawings, reports, specifications or other information ("Information") received in furtherance of this Agreement, proprietary or otherwise, shall be kept confidential to extent authorized by the Act and any Information or other property received from the other party for purposes of completing the rights and obligations under this Agreement, and all copies and forms thereof, shall be returned to the other party upon termination of this Agreement.
- 11.2 Except as may be required by the Act, state or federal law or a court of competent jurisdiction or as may be authorized by the party that provided the information, the party that receives the information shall not disclose it to any third party (other than representatives of the Party that receives it). The parties may rely upon any other remedies available to them, including injunctive relief and specific performance, to enforce the confidentiality obligations of this Section.
- 11.3 Should any request to disclose or to take any other action regarding confidential information that may be prohibited by the confidentiality obligations of this Section be received by a party, the party that receives the request shall promptly notify the other party, in writing, of the nature of the request. The party that provided the information may then respond as to whether or not the information should be disclosed as requested or that the party that provided the information will contest the disclosure of the information. Notwithstanding the above, the parties acknowledge that disclosure of this Agreement will be required to certain of their respective employees, agents or representatives to effectuate the purposes hereof, or as is necessary to obtain financing, or comply with state, federal or local law or regulatory requirements, including disclosure requirements of public corporations; any such disclosure shall not require the prior written consent of the other party.
- 11.4 It is understood and agreed that either party has the right to disclose this Agreement to governmental agencies having requisite governmental authority over the terms of this Agreement and/or owners of the Right-of-Way if required under an applicable Right-of-Way agreement, provided that the disclosing party shall notify the other of any such disclosure.

11.5 This Section 11 shall supersede and replace all prior confidentiality or non-disclosure agreements between the parties in connection with the subject matter of this Agreement.

12.0 REPRESENTATIONS, WARRANTIES AND COVENANTS

- 12.1 Owner warrants and represents to ACT, with the intent that ACT will rely thereon in entering into this Agreement, that:
 - (a) Municipal Status. Owner is a municipality chartered under the laws of Wyoming;
- (b) <u>Authority</u>. Owner has the power and capacity and good and sufficient right and authority to enter into this Agreement on the terms and conditions herein set forth and to carry out the terms of this Agreement; Owner has, or will have, at the time of the delivery of the ACT IRU, good and sufficient title to material assets and/or Rights-of-Way to assure to ACT peaceable occupation, quiet possession and enjoyment and use by ACT, subject to the terms of this Agreement, of the Customer Fibers hereunder, free of any material adverse claims with full rights to allow Owner to provide to ACT IRU, without the consent of any Person; there are no terms or conditions contained in any Right-of-Way agreements restricting or prohibiting the lawful use of the Customer Fibers by ACT for telecommunications purposes; and execution of this Agreement is not violative of Owner's charter, resolutions or any laws or regulations by which Owner is bound or to which it is subject.
- (c) <u>Licenses, Permits, etc.</u> Owner possesses, or prior to delivery of the ACT Fiber to Owner hereunder will possess, all material licenses, permits, tax registration certificates and operating authorities as is requisite for carrying on its business or businesses in the manner in which it has heretofore been carried on and is carried on as of the date of this Agreement and Owner is not aware of any material default by Owner under the terms of any such licenses, permits, tax registration certificates, operating authorities, or ROW Agreements.
- Owner covenants with ACT, with the intent that ACT will rely thereon in entering into this Agreement, that:
- (a) <u>Complete Construction</u>. Subject to unexpected or unforeseen circumstances, Owner shall deliver the Customer Fibers with respect thereto as soon as possible.
- (b) <u>Quiet Enjoyment</u>. Subject to the terms of this Agreement, Owner covenants and agrees that ACT shall and may peaceably and quietly hold, enjoy and use the IRU in the Customer Fibers hereunder, without molestation, hindrance, disturbance or interruption from or by Owner or any Person claiming through or under Owner.
- (c) <u>Maintenance of Right-of-Way Agreements</u>. Owner shall maintain in full force and effect all Right-of-Way agreements relating to the Segments provided to ACT hereunder.
- 12.3 ACT warrants and represents to, and covenants with, Owner with the intent that Owner will rely thereon in entering into this Agreement that:

- (a) <u>Corporate Status</u>. ACT is a corporation duly incorporated, validly existing and in good corporate standing under the laws of Montana with respect to all filings required under any applicable legislation;
- (b) <u>Authority</u>. Owner has the power and capacity and good and sufficient right and authority to enter into this Agreement on the terms and conditions herein set forth and to carry out the terms of this Agreement.
- (c) <u>Licenses, Permits, etc.</u> ACT possesses, or prior to Acceptance of the Customer Fibers, will possess, all material licenses, permits, tax registration certificates and operating authorities as is requisite for carrying on its business or businesses in the manner in which it has heretofore been carried on and is carried on as of the date of this Agreement and Customer is not aware of any material default by it under the terms of any tax registration certificates or operating authorities.
- (d) <u>Financial Wherewithal</u>. ACT possesses the financial capability to make full and timely payment of the IRU Fees and the initial Maintenance Fees.

13.0 MISCELLANEOUS PROVISIONS

- 13.1 <u>Survival of Representations</u>. The representations, warranties, covenants and agreements of the parties contained in this Agreement and any document or certificate given pursuant hereto or thereto will survive the closing of the transactions contemplated herein until the termination of this Agreement notwithstanding any waiver by the other parties unless such waiver was made after notice in writing by such other parties to the first party setting forth the breach.
- 13.2 <u>Costs and Legal Fees</u>. Each party shall be responsible for its own costs, including legal fees, incurred in negotiating or finalizing this Agreement.
- 13.3 <u>Headings</u>. The section headings in this Agreement are for convenience of reference only and shall neither be deemed to be a part of this Agreement nor modify, define, expand or limit any of the terms or provisions hereof. All references to numbered or lettered sections or paragraphs are to sections and paragraphs of this Agreement.
- 13.4 <u>Amendments</u>. Neither this Agreement nor any term or provision hereof can be amended, waived, modified, supplemented, discharged or terminated, except by an instrument in writing signed by both of the parties.
- 13.5 <u>Force Majeure</u>. Any failure of either party to perform its obligations under this Agreement shall not be a breach of this Agreement to the extent such failure results from Acts of God (including fires, hurricanes, earthquakes, tornadoes, flooding, snow storms, severe thunderstorms or similar natural occurrences), war, riots and civil insurrection, outbreaks of hostilities, states of emergency, governmental action(other than action by the City of Gillette), delay or inaction that did not result from wrongdoing by the party involved in such governmental action, supply shortages (including power, gasoline and other fuel shortages), omissions of third parties when such omissions did not occur due to action or inaction or the party failing to perform, labor disputes, shortages, strikes or walkouts or transportation delays, or similar occurrences beyond the IRU ACT 8-4-2009

reasonable control of the other party. A party relying upon an event of Force Majeure shall give prompt written notice to the other party of any such event of Force Majeure and shall use its commercially reasonable efforts to remedy the same or the causes thereof.

- 13.6 <u>No Waiver</u>. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to sue on any or all other remedies. Said rights and remedies are given in addition to any other rights such party may have by law, statute, ordinance or otherwise, except as such remedies are expressly limited in this Agreement.
- 13.7 <u>Invalidity</u>. Any provision of this Agreement which is invalid, illegal or unenforceable in any manner in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such invalidity, illegality or unenforceability without in any ways affecting the validity, legality or enforceability of the remaining provisions hereof, and any such invalidity, illegality or unenforceability in any jurisdiction shall not invalidate or in any way affect the validity, legality or enforceability of such provision in any other jurisdiction.
- 13.8 <u>Compliance with Applicable Laws</u>. ACT and Owner shall at all times observe and materially comply with the provisions of this Agreement, and shall perform their respective obligations and duties consistent with all applicable laws, ordinances, contracts, rules and regulations which govern the rights and obligations of the parties herein.
- 13.9 <u>Entire Agreement</u>. This Agreement, and all documents and agreements referred to herein or required to be executed pursuant hereto constitute the entire agreement between the parties with regard to the subject matter contained herein. This Agreement may not be modified or amended nor may any obligation of any party be changed or discharged except in writing signed by the duly authorized officer or agent of the Owner and ACT.
- 13.10 <u>Counterparts</u>. This Agreement and any amendment, supplement, restatement or termination of any provision of this Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.
- 13.11 <u>Binding Agreement</u>. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their lawful respective successors and assigns.

13.12 Assignment.

(a) Absent written approval from Owner, not to be unreasonably withheld, ACT may not assign or transfer this Agreement or any of its rights, benefits and obligations or duties hereunder, provided that the wholesale or retail sale, lease, conveyance of indefeasible rights-of-use and related facilities, or the provisioning of telecommunications services, capacity, or lit or dim fiber utilizing the Dark Fiber that is the subject of the ACT IRU hereunder shall not be considered an assignment, sale, transfer or lease for purposes of this Section and shall not require written approval from Owner. However, upon ACT's first conveyance of an IRU in the strands acquired hereunder, if the strands are thereafter re-conveyed to ACT, ACT shall provide Owner

the option to re-acquire the strands at the price and upon the payment terms and conditions set forth in Section 3.1 of this Agreement. Owner shall have thirty (30) days to re-purchase such IRU and if it fails to do so, ACT shall be entitled to IRU, lease, sublease or otherwise provide another customer with access to the use of the Dark Fibers.

- (b) Absent written approval from ACT, not to be unreasonably withheld, Owner may not assign or transfer Owner's Network or any portion thereof, or Owner's rights and obligations hereunder. Any assignee or transferee of Owner hereunder shall take subject to ACT's rights under this Agreement and shall so acknowledge to ACT in writing upon closing of the assignment or transfer from Owner.
- 13.13 Acts In Furtherance. ACT and Owner each agree to do such other and further acts and things, and to execute and deliver such additional instruments and documents, not creating any obligations, or imposing any expenses, additional to those otherwise created or imposed by this Agreement, as either party may reasonably request from time to time whether at or after the execution of this Agreement, in furtherance of the express provisions of this Agreement.

13.14 Dispute Resolution.

(a) In the event any controversy, claim, breach, dispute, difference or misunderstanding arises out of or relates to this Agreement or any term or condition hereof, the respective representatives designated by the parties shall meet in Gillette, Wyoming and negotiate in good faith in an attempt to amicably resolve such controversy, claim, dispute, difference or misunderstanding within twenty (20) business days, or such other time period mutually agreed to by the parties, after such controversy, claim, dispute, difference or misunderstanding arises. If the parties are unable to resolve the controversy, claim, dispute, difference or misunderstanding involving payment of money one to the other, either Party may file a claim with a court of competent jurisdiction.

13.15 Governmental Immunity.

(a) The Owner does not waive governmental immunity by entering into this Agreement and specifically retains all immunities and defenses available to it pursuant to WYO. STAT. §§ 1-39-101-120 and all other applicable law. Designations of venue, choice of law, enforcement actions, dispute resolution and similar provisions should not be construed as a waiver of governmental immunity. The Parties agree that any ambiguity in this Agreement shall not be strictly construed, either against or for either party, except that any ambiguity as to governmental immunity shall be construed in favor of governmental immunity.

13.16 Availability of Funds.

(a) Each payment obligation of the Owner is conditioned upon the availability of government funds which are appropriated or allocated for the payment of this obligation. If funds are not allocated and available for the continuance of the services performed by ACT, the Agreement may be terminated by the Owner at the end of the period for which the funds are available. The Owner shall notify ACT at the earliest possible time of the

services which will or may be affected by a shortage of funds. No penalty shall accrue to the Owner in the event this provision is exercised, and the Owner shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section. This provision shall not be construed to permit the Owner to terminate this Agreement to acquire similar services from another party.

13.17 Termination.

(a) This Agreement may be terminated, without cause, by either party upon ninety days (90) days written notice. Individual Services may be terminated, without cause, by either party upon thirty days (30) days written notice. The parties agree that Individual Services will be terminated by upon execution of a Raceway Agreement with The City for the specific Individual Services.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

CITY OF GILLETTE		
Louise Carter-King, Mayor	Date	
COMPANY		
Aaron Sopko – General Manager for Advanced Communications Technology, Inc.	Date	
(S E A L) ATTEST:		
Cindy Staskiewicz, City Clerk		

EXHIBIT A

FIBER OPTIC SYSTEM DISTANCE

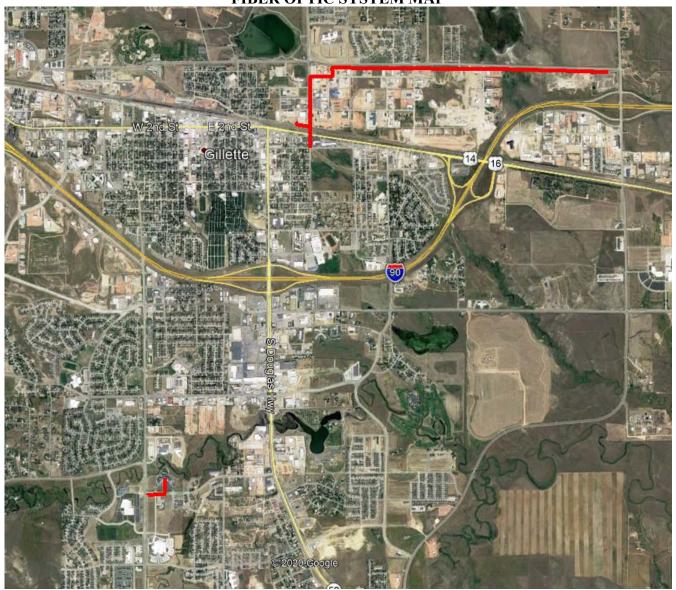
The Fiber Optic Network that this proposal refers encompasses the following routes:

- 4th St & Gurley Ave to WY2 Tower 0.4 route miles
- Gillette College 0.3 route miles
- Yates to WYDOT 2.0 route miles
- WY2 Tower to Yates Petroleum 0.5 route miles

Total Route Miles = 3.2

As the fiber loop is expanded over time, additional miles of fiber may be leased to ACT via a service order request, pending approval of the Owner. The rates for lease will be the same fee per fiber mile on a prorated basis according to the remaining time in the initial term or any subsequent term of this lease.

EXHIBIT B FIBER OPTIC SYSTEM MAP



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EXHIBIT C

Dark Fiber Specification

The intent of this Exhibit is to specify the fiber optical cable currently planned to be used to fulfil this agreement.

- 1.) Attenuation of any individual fiber shall not exceed 0.40 db/km at 1310 nm or 0.30 db/km at 1550 nm. This attenuation is for fiber only and does not include splices. Total light budget for the optical path of a single 'fiber' or optical path shall not exceed 12 db from end to end. The total light budget is distance dependent and may be changed by providing reasonable notice.
- 2.) Individual fibers will be standard 125 μm diameter cladding with 9 μm core.
- 3.) Cable construction shall allow for environmental conditions where cable is placed. If conductive materials are used, the City of Gillette will use reasonable caution to ensure safety of personnel and the general public form any sources of electrical potential.
- 4.) Cable may be armored for physical protection and measures shall be taken as appropriate to prevent contaminations such as dust and water from traveling through the cable.
- 5.) The length of the fiber used under this agreement shall not be changed except by mutual agreement of both parties.

EXHIBIT D FIBER FACILITIES RESTORATION PLAN

Purpose and Objective

The purpose of this Fiber Facility Restoration Plan (FFRP) is to establish the coordination framework between ACT and the City of Gillette to facilitate a speedy service restoral of any damaged outside plant facilities.

The objective is to significantly reduce the restoral process cycle time by conducting a joint restoral initiative to fiber owned by the City and Leased to ACT, at the Owner's direction on all service interruptions. Because of the emergency nature of restoration, ACT's actions in restoring service to its customer fibers, so long as ACT acts with the knowledge and acquiescence of owner and in accordance with this Exhibit D, ACT's actions will not violate 2.8. All available resources will be shared including information, employees, equipment, and contractors in a coordinated effort to identify the fault location and provide restoration as quickly as possible regardless of which company owns the facility.

Implementation Process

The Implementation Checklist includes a broad category of steps that must be completed to provide ACT and the City of Gillette with joint information and process to implement this FFRP. The steps and the information to be shared include:

1. Inventory of Facilities-

During the restoration process, each company will provide their current records for fiber cable facility locations carrying traffic, including the cross-connect meet points between companies.

2. Restoration Plan-

Each company will provide a copy of their respective emergency restoration plan including contact names and telephone numbers and the availability of all resources for the specific restoration, within two (2) weeks after agreement is signed.

3. Training, Equipment and Material-

Each company will be responsible to train and equip their personnel to properly respond to service outages and share the equipment and material designated for use in restoral emergencies.

4. Emergency Maintenance Communications

Emergency outage communication numbers as referenced in Exhibit "E", and attached hereto.

5. Shared Restoral Responsibility-

Each company will provide its best effort to unilaterally or jointly, whichever the case may be, identify the fault location and restore service regardless of ownership of facilities. The first crew at the fault location site, whether it be ACT or the City of Gillette, will immediately begin restoring the facilities under the direction of the Owner. In cases where there is no site supervisor available to oversee the restoral process, the first crew at the site will have a predesignated technician who will assume the site supervisory function. The pre-designated technician will communicate via the emergency communication number, providing outage status and updates on a continual basis.

6. Billing-

Each party will be responsible for their own costs incurred during any restoral process, and documentation of those costs which will be used for the annual FFRP reconciliation of processes and costs incurred on the other party's behalf. All costs incurred by contractors hired to perform service restoration, will be borne by the facility owner.

7. Restoration Process-

- (a) Owner shall respond to any interruption of service or a failure of the Dark Fibers to operate in accordance with the specifications set forth in this Lease Agreement (in any event, an "Outage") as quickly as possible (allowing for delays caused by circumstances beyond the reasonable control of the Owner) in accordance with the procedures set forth herein.
- (b) When restoring a cut Cable in the Facilities, the parties agree to work together to restore all traffic as quickly as possible. Owner, promptly upon arriving on the site of the cut, shall work under the direction of the Owner to determine the course of action to be taken to restore the Cable and shall begin restoration efforts. Owner shall splice fibers tube by tube or ribbon by ribbon or fiber bundle by fiber bundle, rotating between tubes or ribbons operated by the separate Interest Holders, in accordance with the following described priority and rotation mechanics; provided that, lit fibers in all buffer tubes or ribbons or fiber bundles shall have priority over any dark fibers in order to allow transmission systems to come back on line; and provided further that, Owner will continue such restoration efforts until all lit fibers in all buffer tubes or ribbons are spliced and all traffic restored. In general, priority among Interest Holders affected by a cut shall be determined on a rotating restoration-by-restoration and Segment-by-Segment basis, to provide fair and equitable restoration priority to all Interest Holders, subject only to such restoration priority to which is contractually obligated prior to the date of the Lease Agreement. Owner shall use all reasonable efforts to implement a Facilities-wide rotation mechanism on a Segment-by-Segment basis so that the initial rotation order of the Interest Holders in each Segment is varied (from earlier to later in the order), such that as restoration occurs, each Interest Holder has approximately equivalent rotation order positions across the Facilities. Additional participants in the Facilities that become Interest Holders after the date hereof shall be added to the restoration rotation mechanism.

- (c) The goal of emergency restoration splicing shall be to restore service as quickly as possible. This may require the use of some type of mechanical splice, such as the "3M Fiber Lock" to complete the temporary restoration. Permanent restorations will take place as soon as possible after the temporary splice is complete.
- (d) Upon notification of any interruption of service or failure of the Dark Fibers to operate in accordance with the specifications set forth in Exhibit D, Owner will notify the ACT within fifteen (15) minutes of the Outage. Owner will follow all Escalation Processes to have service restored or traffic rerouted within four (4) hours.

8. Communication Plan-

The parties to the agreement will establish a Communications Plan to be presented to each party's key managers in joint meetings. The Communications Plan will then be shared with each party's emergency restoral crews for implementation.

9. Joint Service Restoration Review-

A joint meeting will be held between the parties, within five days after any service outage, in order to critique the emergency restoral processes and make appropriate recommendations for improvements to the processes. The meeting will be conducted by the facility owner where the emergency restoral took place, at a mutually agreeable location.

10. Joint Update Meetings-

A semi-annual meeting between the parties will be held in order to update emergency restoral information and resource data. Each party will conduct the meeting on an alternate semi-annual basis, which will be mutually concurred by the parties.

Annual meetings will be held and conducted alternately by each party, in order to review the FFRP process, make changes that are mutually agreed to, and to review their respective costs incurred during the FFRP process over the past year, in which each party provided restoral services described herein for the other party's facilities.

EXHIBIT E

Emergency Contacts					
Advanced Communications Technology, Inc.					
Name	Type	Phone Number	Name	Type	Phone Number
1. Advanced	All Hours	800-927-2643	1. Network	All Hours	
Communications			Management Center		
Technology, Inc.					
2.	Work		2.		
	Home				
3.	Work		3.		
	Home				
4.	Work		4.		
	Home				
5.	Work		5.		
	Home				

Routine and Maintenance Contacts						
N		DI M	N	T.	DI M	
Name	Type	Phone No.	Name	Type	Phone No.	
1. Advanced	All Hours	800-927-2643	1. Network	All Hours		
Communications			Management Center			
Technology, Inc.						
	Home					
2.	Work		2.			
	Home					
3.	Work		3.			
	Home					

EXHIBIT F

SERVICE ORDER PROCEDURES AND SAMPLE

Service Orders may be prepared by ACT and submitted to the Owner from time to time and, subject to approval and execution by Owner and acceptance by ACT, shall be binding upon ACT and Owner and shall be deemed a part of this Agreement.

Each Service Order shall set forth the following information:

- The beginning and end points for the fiber lease being requested.
- The quantity of fibers being requested for lease.
- The date upon which ACT requests that the fiber be made available to ACT for use.
- The term of the requested service; I.e. 12 Months, 36 Months, etc.
- The monthly fee associated with the requested lease.
- Any other charges necessary to deliver the requested lease.

A sample Service Order has been attached as ADDENDUM A.

ADDENDUM A - SAMPLE SERVICE ORDER **CUSTOMER INFORMATION** Order Date: **Customer Name:** ACT 3.26.09 **Originator Contact: Jesus Rios** 307-673-0910 307-673-0911 Phone: Fax: Billing Contact: Same Phone: Same Fax: Same Billing Address: City: State/ZIP: 290 North Brooks St. Sheridan 82801 Engineering/Design: ACT Phone: Same Fax: 307-673-0911 **Customer Circuit ID:** Customer PON: Quote Date: 10/28/2008 Contract No: **36 MONTHS** Desired Due Date 6.1.09 Term: **SERVICE STATUS New Service** Change Service Supplement Other Disconnect Cancel **SERVICE TYPE** DS-0 QTY: 0 DS-1 QTY: DS-3 0 OC-3 0 Ethernet 0 56Kbps QTY: B8ZS 0 Dark Fiber Framed 2-wire QTY: 0 **ESF** 0 Unframed 0 QTY: 0 0 4-wire AMI Analog QTY: SF 0 LEASE ROUTE INFORMATION

LOCATION A	LOCATION B	R	OUTE MILES	QUANTITY/RATE	RECURRING CHG.		NON-RECURRING CHG.	
ENZI/SOUTHERN DRIVE	4TH/GILLETTE AVE	<u> </u>	6.1 MILES	4 FIBERS/\$50.00	\$ 1,220.00		\$	500.00
	•	•						
Send SO to:	City of Gillette	Attn:	Kenda	II Glover	Phone 307.687.2533		Fax	
Notes / Special Routing:						TOTAL	CHAF	RGES
			Recurring			Non-Recurring		
POI is at Enzi and Southern Drive. Leased fiber stand runs approximately 6.2 miles to the City of Gillette Hand Hole located at city block #								
					\$	1,220.00	\$	500.00
Customer Signature _					Date			
Company Signature					Date			

EXHIBIT G TYPICAL DEMARCATION POINT

