

Verizon New York Inc.

Information with Respect to Licensing

Pole Attachments

&

Conduit Occupancy

(Not for Municipal Applicants)

1. General Information

Verizon New York will make all reasonable efforts to provide pole attachment and conduit occupancy contracts for all legally qualified applicants for any lawful purpose at appropriate charges and under specified conditions. This memorandum obviously can state only broad principles. These principles, moreover, are subject to modification if in the judgment of Verizon New York conditions change.

Verizon New York believes that it is a serious matter to permit outside parties to attach to or occupy conduit, and to work on, telephone poles or manholes in close proximity to telephone facilities. We have an obligation under Federal and State Law to provide telephone service to our customers, and included in this is an obligation to protect these services against interruptions and deterioration from outside causes. We also have to consider the fact that the work of outside parties can endanger the safety of our employees. For these reasons we make it a primary prerequisite in the processing of a pole attachment or conduit occupancy agreement that the applicant and its principals be satisfactory to us, operationally, financially and technically. We also use a standard form of contract, which contains comprehensive provisions designed to prevent the licensee's operations from interfering with our public service obligations to our customers and from causing risks to our employees and to the public.

We require the applicant to give evidence that it has the locality's permission to place its plant in the streets. Accordingly, no application for a pole attachment or conduit occupancy agreement will be accepted unless the applicant presents with the application evidence of a valid and subsisting right to use the streets and roads from all municipalities having jurisdiction in the area in which the applicant's plant is to be constructed.

In view of the objectives stated above, any applicant for a pole attachment or conduit occupancy agreement should be prepared to proceed immediately with the furnishing of necessary supporting papers.

Processing of your application for a pole attachment or conduit occupancy agreement will be handled by the following coordinator:

2. Applications for Pole Attachment or Conduit Occupancy Agreement

While inquiries for information will be received in any form, any applications for an attachment or occupancy contract must be in writing to the appropriate area coordinator as listed above. The application should specify the precise area proposed to be covered. The application will be accepted only if accompanied by the following:

- a. A certified copy of the applicant's Certificate of Incorporation. If the applicant is a foreign corporation, a certified copy of the corporation's authorization to do business in the State of New York should also be included. These documents must be original certifications on the part of the Secretary of State.
- b. A copy of each franchise or permit received by the applicant.
- c. Any other governmental permits or licenses required.
- d. An application fee of \$500 per agreement must be paid to defray Licensor's processing costs prior to executing each Agreement.

3. Consideration of Application by Verizon New York and Tendering of Agreement

Upon receipt of an application for a pole attachment agreement, Verizon New York will consider the relevant papers and other information which it has or which it may request. Before such an agreement can be made, however, it may be necessary for Verizon New York to obtain the consent of the electric company, which is the joint owner, or user of many poles involved. In the event that specific action must be originated by the applicant to any joint users of poles or other owners of poles, the applicant will be so advised by the Verizon New York coordinator.

If there is any reason why Verizon New York is unable to enter into the attachment or occupancy agreement, it will notify the applicant as soon as practicable. If, however, Verizon New York is able to go ahead, it will prepare the attachment or occupancy agreement and send it to the applicant for execution. When the agreement is returned, it will be executed by Verizon New York, if necessary, consent will be obtained

of the Electric Companies involved, and an executed copy will be returned to the Licensee.

4. Insurance and Security

Verizon New York will not process applications for licenses under the attachment agreement until the Licensee has obtained and sent to the Area Coordinator, the insurance policy and the security to be furnished under the agreement, in satisfactory form. In view of this, the Licensee may feel it desirable to negotiate with its insurance and surety companies for the necessary policies and security at an early stage, without waiting for the signing and delivery of the agreement.

INSURANCE

The licensee's insurance will be reviewed by Verizon New York for adequacy; however, it is not Verizon New York's intention to act as an insurance advisor.

Verizon New York presently requires One Million Dollars (\$1,000,000) coverage for public liability and One Million Dollars (\$1,000,000) property damage liability.

Certificates of insurance evidencing current required coverage, with appropriate endorsements, will be acceptable to Verizon New York. Licensee must maintain the appropriate insurance coverage throughout the term of Agreement; failure to maintain the required insurance can result in termination of the agreement.

The insurance coverage required of the licensee is as follows:

1. (a) Workman's compensation policy provided by an insurance company or with the New York State Insurance Fund or certification by the New York State Workmen's Compensation Board that the licensee is a qualified self-insurer, and
- (b) Comprehensive General Liability Policy naming Verizon New York Inc. and other joint user(s) i.e. power companies as an additional insured covering bodily injury or death (\$1,000,000) and property damage (\$1,000,000) with a contractual liability endorsement.

Endorsement requirements are as follows:

1. All policies must obtain an endorsement that in the event of cancellation, or change in policy the insurance company will give

at least thirty (30) days prior written notice to Verizon New York through Verizon New York's Area coordinator.

2. If the Comprehensive General Liability Policy contains an exclusion for property damage reading---"to injury to or destruction of property owned, OR OCCUPIED BY OR RENTED TO THE INSURED"---the words capitalized must be omitted by endorsement.
3. The contractual liability endorsement to the comprehensive general liability policy must refer specifically to the agreement(s) between Verizon New York Inc. and the licensee by date.

The above mentioned insurance need not take the form of one policy, but may consist of any number of policies i.e., umbrella policy or other excess policy over and above the licensee's comprehensive general liability Policy where in combination they total One Million Dollars (\$1,000,000) Worth of insurance for public liability and One Million Dollars (\$1,000,000) property damage.

A licensee may also elect the following insurance coverage combination that is acceptable to Verizon New York;

1. Workmen's Compensation Policy; Fund or Certification.
2. Owners, Landlords and Tenants policy in the name of Verizon New York and other joint user(s) covering bodily injury or death One Million Dollars (\$1,000,000) and property damage One Million Dollars (\$1,000,000) with the necessary endorsement as shown in 1, 2, on page 3, and 3 on page 4.

SECURITY

Proper security to meet the requirements of Article III of the agreement may be provided in the form of a cash deposit, irrevocable letter of credit, bond or other security satisfactory to the Licensor.

Poles:

- a. If the Licensee elects to furnish the security required under the Agreement in the form of a bond, the following should be noted. The bond should be in the amount specified in the Agreement. (This will be on the basis, generally, of \$20 per pole licensed, in multiples of at least \$1,000, or larger multiples for larger systems). The bond should refer specifically to the Agreement by date and should cover any amounts payable under the Agreement within the dollar limits of the bond. The bond should also state specifically, in accordance with Article III of the Agreement, that the surety company will pay amounts demanded by Verizon New York as due under the Agreement, whether or not the Licensee contests its liability to pay such sum and whether or not Verizon New York exercises or has exercised any option it may have to terminate the Agreement. The bond shall be for a term of one year or more, coextensive with the term of the Agreement, and shall not be cancelable by the Surety Company. An acceptable form of bond is attached for your information.

Conduit:

- b. If the Licensee elects to furnish the security required under the Agreement in the form of a bond, the following should be noted. The bond should be in the amount specified in the Agreement. (This will be on the basis, generally, of \$40,000 for the first 10,000 feet of conduit to be licensed, and \$4,000 for each additional 1000 feet.). The bond should refer specifically to the Agreement by date and should cover any amounts payable under the Agreement within the dollar limits of the bond. The bond should also state specifically, in accordance with Article III of the Agreement, that the surety company will pay amounts demanded by Verizon New York Inc. as due under the Agreement, whether or not the Licensee contests its liability to pay such sum and whether or not Verizon New York exercises or has exercised any option it may have to terminate the Agreement. The bond shall be for a term of one year or more, coextensive with the term of the Agreement, and shall not be cancelable by the Surety Company. An acceptable form of bond is attached for your information.

Bond No.

Amount:

KNOW ALL MEN BY THESE PRESENTS, That _____, a corporation of the State of New York, having its principal office at _____, (Hereinafter called "principal" or a corporation of the State of New York, having its principal office at _____ as Surety (hereinafter called "Surety"), are held and firmly bound unto VERIZON NEW YORK INC., a corporation of the State of New York, having its principal office at 1095 Avenue of the Americas, New York, New York 10036, as Obligee (hereinafter called "Obligee" or "Licensor"), in the full and just sum of _____, to the payment of which sum, well and truly to be made, the Principal (or Licensee) and the Surety bind themselves, their and each of their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Signed, sealed and dated this _____ day of _____ 19 .

WHEREAS, the Principal (or Licensee) has entered into a written Agreement dated _____ with the Obligee (or Licensor) for the attachment of its facilities to and rental and use of space on poles and/or conduit in the following localities:

And in accordance with drawings and specifications as included in said Agreement, which Agreement is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW THEREFORE, the condition of the above obligation is such, That if the above bounden Principal (or Licensee) shall well and truly keep, do and perform, each and every, all and singular, the matters and things said Agreement, dated _____, set forth and specified to be by the said Principal (or Licensee) kept, done and performed at the time and in the manner in said Agreement specified, and shall pay over, make good and reimburse to the above named Obligee (or Licensor), all loss and damage which said Obligee (or Licensor) may sustain by reason of failure or default on the part of said Principal (or Licensee), then this obligation shall be void; otherwise to be and remain in full force and effect.

That as recited in Article V, of said Agreement, surety agrees it will pay to the Obligee (or Licensor) within the dollar limits of this Bond any sums demanded by the Obligee (or Licensor) as due under said Agreement, whether or not the Principal (or Licensee) contests its liability to pay such sums, and whether or not the Obligee (or Licensor) exercises or has exercised any option it may have to terminate said Agreement.

This Bond is furnished pursuant to Article V, of said Agreement and shall continue in effect for a term of one year or more from the date of said Agreement unless sooner terminated as provided therein.

By _____
Principal

By _____
Attorney in Fact