

**AGREEMENT NO. FO-741-02/2014  
OPTICAL FIBER LEASE AGREEMENT  
BETWEEN  
THE DEPARTMENT OF WATER AND POWER OF LOS ANGELES  
AND  
NBC UNIVERSAL, INC.**

This OPTICAL FIBER LEASE AGREEMENT NO. FO-741-02/2014 (hereinafter referred to as the "Master Agreement") made and entered into between the CITY OF LOS ANGELES, a California municipal corporation, acting by and through the DEPARTMENT OF WATER AND POWER (hereinafter referred to as the "LADWP" or "CITY OF LOS ANGELES") having its principal office at 111 North Hope Street, Los Angeles, California 90012, and NBC Universal, Inc. (hereinafter referred to as "NBC UNIVERSAL" or "CUSTOMER"), with its principal office at 100 Universal City Plaza, Universal City, California 91608-1002 (hereinafter referred to as "CUSTOMER"), which are sometimes referred to individually as "Party" and collectively as "Parties."

WHEREAS, the LADWP owns, maintains, operates, and controls an optical fiber cable system (hereinafter referred to as the "CABLE SYSTEM") throughout the City of Los Angeles, State of California;

WHEREAS, a portion of the LADWP's CABLE SYSTEM is not presently needed for LADWP purposes and any grant of a lease or license will not interfere with its operations;

WHEREAS, the CUSTOMER has an interest in obtaining an indefeasible right of use in one or more segments of the LADWP's CABLE SYSTEM for the provisioning of telecommunication services, including telephone, data, and video services;

WHEREAS, LADWP is willing to grant an indefeasible right of use to CUSTOMER and permit CUSTOMER's use of certain other property owned and/or controlled by LADWP including, without limitation, innerduct, conduit, building entrance facilities and associated appurtenances; and

WHEREAS, in conjunction with this Master Agreement, the Parties shall enter into one or more Short Form Indefeasible Right of Use Lease Agreements that set forth the terms and provisions of each lease of optical fiber strands at specific locations (hereinafter referred to collectively or separately as the "Short Form IRU Lease Agreement" or "IRU") and each Short Form IRU Lease Agreement shall be made a part of this Master Agreement and incorporated by reference herein, regardless of the date that each IRU was executed.

NOW, THEREFORE, in consideration of all terms, conditions and obligations set forth in this Master Agreement and each related Short Form IRU Lease Agreement, the Parties mutually agree and covenant as follows:

**1.0 DEFINITIONS**

The following terms, whether used in the singular or the plural, when used in this Master Agreement and initially capitalized, shall have the meaning specified below:

1.1 Acceptance Date. "Acceptance Date" has the meaning ascribed in Section 5.1.

1.2 Acceptance Letter. "Acceptance Letter" has the meaning ascribed in Section 5.1.

- 1.3 Acceptance Period. "Acceptance Period" has the meaning ascribed in Section 5.1.
- 1.4 Acceptance Testing. Formal testing undertaken by LADWP to evaluate the successful operation and/or performance of the optical fiber transmission line or optical communication system which shall become a part of the CUSTOMER SYSTEM to be leased to CUSTOMER, in accordance with the operation requirements and test measurements identified in the applicable IRU.
- 1.5 Agreement or "Master Agreement". This Optical Fiber Lease Agreement.
- 1.6 Affiliates. Any person or entity, which directly or indirectly controls, is controlled by, or is under the common control of the applicable Party to this Master Agreement.
- 1.7 Anticipated Completion Date. "Anticipated Completion Date" has the meaning ascribed in Section 5.2.
- 1.8 Associated Property. Any tangible and intangible property required for the operation and use of a Party's optical fiber CABLE SYSTEM.
- 1.9 CABLE SYSTEM. A communication system owned by LADWP which is comprised of optical fiber cables throughout its facilities, designated areas, associated property and interrelated connections and has the capability of transmitting sizeable amounts of information.
- 1.10 Chronic Failure. "Chronic Failure" has the meaning ascribed in Section 14.6.
- 1.11 Communications Transport Service or CTS. The provisioning of a fiber optic network system for transmitting and receiving digital signals and/or video streams of information.
- 1.12 CUSTOMER SYSTEM. Any and all optical fiber strands, innerducts, conduits, building entrance facilities and associated appurtenances; colocation space, auxiliary power and standby generator capacity; and space on building tops, towers, and other structures made available by LADWP to be leased to CUSTOMER under the terms of this Master Agreement, any applicable IRU and associated rights to access such space and fiber strands at demarcation points as specified in each IRU for the purpose of installing wireless communications antennas and Associated Property.
- 1.13 Dark Fiber. An unequipped fiber optic strand without any electrical or optical transmission equipment attached at either end of the strands.
- 1.14 Delivery. The particular strands and/or segment of fiber leased by CUSTOMER from LADWP.
- 1.15 Demarcation Point. The point at which the CABLE SYSTEM and/or CUSTOMER SYSTEM and any Associated Property under the LADWP's ownership and control interface with the equipment and fiber CABLE SYSTEM under the CUSTOMER's ownership and control, whereupon each Party assumes full responsibility, on its respective side of such demarcation, for the installation, costs, maintenance, reliability, and any liability arising from its ownership, control, and operation of its individual fiber CABLE SYSTEMS, connections, and equipment.
- 1.16 Disclosing Party. "Disclosing Party" has the meaning ascribed in Section 22.0.

- 1.17 Effective Date. "Effective Date" has the meaning ascribed in Section 2.1.
- 1.18 Emergency Maintenance. "Emergency Maintenance" has the meaning ascribed in Section 4.2.1.
- 1.19 End User. "End User" is any individual, corporation, limited liability company, limited liability partnership, government agency or other entity that subscribes or receives (directly or indirectly) any intrastate or interstate services from CUSTOMER.
- 1.20 Expected Delivery Date. "Expected Delivery Date" is the date that LADWP expects to deliver the fiber optical strands identified within a particular IRU.
- 1.21 Extended Anticipated Completion Date. "Extended Anticipated Completion Date" has the meaning ascribed in Section 5.2.
- 1.22 False Call Outs. "False Call Outs" has the meaning ascribed in Section 4.2.1.
- 1.23 Indefeasible Right of Use or "IRU". CUSTOMER's exclusive right to use the segment(s) of the CABLE SYSTEM and/or CUSTOMER SYSTEM as designated under the terms of this Master Agreement and any applicable Short Form IRU Lease Agreement for the term specified within the given Short Form IRU Lease Agreement, subject to the limitations set forth in Section 2.2 herein.
- 1.24 Indemnitor. "Indemnitor" has the meaning ascribed in Section 20.0.
- 1.25 Indemnitee. "Indemnitee" has the meaning ascribed in Section 20.0.
- 1.26 Insurance Requirements for Construction. "Insurance Requirements" has the meaning ascribed in Section 19.0.
- 1.27 Notice of Default. Any written notice issued by LADWP to CUSTOMER which announces that CUSTOMER is in default pursuant to one or more subsections of Section 13.0.
- 1.28 Proprietary Information. "Proprietary Information" has the meaning ascribed in Section 22.0.
- 1.29 Recipient Party. "Recipient Party" has the meaning ascribed in Section 22.0.
- 1.30 Scheduled Maintenance. "Scheduled Maintenance" has the meaning ascribed in Section 4.2.3.
- 1.31 Short Form IRU Lease Agreement or IRU. Any applicable Short Form IRU Lease Agreement entered between LADWP and CUSTOMER which arise from and consequently are limited by the terms and conditions of this Master Agreement as stated herein.
- 1.32 Taxes. "Taxes" shall have the meaning ascribed in Section 3.1.
- 1.33 Term. "Term" shall have the meaning ascribed in Section 2.1.
- 1.34 Termination Settlement Charges. Any and all payments owed by CUSTOMER to LADWP in accordance with IRU Exhibit B of each applicable Short Form IRU Lease Agreement for early termination of any said agreement, including those charges ascribed in Section 14.10.3.

## 2.0 TERM

2.1 Term of Master Agreement. This Master Agreement shall become effective on May 5, 2014 (the "Effective Date") and shall continue in effect for Fifteen (15) years ("Term"), unless sooner terminated in accordance with the terms of this Master Agreement. The term of each related Short Form IRU Lease Agreement and any renewal or extension terms thereof shall be set forth in the applicable Short Form IRU Lease Agreement for each portion of the CUSTOMER SYSTEM, provided that, the term of any related Short Form IRU Lease Agreement shall not exceed the term of this Master Agreement, as may be amended from time to time.

2.2 Limitations on Short Form IRU Lease Agreements. Each Short Form IRU Lease Agreement that is subject to this Master Agreement shall be numbered in consecutive order, and shall be subject to and limited by all of the terms and conditions of this Master Agreement.

In the event that the Parties execute one or more Short Form IRU Lease Agreements subsequent to the execution of this Master Agreement, the initial term or cumulative terms (including renewals) of each Short Form IRU Lease Agreement shall not exceed the Term of this Master Agreement, regardless of the date that any of the IRUs were entered into by the Parties.

## 3.0 TAXES AND ENCUMBRANCES

3.1 CUSTOMER shall pay, when due, all taxes, special assessments, and government fees, including franchise, license, and permit fees, of any kind whatsoever which may be levied or assessed upon CUSTOMER for conducting business as a telecommunications service provider within the City of Los Angeles and other California locations or as a result of CUSTOMER's use of the CABLE SYSTEM and/or CUSTOMER SYSTEM during the term of this Master Agreement and any applicable IRU (hereinafter collectively referred to as "Taxes").

3.2 CUSTOMER represents and warrants that CUSTOMER's acts or omissions shall not interfere with LADWP's ownership and control of the CABLE SYSTEM and/or CUSTOMER SYSTEM, and said system will remain free and clear from all liens, including mechanic's liens, and encumbrances resulting from CUSTOMER's use of the CABLE SYSTEM and/or CUSTOMER SYSTEM during the term of this Master Agreement and any applicable IRU.

3.3 The LADWP shall pay, when due, all taxes, licenses, and state and/or federal fees based upon the physical location of the CABLE SYSTEM and/or CUSTOMER SYSTEM and any construction in, on, across, along or through any public or private roads, highways or rights-of-way pertaining thereto, excluding any taxes, fees or costs expressly approved by CUSTOMER within any applicable IRU.

3.4 In the event that any such Taxes are imposed on or assessed against CUSTOMER for the sole reason of its use of or based on the physical location of the CABLE SYSTEM and/or CUSTOMER SYSTEM. CUSTOMER shall have the right to protest, by appropriate proceedings, the imposition or assessment of any such Taxes. In such event, CUSTOMER shall indemnify and hold LADWP harmless from any expense, legal action or cost, including reasonable attorney's fees, resulting from the exercise of its rights under this Section 3.4, and CUSTOMER shall further adhere to the provisions of Sections 7.2 and 7.3 herein.

#### 4.0 MAINTENANCE/EMERGENCY REPAIRS AND ADDITIONAL REQUESTS FOR SERVICE

4.1 Restriction on CUSTOMER's Maintenance. CUSTOMER is prohibited from performing any repairs or maintenance on the CABLE SYSTEM and/or CUSTOMER SYSTEM. CUSTOMER is further prohibited from accessing the CUSTOMER SYSTEM without prior approval of LADWP.

4.2 Scope of Maintenance and Repairs. All maintenance and repair functions on the CABLE SYSTEM and/or CUSTOMER SYSTEM and all facilities, conduits, innerducts, poles, and equipment that pass through said system, shall be performed by LADWP or its contractors with reasonable notice to CUSTOMER. CUSTOMER shall provide, upon the request of LADWP, one or more of its employees or contractors to be present when LADWP undertakes any maintenance or repair of CABLE SYSTEM when LADWP accesses the CUSTOMER's premises or the edge of LADWP's demarcation.

4.2.1 Emergency Maintenance by LADWP. The LADWP shall be financially and operationally responsible for all emergency maintenance and repair activities undertaken on the CABLE SYSTEM and/or CUSTOMER SYSTEM during the Term of this Master Agreement and any applicable IRU. "Emergency Maintenance" includes any failure, interruption or impairment within the CABLE SYSTEM and/or CUSTOMER SYSTEM that CUSTOMER reports to LADWP of such occurrence. The LADWP shall respond to a CUSTOMER request for Emergency Maintenance within Four (4) hours after receiving such request or report. The LADWP shall use its best efforts to perform maintenance and repair to correct any failure, interruption in the CABLE SYSTEM and/or CUSTOMER SYSTEM upon the CUSTOMER's compliance with the Trouble-Reporting Escalation Procedure, set forth in IRU Exhibit G of the Short Form IRU Lease Agreement.

In the event that LADWP determines that the error, fault or out of tolerance condition reported by CUSTOMER was not caused by the CUSTOMER SYSTEM, CUSTOMER shall be charged for False Call Outs at the standard LADWP rates set forth in the related IRUs in effect at the time that services were performed. "False Call Outs" is defined as a CUSTOMER request for LADWP to investigate and/or perform maintenance at a particular location or area which LADWP subsequently discovers to be unnecessary. The LADWP will charge a minimum of Four (4) hours for each request for Emergency Maintenance for False Call Outs.

4.2.2 Emergency Maintenance by CUSTOMER. CUSTOMER is prohibited from performing any Emergency Maintenance on the CABLE SYSTEM and/or CUSTOMER SYSTEM.

4.2.3 Scheduled Maintenance. The LADWP may periodically schedule and perform maintenance, at its sole discretion, on the CABLE SYSTEM and/or CUSTOMER SYSTEM to protect its reliability ("Scheduled Maintenance").

4.2.4 Modification of CUSTOMER SYSTEM. CUSTOMER may request modification(s) to CUSTOMER SYSTEM by delivering to LADWP a scope of work detailing the desired service(s) and time of delivery. Upon receipt of such request, LADWP will provide CUSTOMER a cost estimate based on price of material and LADWP labor rates in accordance with IRU Exhibit E – Maintenance and Repair of each applicable Short Form IRU Lease Agreement. When requesting for new fiber or service, CUSTOMER must refer to Section 10.1 herein.

4.3 Priority of Restoration. In the event of any failure, interruption or impairment that simultaneously or sequentially affects both (i) LADWP's electrical and/or water service capacity and (ii) the CUSTOMER SYSTEM, in an adverse manner, restoration of the CUSTOMER SYSTEM shall at all times be and remain subordinate to the restoration of LADWP's electrical and/or water service capacity. Based upon LADWP's priority of restoration and its inability to timely repair or restore the CUSTOMER SYSTEM, the CUSTOMER shall have the right to terminate any IRU which includes the fibers and components of the CUSTOMER SYSTEM adversely affected by the failure, interruption or impairment, subject to any applicable termination settlement charges set forth in Section 14.10.

## 5.0 DELIVERY AND ACCEPTANCE TESTING

5.1 Acceptance Testing. The LADWP will perform Acceptance Testing. The LADWP will notify CUSTOMER when the subject segment of fibers relating to CUSTOMER's order has met the technical specifications identified within the applicable IRU ("Acceptance Testing Results"). Within Ten (10) calendar days of receipt of such notice ("Acceptance Period"), CUSTOMER shall sign and deliver its written acknowledgment of the Delivery and shall include the identity of each fiber at issue within its acknowledgment ("Acceptance Letter"). By signing and delivering the Acceptance Letter, CUSTOMER acknowledges that each segment of fiber listed in the Acceptance Letter complies with the applicable technical specifications. Upon either (i) the date that CUSTOMER signs the Acceptance Letter, or (ii) the expiration of the Acceptance Period without delivery of an Acceptance Letter to LADWP, such act or lapse of time shall be deemed the date that CUSTOMER officially accepts the Dark Fiber at issue ("Acceptance Date"); provided that, the Acceptance Testing Results support the technical specifications identified within the applicable IRU. In the event that CUSTOMER disputes the Acceptance Testing Results, it shall notify LADWP in writing via facsimile or personal courier within Ten (10) business days of its receipts of LADWP's notice of the Acceptance Testing results, and any failure to respond within this time period shall be deemed as a waiver to dispute said results. CUSTOMER's notice of dispute regarding the Acceptance Testing Results shall specify in detail which fibers and segments do not conform, how the applicable fibers and segments do not conform, and further shall identify a desired retesting date. Upon LADWP's receipt of CUSTOMER's said notice of dispute, it will evaluate CUSTOMER's notice and schedule retesting accordingly; provided that, CUSTOMER has complied with the above notice requirements for the dispute and said dispute is based upon reliable industry standards.

5.2 Delivery. Upon the Acceptance Date, the Parties will mutually agree upon an estimated date for the delivery thereof ("Anticipated Completion Date"). The LADWP will use best commercial efforts to deliver the Dark Fiber within the time period agreed between the Parties. If LADWP does not deliver the segment of the CABLE SYSTEM by the Anticipated Completion Date and concurrently LADWP has not commenced any work (whether in part or in whole) to deliver the CUSTOMER SYSTEM by the Anticipated Completion Date, then the CUSTOMER shall have the right to either (i) terminate this Master Agreement and IRU(s) in accordance with Section 14.9.3 or (ii) extend the Anticipated Completion Date by mutual agreement at no additional cost to CUSTOMER ("Extended Anticipated Completion Date").

In no event shall the unavailability, incompatibility, delay in installation or other impairment of CUSTOMER's interconnection facilities, in whole or in part, including delays or omissions of CUSTOMER's suppliers, be used as a basis for rejecting any portion of the CUSTOMER SYSTEM upon Delivery by LADWP.

## 6.0 MARKET RATE ADJUSTMENT

This Master Agreement, all related IRUs, and any extensions to said agreements, shall be subject to a market rate adjustment as dictated by the language in the IRU(s) or extensions to the said agreement, but in no case shall the period between adjustments exceed Five (5) years. The LADWP shall have sole discretion on the chosen methodology for calculating and implementing this market rate adjustment, including whether the rate adjustment will be based upon a route-miles analysis, a fiber-miles analysis or another valuation methodology.

#### 7.0 BILLING AND PAYMENT

CUSTOMER shall pay to LADWP all fees and charges hereunder as determined by the Short Form IRU Lease Agreement(s) and this Master Agreement as follows:

7.1 CUSTOMER shall pay to LADWP the initial fee, as stipulated in each Short Form IRU Lease Agreement, within Forty-Five (45) calendar days of receipt of valid invoice from LADWP.

7.2 Within Forty-Five (45) calendar days of receipt of valid invoice from LADWP following acceptance of each deliverable, CUSTOMER shall pay LADWP for recurring and nonrecurring charges as specified in the authorizing Short Form IRU Lease Agreement.

7.3 Notwithstanding any provision contained in this Master Agreement to the contrary, CUSTOMER shall have the right to dispute any fees, charges, costs, expenses, or payments for which it is invoiced by the LADWP. In the event CUSTOMER disputes any invoice, or portion thereof, received from the LADWP, CUSTOMER shall promptly pay that portion of the invoice which is undisputed. CUSTOMER shall have the right to withhold payment of any disputed amount, provided that CUSTOMER gives written notice to the LADWP of the amount so disputed and the reason for the dispute on or before the due date of the invoice.

#### 8.0 SAFETY REGULATIONS

The LADWP will undertake all maintenance and/or repair responsibilities, and will use best commercial efforts to comply with all applicable safety requirements and industry standards.

#### 9.0 NO POSSESSORY INTEREST IN CUSTOMER SYSTEM

9.1 Title and Interest in CUSTOMER SYSTEM. CUSTOMER agrees that all rights, title, and interests in all or any component of the CUSTOMER SYSTEM shall at all times remain exclusively with LADWP. Upon the execution of this Master Agreement and any applicable IRU, LADWP acknowledges that CUSTOMER shall have an exclusive right of use in the CUSTOMER SYSTEM for those specific Dark Fibers identified within each IRU for the duration of the applicable IRUs; provided that, CUSTOMER is not in breach of this Master Agreement or any IRU subject to this Master Agreement and no event of termination has transpired.

9.2 No Possessory Interest. The Parties do not intend for the execution of this Master Agreement or any applicable IRU to create any ownership or other possessory interest in any real and personal property, both tangible and intangible, including, but not limited to, fiber optic cable, right of ways, conduits, or equipment connected to the Associated Property which comprises the CUSTOMER SYSTEM. In the event that a possessory interest is created by the execution of this Master Agreement and any IRU, CUSTOMER shall be subject to any payment of property taxes levied upon CUSTOMER SYSTEM during its possession of said property pursuant to the term of the applicable IRU. Nothing in this Section 9.2 shall prevent CUSTOMER from contesting the