

**MASTER SERVICE AGREEMENT
FOR DARK FIBER LICENSING**

This MASTER SERVICE AGREEMENT for Dark Fiber Licensing (the "Agreement") is made as of October 18, 2011 ("Effective Date"), between SUNESYS, LLC, which has a place of business at 185 Titus Avenue, Warrington, PA 18976 ("SUNESYS") and the City of Redlands, having a place of business at 35 Cajon Street, Redlands, CA 92373 ("LICENSEE").

WHEREAS, SUNESYS has or intends to acquire easements, conduit rights, pole attachment and license agreements to construct, install, operate, maintain, modify, replace or remove a redundant communications transmission system in and around Pennsylvania, New Jersey, Delaware, Maryland, Virginia, the District of Columbia, Georgia, Ohio, California and Illinois; and

WHEREAS, SUNESYS has or intends to install, construct, operate and maintain an optical fiber communication transmission system on utility poles or within conduit systems located within those jurisdictions and such other jurisdictions as it may determine from time to time (collectively, "SUNESYS' Fiber System") consisting of one or more strands of optical fiber; and

WHEREAS, LICENSEE desires to license certain specific strands of such optical fiber along specific routes; and

WHEREAS, SUNESYS agrees to grant such license subject to the terms and conditions set forth in this Agreement and any subsequent Addendum.

NOW, THEREFORE, the parties agree as follows:

1. DEFINITIONS

As used in this Agreement:

1.0 Addendum means an executed supplement to this Agreement that contains detailed information describing a specific LICENSEE Fiber Optic Facilities segment including the Route, term and license fee as set forth in substantially the format of Schedule A of this Agreement.

1.1 Authorized Use means a business purpose of LICENSEE's optical fiber telecommunications network for telecommunication traffic of LICENSEE or its employees, officers or agents, provided that Authorized Use shall not include any use which would be in violation of any law, rule, regulation or order of any governmental authority having jurisdiction over such Fiber Optic Facilities.

1.2 Dark Fiber means one or more fiber optic strands subject to this Agreement through which an associated light, signal or light communication transmission must be provided to furnish service.

1.3 Fiber Optic Facilities means a certain fiber optic cable composed of one or more strands of single mode optical fibers, which cable is owned by SUNESYS and installed along a defined route.

1.4 Hazardous Substances include any substance the presence of which requires investigation or remediation under any federal, state or local statute, regulation, ordinance, order, action, policy or common law or any substance which is or becomes defined as "Hazardous Waste," "Hazardous Substance," pollutants, toxic substances, compounds, elements, or chemicals pursuant to the Comprehensive Environmental Response Act (42 U.S.C. § 651 et seq.), as amended, or any other federal, state or local environmental cleanup laws. Hazardous Substances also include asbestos, lead paint, Polychlorinated Biphenyls ("PCBs") and radon gas.

1.5 Hazardous Discharge means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping of Hazardous Substances from, in, or onto SUNESYS' Fiber System.

1.6 LICENSEE's Fiber Optic Facilities means specific Strands, as designated by SUNESYS, of Dark Fiber of the Fiber Optic Facilities identified as being licensed to the LICENSEE by Addendum to this Agreement.

1.7 Route means a delineated segment of the SUNESYS' Fiber System containing LICENSEE's Fiber Optic Facilities and defined by addendum to include physical end points, distance, and fiber count.

1.8 Strands means individual fiber optic strands within the Fiber Optic Facilities.

1.9 Taxes means all sales, use, gross receipts, excise, access, bypass and other local, state and federal taxes, charges, fees and surcharges (including, without limitation, telecommunications taxes, universal service fees, franchise fees and other similar charges), however designated, imposed on or based upon the provision, lease, license, sale or use of LICENSEE'S Fiber Optic Facilities, but excluding any taxes assessed upon the net income or imposed upon the capital of SUNESYS.

2. GRANT OF LICENSE

SUNESYS grants to LICENSEE and LICENSEE accepts from SUNESYS an exclusive and indefeasible license solely for Authorized Use of LICENSEE's Fiber Optic Facilities in SUNESYS' Fiber System (the "License"), as provided in this Agreement. LICENSEE shall have no further right, title or other interest in SUNESYS' Fiber System or in LICENSEE's Fiber Optic Facilities. SUNESYS shall have the right to grant and renew rights to any entity to use SUNESYS' Fiber System or any other property of SUNESYS; provided, however, that during the term of this Agreement, SUNESYS shall have no right to grant and renew any rights to any entity with respect to LICENSEE's Fiber Optic Facilities.

3. WORK

3.1 SUNESYS shall use best efforts to provide, construct and install the Fiber Optic Facilities within SUNESYS' Fiber System along the Route within the amount of time specified in each Addendum to this Agreement (the "Construction Completion Date"). SUNESYS covenants that the segments of the Fiber Optic Facilities along the Route that it constructs pursuant hereto shall be constructed substantially and in all material respects in accordance with standard outside plant specifications. Work shall include the labor and materials.

3.2 SUNESYS shall test all LICENSEE's Fiber Optic Facilities in accordance with Exhibit A to this Agreement to verify that LICENSEE's Fiber Optic Facilities are installed and operational in accordance with the fiber optic specifications included on Exhibit B to this Agreement. When SUNESYS has determined that the results of the testing with respect to the entire span show that LICENSEE's Fiber Optic Facilities so tested are installed and operating to the specifications, SUNESYS shall promptly notify and provide LICENSEE with the fiber test results.

3.3 When SUNESYS gives notice to LICENSEE that the Fiber Optic Facilities are complete, LICENSEE shall provide SUNESYS with notice accepting (or rejecting by specifying the defect or failure in the testing that is the basis for such rejection) LICENSEE's Fiber Optic Facilities. If LICENSEE fails to notify SUNESYS of its acceptance or rejection of the final test results with respect to LICENSEE's Fiber Optic Facilities within thirty (30) days after LICENSEE's receipt of notice of such test results, LICENSEE shall be deemed to have accepted LICENSEE's Fiber Optic Facilities. If, during the course of such construction, installation and testing, any material deviation from standard specifications is discovered, the construction or installation of the affected portion of the segment shall be repaired to such specification by SUNESYS. The date of such notice of acceptance (or deemed acceptance) of all LICENSEE's Fiber Optic Facilities for the Route shall be the "Acceptance Date" for the Route.

4. LICENSE FEES

4.1 LICENSEE shall not be obligated to pay to SUNESYS any license fee for the Initial Term of this Agreement. In the event LICENSEE exercises its right to the Extended Term of this Agreement, LICENSEE shall pay SUNESYS a license fee in the amount of four hundred dollars (\$400) per month.

4.2 In addition to the License fee, LICENSEE shall pay to SUNESYS all Taxes. Such Taxes may be separately stated on the applicable invoice.

4.3 Except as otherwise specifically provided, LICENSEE shall pay all applicable fees and charges provided for in this Agreement on or before the due date specified in the invoice.

4.4 All payments not made when due shall bear a late payment charge of one and one-half (1 ½%) percent per month of the unpaid balance or the highest lawful rate, whichever is less.

5. TERM

5.1 The term of the Agreement shall commence on the Effective Date of this Agreement and shall end on June 30, 2012 (the "Initial Term"), unless earlier terminated as provided for herein. LICENSEE shall have the right to extend the term of this agreement for five (5) years (the "Extended Term") by providing SUNESYS with written notice of the same at least thirty (30) calendar days prior to the expiration of Initial Term. Either Party may terminate this Agreement by giving one hundred-eighty (180) calendar days prior written notice to the other Party. Notwithstanding the termination of this Agreement, the terms and conditions of this Agreement shall remain in force for any existing Addendum until the expiration of the term of such Addendum.

5.2 The initial term of the Addendum shall commence on October 18, 2011, and shall expire at the end of such term period as set forth in the Addendum.

6. MAINTENANCE AND OPERATION

6.1 SUNESYS shall be solely responsible to maintain LICENSEE's Fiber Optic Facilities. LICENSEE shall cooperate with and assist SUNESYS, as reasonably may be required, in performing said maintenance. In the event of service outages or other maintenance request, SUNESYS agrees to use best efforts to respond within two (2) hours of time of notice.

6.2 Notwithstanding anything to the contrary contained herein, LICENSEE shall solely be responsible, at its own expense, for the construction, installation, operation, maintenance, repair and any other activity engaged by or on behalf of LICENSEE relating to all light communications transmission equipment and other terminal equipment and facilities required in connection with the use, electronics or signals of LICENSEE's Fiber Optic Facilities.

6.3 SUNESYS shall be responsible for all necessary splicing on the SUNESYS' Fiber Optic Facilities. Where SUNESYS' Fiber Optic Facilities connect to LICENSEE fiber optic cable, the associated Addendum will detail and describe the Parties splicing responsibilities.

6.4 Should LICENSEE perform, authorize, or contract any splices or other work not in accordance with the provisions of this Agreement (specifically article 6.1 stating SUNESYS must do the work), SUNESYS may at its option correct said condition. SUNESYS shall notify LICENSEE in writing prior to performing such work whenever practicable. However, when such conditions pose an immediate threat to the physical integrity of SUNESYS' facilities, SUNESYS may perform such work and take such action that it deems necessary without first giving notice to LICENSEE. As soon as practicable thereafter, SUNESYS shall advise LICENSEE of the work performed and the action taken and shall endeavor to arrange for re-accommodation of LICENSEE's Fiber Optic Facilities so affected. LICENSEE shall promptly reimburse SUNESYS for all reasonable costs incurred by SUNESYS for all such work, action and re-accommodation performed by SUNESYS.

6.5 LICENSEE shall, at its sole cost and expense, promptly respond to and remediate any Hazardous Discharge to and from SUNESYS' Fiber System resulting from LICENSEE's operations.

6.6 SUNESYS shall be responsible for obtaining and maintaining from the appropriate public or private authority any pole attachment agreements, franchises, licenses, state, local or right-of-way permits or other authorizations required to enter upon the property where SUNESYS' Fiber System is located and to operate and maintain LICENSEE's Fiber Optic Facilities in SUNESYS' Fiber System. LICENSEE will not engage in any activity which affects SUNESYS' right-of-way interests without the written permission of SUNESYS.

6.7 LICENSEE, at its sole cost and expense, shall (i) use LICENSEE's Fiber Optic Facilities and (ii) conduct all work in or around SUNESYS' Fiber System in a safe condition and in a manner reasonably acceptable to SUNESYS, so as not to physically, electronically or inductively conflict or interfere or otherwise adversely affect SUNESYS' Fiber System or the facilities placed therein by SUNESYS, or other authorized LICENSEE's of the Fiber Optic Facilities.

6.8 LICENSEE must obtain prior written authorization, which such authorization shall not be unreasonably withheld, conditioned or delayed, from SUNESYS approving any further work and the party performing such work before LICENSEE shall perform any work in or around SUNESYS' Fiber System.

6.9 In the event LICENSEE receives information that the Fiber Optic Facilities are damaged, it shall notify SUNESYS of said damage by phone at 800.286.6664. In the event SUNESYS receives information that LICENSEE's Fiber Optic Facilities are damaged, SUNESYS will notify LICENSEE of said damage by phone at: (909) 335-4705. In each case, the caller shall provide the following information:

1. Name of entity making report.
2. Location reporting problem.
3. Name of contact person reporting problem.
4. Description of the problem in as much detail as possible.
5. Time and date the problem occurred or began.
6. State whether or not the problem presents a jeopardy situation to SUNESYS' Fiber System or LICENSEE's Fiber Optic Facilities.

6.10 SUNESYS shall designate the particular Strands of Dark Fiber that will constitute LICENSEE's Fiber Optic Facilities and the location and manner in which they will enter and exit SUNESYS' Fiber System. This information shall be contained on the executed Addendum.

6.11 If SUNESYS moves, replaces or changes the location, alignment or grade of SUNESYS' Fiber System ("Relocation"), SUNESYS shall concurrently relocate LICENSEE's Fiber Optic Facilities. If the Relocation is because of an event of Force Majeure or of any governmental or third party authority, including and taking by right of eminent domain, LICENSEE shall reimburse SUNESYS for LICENSEE's proportionate share of the costs of the Relocation of SUNESYS' Fiber System. To the extent SUNESYS receives reimbursement from a third party which is allocable to a Relocation of SUNESYS' Fiber System, it will credit or reimburse LICENSEE for its proportionate share of the reimbursement. If SUNESYS relocates SUNESYS' Fiber System solely for its own benefit, LICENSEE shall not be required to reimburse SUNESYS for the costs of the Relocation of SUNESYS' Fiber System. LICENSEE's proportionate share shall be the combined calculation of: (a) a fraction, the numerator of which shall be the number of conduits occupied by the LICENSEE's Fiber Optic Facilities and the denominator of which shall be the total number of conduits in the affected SUNESYS' Fiber System, and (b) a fraction, the numerator of which shall be the number of Strands in LICENSEE's Fiber Optic Facilities and the denominator of which shall be the total number of Strands in the SUNESYS conduit containing the LICENSEE's Fiber Optic Facilities.

7. OWNERSHIP

7.1 LICENSEE's Fiber Optic Facilities shall at all times remain the sole and exclusive property of SUNESYS and legal title shall be held by SUNESYS. Neither the provision or the use of LICENSEE's Fiber Optic Facilities by SUNESYS to LICENSEE hereunder, nor the payments by LICENSEE contemplated hereby, shall create or vest in LICENSEE any easement, interest, or any other ownership or property right of any nature in LICENSEE's Fiber Optic Facilities or Strands, except that SUNESYS agrees to LICENSEE's right to use LICENSEE's Fiber Optic Facilities for Authorized Use during the term of this Agreement. LICENSEE shall not grant any security interest in the LICENSEE's Fiber Optic Facilities or any part or component thereof.

8. EMINENT DOMAIN

If there is a taking of LICENSEE's Fiber Optic Facilities by right or threat of eminent domain (a "Taking") which, as agreed by the parties, or in the absence of such agreement as determined pursuant to the provisions of Section 16 of this Agreement, results in the remainder of LICENSEE's Fiber Optic Facilities being unable to be restored to a condition suitable for LICENSEE's business need within ninety (90) days from the date of the Taking ("Substantial Taking"), this Agreement (or the Addendum subject to such Taking, if less than all of LICENSEE's Fiber Optic Facilities) shall terminate. In such event any periodic LICENSEE fee and/or maintenance fee shall abate from the date of Taking and any previously paid license fee and/or maintenance fee shall abate from the date of Taking and any previously paid license fee and/or maintenance fee attributable for any period beyond such date shall be returned to LICENSEE. If there shall be a Taking which does not constitute a Substantial Taking, this Agreement (or the Addendum subject thereto) shall not terminate but SUNESYS shall, with due diligence, restore LICENSEE's Fiber Optic Facilities as speedily as practical to its condition before the Taking in accordance with the provisions of Section 6.11.

9. INDEMNIFICATION

9.1 Each Party will compensate the other Party for the full actual loss, damage or destruction of that Party's property that in any way arises from or is related to the first Party's activities undertaken pursuant to this Agreement (including, without limitation, the installation, construction, operation or maintenance of LICENSEE's Fiber Optic Facilities).

9.2 Each Party further will indemnify, defend, and hold harmless the other Party and its agents, officers and employees, from any and all losses, damages, costs, expenses (including reasonable attorneys fees), statutory fines or penalties, actions or claims for personal injury (including death), damage to property, or other damage or financial loss of whatever nature in any way arising from its activities undertaken pursuant to this Agreement (including, without limitation, the installation, construction, operation or maintenance of LICENSEE's Fiber Optic Facilities), except to the extent caused by the negligence or willful misconduct on the part of that Party or its agents, officers or employees.

9.3 Without limiting the foregoing, LICENSEE assumes all risk for, and agrees to relieve SUNESYS of any and all liability for, loss or damage (and the consequences of loss or damage) to any property installed in SUNESYS' Fiber System by LICENSEE and any other financial loss sustained by LICENSEE, whether caused by fire, extended coverage perils, or other casualty, except to the extent caused by the negligence or willful misconduct on the part of SUNESYS or SUNESYS' agents, officers or employees.

9.4 Without limiting the foregoing, SUNESYS assumes all risk for, and agrees to relieve LICENSEE of any and all liability for, loss or damage (and the consequences of loss or damage) to any property installed in SUNESYS' Fiber System by SUNESYS and any other financial loss sustained by SUNESYS, whether caused by fire, extended coverage perils, or other casualty, except to the extent caused by the negligence or willful misconduct on the part of LICENSEE or LICENSEE's agents, officers or employees.

9.5 Each Party further shall indemnify and hold harmless the other Party, its officers, directors, employees and agents, and its successors and assigns from and against any claims, liabilities, losses, damages, fines, penalties, and costs (including reasonable attorneys fees), whether foreseen or unforeseen, which the indemnified parties suffer or incur because of: (i) any Hazardous Discharge resulting from acts or omissions of the Party or the Party's predecessor in interest; (ii) acts or omissions of the Party, its agents or representatives in connection with any cleanup required by law or (iii) failure of Party to comply with environmental, safety and health laws.

9.6 Except for personal injury and property damage as provided above, in no event shall either party be liable to the other party for any special, consequential or indirect damages (including by way of illustration, lost revenues and lost profits) arising out of this Agreement or any obligation arising thereunder, whether in action for or arising out of breach of contract, tort or otherwise.

10. COMPLIANCE WITH LAWS

Notwithstanding anything to the contrary in this Agreement, each Party shall ensure that any and all activities it performs pursuant to this Agreement shall comply with all applicable laws. Without limiting the generality of the

foregoing, each Party shall comply with all applicable provisions of i) workmen's compensation laws, ii) unemployment compensation laws, iii) the Federal Social Security Law, iv) the Fair Labor Standards Act, and v) all laws, regulations, rules, guidelines, policies, orders, permits, and approvals of any governmental authority relating to environmental matters and/or occupational safety.

11. DISCLAIMER OF WARRANTIES

EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SUNESYS MAKES NO WARRANTIES REGARDING THE SERVICES OR DELIVERABLES PROVIDED UNDER THIS AGREEMENT AND MAKES NO WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. SUNESYS' SALES OR DISPOSITIONS

Nothing in this Agreement shall prevent or be construed to prevent SUNESYS from selling or otherwise disposing of any portion of SUNESYS' Fiber System or other property of SUNESYS used for LICENSEE's Fiber Optic Facilities, provided, however, that in the event of a sale or other disposition, SUNESYS shall condition such sale or other disposition subject to the rights of LICENSEE under this Agreement. SUNESYS shall promptly notify LICENSEE of the proposed disposition of SUNESYS' Fiber System or other property used by LICENSEE.

13. LIENS

Each Party shall keep SUNESYS' Fiber System and other property of SUNESYS free from all mechanic's, artisans, materialman's, architect's, or similar services' liens which arise in any way from or as a result of its activities and cause any such liens which may arise to be discharged or released.

14. DEFAULT PROVISIONS AND REMEDIES

14.1 Each of the following shall be deemed an Event of Default by LICENSEE under this Agreement:

14.1.1 Failure of LICENSEE to pay the license fee or any other sum required to be paid under the terms of this Agreement and such default continues for a period of fourteen (14) days after written notice thereof to LICENSEE;

14.1.2 Failure by LICENSEE to perform or observe any other terms, covenant, agreement or condition of this Agreement on the part of LICENSEE to be performed and such default continues for a period of thirty (30) days after written notice thereof from SUNESYS (provided that if such default cannot be cured within such thirty (30) day period, this period will be extended if LICENSEE commences to cure such default within such thirty (30) day period and proceeds diligently thereafter to effect such cure);

14.1.3 The filing of a tax or mechanic's lien caused by LICENSEE against SUNESYS' Fiber System or other property of SUNESYS which is not bonded or discharged within thirty (30) days of the date LICENSEE receives notice that such lien is filed;

14.1.4 An event of LICENSEE's bankruptcy;

14.1.5 If LICENSEE knowingly uses LICENSEE's Fiber Optic Facilities in violation of any law or in aid of any unlawful act or undertaking;

14.1.6 If LICENSEE occupies any portion of SUNESYS' Fiber System without having first been issued a license therefore; or

14.1.7 If any authorization which lawfully may be required of the LICENSEE by any governmental or private authority for the operation (including splicing or other activities by LICENSEE), of LICENSEE's Fiber Optic Facilities within SUNESYS' Fiber System is denied or revoked.

14.2 Upon the occurrence of an Event of Default, SUNESYS, without further notice to LICENSEE in any instance (except where expressly provided for below or by applicable law) may do any one or more of the following:

14.2.1 Perform, on behalf and at the expense of LICENSEE, any obligation of LICENSEE under this Agreement which LICENSEE has failed to perform and of which SUNESYS shall have given LICENSEE notice, the cost of which performance by SUNESYS shall be payable by LICENSEE to SUNESYS upon demand;

14.2.2 Elect to terminate Agreement by giving notice of such election to Licensee;

14.2.3 Immediately disconnect and remove LICENSEE's Fiber Optic Facilities from SUNESYS' Fiber System..

14.2.4 Exercise any other legal or equitable right to remedy which it may have.

Any costs and expenses incurred by SUNESYS (including, without limitation, reasonable attorneys' fees) in enforcing any of its rights or remedies under this Agreement shall be repaid to SUNESYS by LICENSEE upon demand.

14.3 All rights and remedies of SUNESYS set forth in this Agreement shall be cumulative, and none shall exclude any other right or remedy, now or hereafter allowed by or available under any statute, ordinance, rule of court, or the common law, either at law or in equity, or both.

14.4 The following events or occurrences shall constitute a default by SUNESYS under this Agreement:

14.4.1 Any material noncompliance by SUNESYS with the terms of this agreement;

14.4.2 Any material breach by SUNESYS of a representation or warranty under this Agreement;

14.4.3 An event of SUNESYS' bankruptcy;

LICENSEE shall give prompt written notice to SUNESYS of the occurrence of any default under this Agreement. If such default continues for seven (7) days after receipt of such notice (provided that if such default cannot be cured within such seven day period, this period will be extended if SUNESYS continues to cure such default within such seven (7) day period and proceeds diligently thereafter to effect such cure), LICENSEE may at its option:

14.4.4 Perform, on behalf and at the expense of SUNESYS, any obligation of SUNESYS under this Agreement which SUNESYS has failed to perform and of which LICENSEE shall have given SUNESYS notice, the cost of which performance by LICENSEE shall be payable by SUNESYS to LICENSEE upon demand;

14.4.5 Elect to terminate Agreement by giving notice of such election to SUNESYS;

14.4.6 Exercise any other legal or equitable right to remedy which it may have.

14.5 Any costs and expenses incurred by LICENSEE (including, without limitation, reasonable attorneys' fees) in enforcing any of its rights or remedies under this Agreement shall be repaid to LICENSEE by SUNESYS upon demand.

14.6 All rights and remedies of LICENSEE set forth in this Agreement shall be cumulative, and none shall exclude any other right or remedy, now or hereafter allowed by or available under any statute, ordinance, rule of court, or the common law, either at law or in equity, or both.

15. DISPUTES RESOLUTION

If a dispute arises out of or relates to this Agreement or its breach and the dispute cannot be settled through negotiation, the parties agree to submit the dispute to a sole mediator selected by the parties, or, at any time at the option of a party, to mediation by the AAA. If not thus resolved, it will be referred to a sole arbitrator selected by the parties within thirty (30) days after the mediation or in the absence of such selection to AAA arbitration which shall be governed

by the United States Arbitration Act and judgment on the award may be entered in any court having jurisdiction. The arbitration shall determine issues of arbitrability, but may not limit, expand or otherwise modify the terms of this Agreement. The parties, their representatives and other participants and the mediator and arbitrator shall hold the existence, content and results of mediation and arbitration in confidence. Each party will bear its own attorneys' fees associated with the mediation and arbitration and will pay all other costs and expenses of the mediation and arbitration as the rules of the AAA provide. All such mediations and arbitrations shall be held in San Bernardino County, California.

16. FORCE MAJEURE

Except for payment of the license fee and other amounts, neither party shall have any liability for its delays or its failure to performance due to: fire, explosion, pest damage, power failures, strikes or labor disputes, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or the public enemy, inability to secure raw materials, transportation facilities, fuel or energy shortages, or other causes beyond its control, whether or not similar to the foregoing.

17. SUCCESSION, ASSIGNABILITY

17.1 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors or assigns.

17.2 LICENSEE shall not assign, transfer, or dispose this Agreement or any of its rights or obligations hereunder without prior written consent of SUNESYS, which shall not be unreasonably withheld; provided, however, that LICENSEE may assign or transfer this Agreement to a controlling or controlled affiliate or to a successor in the event of reorganization, including a merger or sale of substantially all of its assets, without the consent of SUNESYS. An assignment, transfer or disposition of this Agreement by LICENSEE shall not relieve LICENSEE of any of its obligations under this Agreement. Notwithstanding the foregoing, LICENSEE shall not have the right to license to any third party the right to use or the use of LICENSEE's Fiber Optic facilities as provided in and subject to this Agreement.

17.3 Subject to Section 13 hereof, SUNESYS shall have the right to assign this Agreement and to assign its rights and delegate its obligations and liabilities under this Agreement, either in whole or in part, to any party. SUNESYS shall provide notice to LICENSEE as soon as possible of any assignment under this Section.

17.4 Neither this Agreement, nor any term or provision hereof, nor any inclusion by reference shall be construed as being for the benefit of any person or entity not a signatory hereto.

18. NOTICES

Any demand, notice or other communication to be given to a party in connection with this Agreement shall be given in writing and shall be given by personal delivery by registered or certified mail, return receipt requested, by telecopy or commercial overnight delivery service addressed to the recipient as set forth as follows or to such other address, individual or telecopy number as may be designated by notice given by the party to the other:

SUNESYS:

SUNESYS, LLC
185 Titus Avenue
Warrington, PA 18976
Attention: Senior Counsel
Telecopier Number: 267.927.2099
Emergency Telephone Number: 800.286.6664

LICENSEE:

Chief Information Officer
Department of Innovation and Technology
City of Redlands
35 Cajon Street
Redlands, CA 92373

Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered or certified mail return receipt requested on the date of receipt thereof and, if given by telecopy, the day of transmittal thereof if given during the normal business hours of the recipient and on the next business day if not given during normal business hours.

19. NON-WAIVER

No course of dealing, course of performance or failure of either party strictly to enforce any term, right or condition of this Agreement shall be construed as a waiver of any term, right or condition.

20. CHOICE OF LAW

The construction, interpretation and performance of this Agreement shall be governed by the law of the State of California without regard to its conflicts of laws and provisions.

21. HEADINGS

All headings contained in this Agreement are inserted for convenience only and are not intended to affect the meaning or interpretation of this Agreement or any clause.

22. CONFIDENTIALITY AND PROPRIETARY INFORMATION

22.1 In connection with this Agreement, either party may furnish to the other certain information that is marked or otherwise specifically identified as proprietary or confidential ("Confidential Information"). This Confidential Information may include, among other things private easements licenses, utility agreements, permits, other right-of-way granting documents, specifications, designs, plans, drawings, data prototypes, and other technical and/or business information. For purposes of this Section 22, the party that discloses confidential Information is referred to as the "Disclosing Party", and the party that receives Information is referred to as the "Receiving Party".

22.2 When Confidential Information is furnished in tangible form, the Disclosing Party shall mark it as proprietary or confidential. When confidential Information is provided orally, the disclosing Party shall, at the time of disclosure or promptly thereafter, identify the Confidential Information as being proprietary or confidential.

22.3 With respect to Confidential Information disclosed under this Agreement, the Receiving Party and its employees shall:

- (a) hold the Confidential Information in confidence, exercising a degree of care not less than the care used by the Receiving Party to protect its own proprietary or confidential information that it does not wish to disclose.
- (b) restrict disclosure of the Confidential Information solely to those of its employees who have a need to know in connection with the performance of this Agreement, and not disclose the Confidential Information to any other person or entity without the prior written consent of the disclosing Party;
- (c) advise those employees of their obligations with respect to the Confidential Information; and

- (d) use the Confidential Information only in connection with the performance of this Agreement, except as the Disclosing Party may otherwise agree in writing.

22.4 Confidential Information shall be deemed the property of the Disclosing party. Upon written request of the Disclosing Party, the Receiving Party shall return all Confidential Information received in tangible form, except that each party's legal counsel may retain one copy in its files solely to provide a record of such Confidential Information for archival purposes. If the Receiving Party loses or makes an unauthorized disclosure of Confidential Information it shall notify the Disclosing Party and use reasonable efforts to retrieve the Confidential Information.

22.5 the Receiving Party shall have no obligation to preserve the proprietary nature of Confidential Information which:

- (a) was previously known to the Receiving Party free of any obligation to keep it confidential; or
- (b) is or becomes publicly available by means other than unauthorized disclosure; or
- (c) is developed by or on behalf of the Receiving Party independently of any Confidential Information furnished under this Agreement; or
- (d) is received from a third party whose disclosure does not violate any confidentiality obligation.

22.6 If the Receiving Party is required to disclose the Disclosing Party's Confidential Information by law, an order or a lawful process of a court or governmental body, the Receiving Party shall promptly notify the disclosing Party, and shall cooperate with the Disclosing Party in seeking reasonable protective arrangements before the Confidential Information is produced.

22.7 Each party agrees that the Disclosing Party would be irreparably injured by a breach of this Section 22 by the Receiving Party or its representatives and that the Disclosing Party may be entitled to equitable relief, including injunctive relief and specified performance, in the event of any breach of the provisions of this Section 22. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 22, but shall be in addition to all other remedies available at law or in equity.

23. REQUIRED RIGHTS

23.1 SUNESYS covenants that it will, to the best of its knowledge, have obtained by the time the LICENSEE's Fiber Optic Facilities are made available to LICENSEE (and will use commercially reasonable efforts to cause to remain in effect during the term of this Agreement) easement, leases, licenses, fee interests, rights-of-way, permits, authorizations and other rights necessary and requisite to enable SUNESYS to grant the License to LICENSEE ("Required Rights"). Subject to the foregoing obligations of SUNESYS, LICENSEE is accepting the License on an "AS IS, WHERE IS" basis and receiving its interests in LICENSEE's Fiber Optic Facilities only to the extent such interests are held by SUNESYS. SUNESYS will provide evidence of such Required Rights upon request.

23.2 If SUNESYS fails to obtain and/or cause to remain effective throughout the term of this Agreement all Required Rights for the route, either party may terminate this Agreement upon written notice. In event of termination, any periodic license and/or maintenance fee shall abate from the date of termination and any previously paid maintenance fee and/or license fee attributable for any period beyond such date shall be returned to LICENSEE. SUNESYS' failure to obtain or cause to remain effective Required Rights does not constitute a breach of any warranty, representation or covenant of SUNESYS.

24. REPRESENTATIONS AND WARRANTIES

Each party represents and warrants that: (i) it has full right and authority to enter into, execute, deliver and perform its obligations under this Agreement; (ii) this Agreement constitutes a legal, valid and binding obligation enforceable against such party in accordance with its terms, subject to bankruptcy, insolvency, creditors' rights and general equitable principles; and (iii) its execution of and performance under this Agreement shall not violate any

applicable existing regulations, rules, statutes or court orders of any local, state or federal government agency, court, or body.

25. ENTIRE AGREEMENT

The terms and conditions contained in this Agreement supersede all prior oral or written understandings between the parties and constitute the entire agreement between them concerning the subject matter of this Agreement. There are no understandings or representations, express or implied, not expressly set forth in this Agreement. This Agreement shall not be modified or amended except by a writing signed by the party to be charged.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives.

SUNESYS, LLC

LICENSEE

By: _____

By: _____

Name:

Name: Pete Aguilar

Title:

Title: Mayor, City of Redlands

Date: _____

Date: _____

ATTEST:

Sam Irwin, City Clerk

SCHEDULE A

FORM OF ADDENDUM

Licensee: City of Redlands, California
Type of Service: _____
Order Date: _____

This Service Order is entered into pursuant to that certain Master Fiber Lease Agreement setting forth the terms and conditions governing the lease of Licensee's Fiber Optic Facilities by Sunesys to Licensee dated October 18, 2011 (the "Agreement"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Agreement.

1. Description of Licensee's Fiber Optic Facilities: _____ strands of fiber meeting the specifications set forth in Schedule A-1 attached hereto and terminating at the following Connecting Points:

A-LOC	Z-LOC
Site Name:	Site Name:
Street Address:	Street Address:
Suite/Floor: CLLI Code:	Suite/Floor: CLLI Code:
City/St/Zip:	City/St/Zip:
Local Site Contact:	Local Site Contact:
NPA/NXX:	NPA/NXX:
Licensee Cross-connecting to (CFA):	Licensee Cross-connecting to (CFA):
Hand-Off Type (e.g., fiber, coax, ABAM, Cat 5):	Hand-Off Type (e.g., fiber, coax, ABAM, Cat 5):

2. Preliminary Route Maps and Details [including number of Licensee's Fibers and total number of Fibers along each Route, in sufficient detail and clarity to allow calculation of Pro-Rata Share]:

3. Schedule of Estimated Completion Dates:

4. Lease Fee; Payment Terms:
MRC: _____
NRC: _____
Extended Term Charges: _____

5. Term:
Initial Term: October 18, 2011 – June 30, 2012
Extended Term: _____
Other: _____

6. Early Termination Liability and Service Charges:

7. Additional Terms:

LICENSEE:

By: _____
Name: _____
Title: _____
Date: _____

SUNESYS, LLC

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A
FIBER ACCEPTANCE TESTING

This document specifies the acceptance tests for dark fiber that will be performed by SUNESYS and the manner in which such tests will be accomplished. LICENSEE shall have the right to witness all tests.

Cable Test Procedures

Bi-directional attenuation measurements of each fiber will be measured on an end-to-end basis from the demarcation points. A calibrated optical power meter and stable light source will be used for this measurement. Tests will be performed at the 1310 nm. and 1550 nm. wavelengths.

Bi-directional optical reflectivity of each fiber will be measured using an Optical Time Domain Reflectometer (OTDR). Measurements will be accomplished from both ends of the fiber system. The OTDR traces will be recorded at 1310 nm. and 1550 nm. wavelengths.

End-To-End Attenuation Acceptance Criteria:

Design Criteria

SUNESYS will endeavor to keep the number of splices in a span to a minimum. All splices shall be fusion splices. Fiber connectivity at fiber termination locations will be accomplished by the use of a connectorized patch cord.

Splice Loss

The average bi-directional splice loss for each span shall not exceed 0.1db. The maximum individual bi-directional splice loss shall not exceed 0.20 dB. Individual splice losses that do not meet a 0.20 dB loss will be reviewed by LICENSEE. LICENSEE may accept individual splice losses greater than 0.20 dB at its sole discretion

Maximum acceptable end-to-end attenuation for each span shall not be greater than $(A \times L) + (0.1 \times N) + C$
where:

A = Max. attenuation at 1310 nm. and 1550 nm. as specified Fiber Technical Specifications.

L = Installed length of the fiber in kilometers (km).

N = Number of fiber splices in the fiber.

C = Connector/pigtail loss. The attenuation contribution of each pigtail with associated connector is considered to be 0.6 dB, comprised of 0.5 db connector loss and 0.1 dB splice loss (pigtail to OSP cable splice).

Therefore, C = 0.6 dB if the fiber is connectorized on one end and 1.2 db if the fiber is connectorized on both ends.

In the event that the measured fiber attenuation degrades by 2 dB or greater after the fiber acceptance tests are performed, SUNESYS will perform corrective maintenance pursuant to the Agreement to attempt to restore the fiber to its original tested attenuation values.

Results and Documentation

Attenuation test results will be provided on standardized test forms showing the test results of each fiber strand at each wavelength tested. Reflectometry test results will be provided in the form of an OTDR trace for each fiber strand at each wavelength tested. All documentation shall be supplied to LICENSEE on 3.5 inch disks and will be forwarded to LICENSEE within 14 days of completion of the fiber testing.

EXHIBIT B

FIBER TECHNICAL SPECIFICATIONS

SUNESYS will typically meet the optical specifications as detailed below.

Optical Fiber Specifications - Singlemode Fiber:

Operation Temperature	-60 c to 85 c
Optical Properties	1300-1550 nm
Standard Attenuation	≤ 0.400 dB/km @ 1310 nm ≤ 0.300 dB/km @ 1550 nm
Attenuation Uniformity	0.1 dB/km @ 1310 @ 1550 nm
Mode Field Diameter	9.15 ± .85 Microns @ 1300 nm 10.5 ± 1.0 Micron @ 1550 nm
Zero Dispersion Wavelength	1310 nm +/- 10 nm
Maximum Dispersion	< 2.8 ps/nm-km between 1285 – 1330 nm 18 ps/nm-km between 1510 – 1570 nm
Polarization Mode Dispersion	< 0.25 ps/sqrt-km
Macro Bending Loss	≤ 0.100 dB @ 1310 nm ≤ 0.050 dB @ 1550 nm
Tensile Testing Strength	100 kpsi w/1 second dwell time
Cladding Diameter	125 ± 2 Microns
Concentricity Error	≤ 1 Micron
Cladding Ovality Ratio	≤ 2%
Buffer Coating Diameter	250 ± 15 Microns
Fiber Coating Color Code	Bellcore Standard
Optical Connectors	FC/SPC with greater than 45 dB back reflection