

EXHIBIT D - DUCT SYSTEM LEASE AGREEMENT

This **DUCT SYSTEM LEASE AGREEMENT** is issued pursuant to the **MASTER SERVICE AGREEMENT** dated as of _____ and shall be effective as of _____ (the "Effective Date") between Tachus, LLC (hereinafter referred to as "Contractor") with offices at 14850 Woodham Dr, Suite B-105, Houston, TX 77073 and the City of Shenandoah (hereinafter referred to as "City") located at 29955 IH-45 North, Shenandoah, Texas 77381. Contractor and City may be referred to in this Agreement individually as "Party" or jointly as "Parties."

WHEREAS, the City owns a conduit (or duct) system in the Priority Area 2 (the "P2 Duct") and Contractor desires to use this duct system, along with the Duct Expansion duct (both P2 Duct and Duct Expansion duct combined, the "Duct System"), for placement of its fiber optic cable and related appurtenances in order to deliver the Gigabit Internet Service;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration the Parties agree to the following:

I. Duct System Lease – General

With the City as Grantor and Contractor as Grantee, and running concurrent with a certain **MASTER SERVICE AGREEMENT**, the City grants to Contractor, free of charge, an exclusive right of use in the conduit (or duct) systems described herein and referenced attachments (the "Duct Lease").

II. Use by Contractor

- A. Contractor may employ the Duct System for use to deliver internet and other services to the City and its residents.

III. Maintenance

- A. Maintenance of the Duct System is provided under the **DUCT SYSTEM CONSTRUCTION AND MAINTENANCE AGREEMENT**. No regular maintenance of the Duct System is provided by the City.
- B. Relocation work, if required by any Party other than Contractor, will be reimbursed by City to Contractor on a time and materials basis.

IV. Term of Lease

- A. Initial term is twenty (20) years from the Effective Date, and will automatically renew for successive five (5) year terms unless either Party provides notice to the other of its intent not to renew (180) days prior to the end of the then current Term (each a "Lease Term").
- B. At the end of the Lease Term, all obligations as described in the **MASTER SERVICE AGREEMENT** shall cease and all FOC shall become the property of the City.

V. Excluded / Limitations

- A. Final Design Subject to Change – The final design must be approved by the City before commencement of construction. With the prior approval of the City, the Duct System may be changed at Tachus' reasonable discretion, subject to the provision that Contractor will make no changes or modifications to the design that will reduce quality or reliability. Furthermore, Contractor reserves the right to make modifications to the Duct System during the Term of the Duct Lease as it deems appropriate for the purposes of supporting the Internet Service.

Extent of Duct Lease – as shown in the **EXHIBIT E: INTERNET SERVICE AREAS AND DUCT SYSTEM MAP**.

- B. Contractor' FttH System – any and all splice cases, equipment, along with all related appurtenances, installed by Contractor, is owned by Contractor (the "Contractor FttH System"), not subject to this Agreement, and for clarity, no rights or interest are granted to Shenandoah in Contractor' FttH System.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first written above.

City:

City of Shenandoah

By: _____

Name: _____

Contractor:

By: _____

Name: _____

Title: _____