

ORDINANCE GRANTING FRANCHISE

TO

BellSouth Telecommunications, Inc.

BY:

CITY OF SANDY SPRINGS, GEORGIA

On

September 5, 2006

The within franchise accepted on

Sept. 5, 2006.

BellSouth Telecommunications, Inc.

By: Ron Frieson
RON FRIESON
PRESIDENT - GEORGIA



ORDINANCE GRANTING PERMISSION AND CONSENT to BellSouth Telecommunications, Inc. and its successors, lessees, and assigns (hereinafter referred to collectively as the "Company") to occupy the streets and public places of the City of Sandy Springs, Georgia (hereinafter referred to as the "City") in constructing, maintaining, operating, and extending poles, lines, cables, equipment, and other apparatus for telecommunications services and for other purposes. This permission and consent is provided by the City on a competitively neutral and nondiscriminatory basis in accordance with the Telecommunications Act of 1996, 47 U.S.C. § 151 *et seq.*

SECTION I. Be it ordained by the governing authority of the City that the authority, right, permission, and consent are hereby granted to the Company for a term not to exceed one (1) year from the date of the Company's acceptance hereof, expiring December 31, 2006 or until this ordinance is replaced by a subsequent ordinance by the parties, which term can be extended upon the mutual consent of the City and the Company, to occupy and use the streets, alleys, and public places of the City within the present and future corporate limits of the City as from time to time the Company may deem proper or necessary for the overhead and underground construction, maintenance, operation, and extension of poles, towers, lines, wires, cables, conduits, equipment, connections, and other apparatus (hereinafter referred to collectively as the "Company's Facilities") for the business and purpose of transmitting, using, supplying, and distributing telecommunications services and other purposes for which telecommunications services may be or become useful or practicable for public or private use, and to re-enter upon such streets, alleys, and public places from time to time as the Company may deem proper or necessary to perform these functions and the Company shall have the authority to trim trees or other natural growth overhanging any of its telecommunications systems in the Franchise Area so as to prevent contact with the Company's wires, cables, or other equipment. Prior to doing such trimming for maintenance purposes, the Company shall notify the Franchising Authority and allow the opportunity for the appropriate representative from the Franchising Authority to review the proposed trimming in accordance with the City Code of Sandy Springs. No such prior notice shall be required for service restoration as a result of an emergency condition. All such trimming shall be done at the Company's sole cost and expense. The Company shall be responsible for any damage caused by such trimming. It is expressly stipulated that this ordinance is a license for permissive use only and the placing of utility facilities upon public right-of-way, public road, or any other city property pursuant to this ordinance shall not create or vest any property right to the Company.

SECTION II. Be it further ordained that the rights, permission, and consents herein contained are granted for the following considerations and upon the following terms and conditions:

1. The Company shall pay into the Treasury of the City a sum of money equal to three percent (3%) of recurring local service revenues, less uncollectibles, received by Company from subscribers located within the city limits of City in quarterly installments, each of which shall be due on or before the last day of the month following the each of each calendar quarter and shall be based on recurring local service revenues billed during such calendar quarter. The

first payment under this Ordinance shall be based on revenues billed between the effective date of this Ordinance and the end of the calendar quarter in which such effective date falls. Recurring local service revenues shall mean: (A) monthly charges for local exchange service, including (1) charges for additional listings and joint users; (2) the guarantee portion of the charge for semi-public pay station services; and (3) charges for local message rate service, including mobile service local messages; (B) charges for signaling, data transmission, remote metering and supervisory control, where both terminal points are within the City limits; (C) all charges for local private line services (except audio and video program transmission service) where both terminals of the private line area are within the City limits).

2. The Company shall fully protect, indemnify, and save harmless the City from all damages to persons or property caused by the construction, maintenance, operation, or extension of the Company's Facilities, or conditions of streets, alleys, or public places resulting therefrom, for which the City would otherwise be liable, except to the extent arising from the negligent acts or willful misconduct or omissions of the City, provided the Company is notified in writing of such a claim against the City and shall have been given ample opportunity to defend same.

3. The Company shall, in constructing, maintaining, operating, and extending the Company's Facilities, submit and be subject to all reasonable exercises of the police power by the City. Nothing contained herein, however, shall require the Company to surrender or limit its property rights created hereby without due process of law, including adequate compensation, for any other purpose at the instance of the City or for any purpose at the instance of any other entity, private or governmental.

4. The Company shall be responsible for obtaining all permits, licenses or other forms of approval or authorization necessary to construct, operate, maintain, or repair its facilities or any part thereof, prior to the commencement of any such activity. Construction, installation, and maintenance of the telecommunications system shall be performed in a safe, thorough and reliable manner using materials of good and durable quality. All transmission and distribution structures, poles, other lines, and equipment installed by the Company for use of its facilities shall be in accordance with the terms and conditions of this Franchise Ordinance and shall be located so as to minimize the interference with the proper use of the Public Ways and the rights and reasonable convenience of property owners who own property that adjoins any such Public Way.

SECTION III. Be it further ordained that nothing contained in this ordinance shall limit or restrict the right of customers within the corporate limits of the City to select a telecommunications provider as may hereafter be provided by law.

SECTION IV. Be it further ordained that the Company shall, within thirty (30) days from the approval of this ordinance, file the Company's written acceptance of the franchise granted in this ordinance with the Clerk of the City, so as to form a contract between the Company and the City.

SECTION V. Be it further ordained that upon such acceptance all laws and ordinances, and all agreements between the Company and the City with respect to the Company's use of the City's streets, alleys, and public places, in conflict herewith be and the same shall thereupon stand repealed and terminated, respectively.

SECTION VI. Throughout the term of this Franchise Agreement, the Company shall, at its own cost and expense, maintain Comprehensive General Liability Insurance and provide the Franchising Authority certificates of insurance designating the Franchising Authority and its officers, boards, commissions, councils, elected officials, agents and employees as additional insureds and demonstrating that the Company has obtained the insurance required in this Section. Such policy or policies shall be in the minimum amount of One Million Dollars (\$1,000,000.00) for bodily injury or death to any one person, and One Million Dollars (\$1,000,000.00) for bodily injury or death or any two or more persons resulting from one occurrence, and One Million Dollars (\$1,000,000.00) for property damage resulting from any one accident. Such policy or policies shall be non-cancelable except upon thirty (30) days' prior written notice to the Franchising Authority. The Company shall provide workers' compensation coverage in accordance with applicable law. The Company shall indemnify and hold harmless the Franchising Authority from any workers' compensation claims to which the Company may become subject during the term of this Franchise Agreement. Alternatively, and in lieu of the foregoing insurance requirements, the Company may elect to self-insure against all or some of the risks associated with the scope of work contained in this Ordinance if it can provide evidence of its ability to do so upon request.

SECTION VII. The Company shall indemnify, defend and hold harmless the Franchising Authority, its officers, employees, and agents from and against any liability or claims resulting from property damage or bodily injury (including accidental death) that arise out of the Company's construction, operation, maintenance, or removal of the Company's Facilities, including, but not limited to, reasonable attorneys' fees and costs, except to the extent arising from the negligent acts or willful misconduct or omissions of the Franchising Authority, provided that the Franchising Authority shall give the Company written notice of its obligation to indemnify and defend the Franchising Authority within ten (10) business days of receipt of a claim or action pursuant to this Section. If the Franchising Authority determines that it is necessary for it to employ separate counsel, the costs for such separate counsel shall be the responsibility of the Franchising Authority.

Adopted by the Council of the City of Sandy Springs, Georgia, at a meeting held on 5/16, 2006.

Approved: 8/29, 2006.

Eva Colombo
Mayor

I, Jeanette R. Marchiafava, Clerk of the City of Sandy Springs, Georgia, hereby certify that I was present at the meeting of the Mayor and Council of the City of Sandy Springs, Georgia, held on 5/16, 2006, which meeting was duly and legally called and held, and at which a quorum was present, and that an ordinance, a true and correct copy of which I hereby certify the foregoing to be, was duly passed and adopted by the Mayor and Council of the City of Sandy Spring, Georgia, at said meeting.

IN WITNESS WHEREOF, I hereunto set my hand and the corporate seal of the City of Sandy Springs, County of Fulton, State of Georgia, this 29th day of August, 2006.

Jeanette R. Marchiafava
Clerk