

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

Salt River Electric Cooperative Corporation

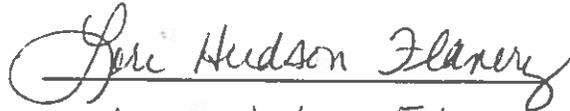
Commonwealth of Kentucky



By: Tim Sharp

Its: President and CEO

Date: November 24, 2015



By: Lori Hudson Flanery
Comm KY

Its: Finance Secretary

Date: 11/25/15

APPROVED AS TO
FORM & LEGALITY

APPROVED
FINANCE & ADMINISTRATION CABINET

AGREEMENT TO PERMIT ATTACHMENTS

THIS AGREEMENT, made this 3 day of November, 2015, by and between Commonwealth of Kentucky Finance & Administration Cabinet, Office of the Secretary, 702 Capitol Ave., Room 383, Capitol Annex, Frankfort, KY 40601 hereinafter called "Permittee," party of the first part, and Salt River Electric Cooperative Corporation, 111 West Brashear Avenue, Bardstown, Kentucky 40004, hereinafter called "SALT RIVER," party of the second part,

WITNESSETH:

WHEREAS, pursuant to the provisions of this Agreement and attached Schedules A, B, and C, which are hereby made a part of this Agreement, Permittee desires to install or cause the installation of the facilities on the poles of Salt River in the area all as shown on Schedule A, and,

WHEREAS, Salt River is willing to permit, to the extent it may lawfully do so, the attachment of the described facilities to its poles where, in its judgment, such use will not interfere with its own use of the facilities and or with other licensees using Salt River's poles,

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties hereto do hereby mutually covenant and agree as follows:

1. PERMITTED ATTACHMENTS. Salt River agrees to permit Permittee to attach and maintain the facilities described in the Schedule A to Salt River's poles, in the manner set out and pursuant to the provisions of this Agreement. Any angle or dead-end attachments must be properly braced with guys and anchors provided by Permittee to the satisfaction of SALT RIVER. The use of existing Salt River anchors for this purpose will not ordinarily be permitted. Permittee agrees to pay Salt River the fees set forth in Schedule B. All attachments made pursuant to this Agreement shall be at such points and in such manner as Salt River or its employees may direct.

2. CONSTRUCTION AND MAINTENANCE REQUIREMENTS AND

SPECIFICATIONS. All facilities attached pursuant to this Agreement shall be erected and maintained in compliance with the requirements and specifications of the current National Electrical Safety Code, Salt River's construction practices, all as may be changed from time to time; with any rules, orders, or regulations now in effect or that hereinafter may be issued by the Public Service Commission of Kentucky; and with all existing applicable federal, state or local laws, rules, regulations, orders and ordinances issued by any federal, state or local authority and as may be changed from time to time. All facilities attached pursuant to this Agreement shall be identified as to the owner of said facilities at each attachment location. In the event any part of Permittee's construction does not meet any of the above requirements, Permittee will correct same in fifteen (15) work days after written notification. If Permittee fails to correct same within fifteen (15) days, Salt River may make such corrections and charge Permittee for the total costs incurred. Permittee, at all times, warrants compliance with all the requirements as set out above and assumes the continuing responsibility for such compliance in the future and assumes all responsibility for any damages, fines or penalties resulting from any noncompliance. Salt River undertakes no duty with respect to such compliance by requiring Permittee to meet any specifications or by requiring or failing to require any corrections, modifications, additions or deletions to any work or planned work by Permittee.

3. MAINTENANCE OF ATTACHMENTS. At all times, Permittee shall, at its own expense, make and maintain said attachments in safe condition and in good repair, and in a manner suitable to Salt River and so as not to conflict with the use of said poles by SALT RIVER, or by any other parties, firms, corporations, governmental units, or entities using said poles pursuant to any license or permit by SALT RIVER. Permittee agrees not to interfere with the working use of facilities thereon or which may, from time to time in the future, be placed thereon. Salt River in no way ensures the continuance of Permittee's facilities at their original location or placement of Salt River's poles or

other facilities. If Salt River determines, at its sole discretion to relocate, replace, enlarge, add to, modify or in any manner alter its poles or other facilities, even for Salt River's sole convenience, Permittee shall, at its expense, upon written notice from SALT RIVER, at Salt River's sole discretion, relocate, replace or renew the facilities placed on said poles, and transfer them to substituted poles, or perform any other work in connection with said facilities that may be required by SALT RIVER. In case of emergency, Salt River shall (when reasonably practicable) notify Permittee of the need to relocate, replace, or renew Permittee's facilities and give Permittee such time as is reasonable, in light of the emergency, to relocate, replace, or renew Permittee's facilities as required by SALT RIVER; in the event Permittee is unable to relocate, replace, or renew its facilities within a reasonable timeframe, in light of the emergency, Salt River may arrange to relocate, replace or renew the facilities placed on said poles; transfer them to substituted poles or perform any other work in connection with said facilities that may be required in the maintenance, replacement, removal or relocation of said poles, the facilities thereon or which may be placed thereon, or for the service needs of SALT RIVER, or its other licensees, and Permittee shall, on demand, reimburse Salt River for the expense thereby incurred. Salt River undertakes no duty however to inspect or ensure the repair of any facilities.

4. MAINTENANCE AND OPERATION OF SALT RIVER'S FACILITIES. Salt River reserves to itself, its successors and assigns, the right to maintain its poles and to operate its facilities thereon in such manner as will, in its own judgment, best enable it to fulfill its own service requirements, but in accordance with the specifications hereinbefore listed. Salt River shall not be liable to Permittee for any interference with the operation of Permittee's facilities, or loss of business arising in any manner out of the use of Salt River's poles hereunder.

5. EASEMENTS. Permittee must secure its own easement rights from real property owners. Salt River's permitting attachments shall not constitute any representation or warranty by Salt River to

Permittee regarding Permittee's right to occupy or use any public or private right-of-way.

6. INSPECTION OF FACILITIES. Salt River reserves the right to, at its sole cost, inspect at any time, in its sole discretion, facilities described in the attached Schedules. In the event Permittee's facilities are found to be improperly attached to Salt River's poles, Permittee shall, on demand, reimburse Salt River for the expense of any such inspections at Salt River's prevailing wage rate per man hour plus associated expenses and applicable overheads. Such inspections made or not, shall not operate to relieve Permittee of any responsibility, obligation or liability assumed under this Agreement.

Salt River undertakes no duty to inspect such facilities or ensure that no damage or loss occurs by reason of such facilities.

7. PRECAUTIONS TO AVOID FACILITY DAMAGE Permittee shall not damage any facilities of Salt River or of others supported on Salt River's poles and facilities. Permittee shall not interfere with Salt River's operation; and hereby assumes all responsibility for any and all loss for such damage and for interference. Permittee shall make an immediate report to Salt River of any damage or interference and hereby agrees to reimburse Salt River for the expense incurred in making repairs.

8. INDEMNITIES. To the extent permitted by law, including but not limited to Section 177 of the Kentucky Constitution, Permittee agrees to protect, defend, indemnify and save harmless Salt River from all damage, loss, claim, demand, suits, liability, penalty or forfeiture of every kind and nature, including but not limited to costs and expenses of defending against the same, payment of any settlement or judgment therefore and reasonable attorney's fees, by reason of (a) injuries or deaths to persons, (b) damages to or destructions of properties, (c) pollution, contaminations of or other adverse effects on the environment or (d) violations of governmental laws, regulations or orders whether suffered directly by Salt River itself or indirectly by reason of claims, demands or suits against it by third parties, resulting or alleged to have resulted from the willful or negligent acts or omissions of Permittee, its employees,

agents, or other representatives or from their presence on the premises of Salt River or otherwise from performance of this Agreement, or from or in connection with the construction, installation, operations, maintenance, presence, replacement, enlargement, use or removal of any facilities of Permittee attached or in the process or being attached or removed from any poles of SALT RIVER. The parties agree that sovereign immunity shall not be a defense.

9. ATTACHMENT REMOVAL AND NOTICES. Permittee may voluntarily remove its attachments from any pole or poles of SALT RIVER, but shall give Salt River prior written notice of any such removal. Any such removal shall be undertaken in a manner consistent with Paragraph 7 of this Agreement. No refund of any rental for that year will be due on account of such voluntary removal.

10. NONCOMPLIANCE. If Permittee fails to comply with any of the provisions of this Agreement or defaults in any of its obligations under this Agreement and fails to correct such default or noncompliance within thirty (30) days (except for the 15 day requirement in paragraph 2) after written notice from SALT RIVER, Salt River may, at its option, forthwith terminate this Agreement by giving written notice to Permittee of said termination. No refund of any rental will be due on account of such termination.

11. BILLING. Bills for inspections, expenses and other charges under this Agreement shall be payable within thirty (30) days after presentation. Nonpayment of bills shall constitute a default of this Agreement.

12. WAIVERS. Failure to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.

13. USE OF SALT RIVER'S FACILITIES BY OTHERS. Nothing herein contained shall be construed as affecting the rights or privileges previously conferred by SALT RIVER, by contract or

otherwise, to others, not parties to this Agreement, to use any poles covered by this Agreement; and Salt River shall have the right to continue and to extend such rights and privileges. The permitted attachment herein granted shall at all times be subject to such previously conferred privileges or privileges conferred in the future.

14. ASSIGNMENT. Permittee shall not assign, transfer or sublet the privileges hereby granted without the prior written consent of SALT RIVER, which consent shall not be unreasonably withheld, delayed, or conditioned. Any attempt to so assign without such written consent shall be void.

15. PROPERTY RIGHTS. No use, however extended, of Salt River poles or other facilities under this Agreement shall create or vest in Permittee any ownership or property rights in said poles; rights herein contained shall be and remain a mere permission. Nothing herein contained shall be construed to compel Salt River to maintain any of said poles for a period longer than demanded by its own service requirements.

16. TERM. This Agreement shall become effective upon its execution and if not terminated in accordance with the provisions of Paragraph 10 shall continue in effect for a term of 30 years. -Upon termination of the Agreement in accordance with any of its terms, Permittee shall immediately remove all its facilities attached to Salt River's poles or other facilities pursuant to this contract. All costs of such removal will be borne by Permittee. Permittee shall exercise precautions to avoid damage to facilities of Salt River in so removing and assumes all responsibility for any and all such damage. If Permittee's facilities attached to Salt River's pole and other facilities pursuant to this contract are not promptly removed upon termination, Salt River shall have the right to remove them at the cost and expense of Permittee and without any liability therefor.

17. NOTICES. Any notice or request required by this Agreement shall be deemed properly

given if mailed, postage prepaid, to, Tim Sharp, President/CEO, Salt River Electric Cooperative Corporation, 111 West Brashear Avenue, Bardstown, Kentucky 40004, in the case of SALT RIVER; and to, COMMONWEALTH OF KENTUCKY Finance & Administration Cabinet, Office of the Secretary, 702 Capitol Ave., Room 383, Capitol Annex, Frankfort, KY. 40601

With a copy to for Notice:

COMMONWEALTH OF KENTUCKY
Finance & Administration Cabinet
Office of General Counsel
702 Capitol Ave.
Room 383, Capitol Annex
Frankfort, KY 40601

LEDCOR TECHNICAL SERVICES
Attn: Ledcor Legal Department
1200 1067 West Cordova
Vancouver, BC
V6C-1C7
Canada

LEDCOR TECHNICAL SERVICES
Attn: Jan Summarell
188 Columbia Lane E.
Shepherdsville, KY 40165

in the case of Permittee, The designation of the person to be notified, and/or his address, may be changed by Salt River or Permittee at any time, or from time to time, by similar notice.

18. ACCESS. At all times, Permittee shall maintain, operate and construct all facilities in such manner to insure that Salt River has full and free access to all of its facilities described in the Schedule attached to this Agreement for the purpose of repairing, rebuilding, replacing, maintaining and operating such facilities.

19. ADJUSTMENTS. Nothing contained herein shall be construed as affecting in any way the rights of SALT RIVER, and Salt River shall at all times have the right to, upon no less than sixty (60) days prior written notice Salt River, and/or as required by law, rule, regulation, or order of a court of competent jurisdiction or the Kentucky Public Service Commission, make a change in the rental charge

for attachment to poles, or other charges.

20. SUCCESSORS AND ASSIGNS. All provisions of this Agreement shall extend to and bind the successors and assigns of the parties hereto, specifically including the provisions of paragraph 15.

21. INSURANCE. Unless otherwise specified in the attached Schedule C, Permittee or its Contractors shall maintain in force during the term of this Agreement at its expense public liability insurance, with deductible provisions and in a minimum amount satisfactory to Salt River as provided in Schedule C, and with Salt River as an Additional Named Insured. Upon request, Permittee shall provide Salt River with certificates or other evidence of any insurance coverage required herein. Every contract of insurance providing the coverage's required herein shall contain the following or equivalent clause: "No reduction, cancellation, or expiration of the policy shall become effective until ten (10) days from the date written notice thereof is actually received by Permittee and Salt River as appropriate."

22. ENTIRE AGREEMENT. This Agreement and attached Schedule constitute the entire Agreement between Salt River and Permittee and all previous representations relative thereto, either written or oral, are hereby annulled and superseded. No modification shall be binding on Salt River and Permittee unless it shall be in writing and signed by both parties. Nothing contained in this Agreement or attached Schedules shall be construed as having any effect in any future agreement or contemplated future agreement between the parties.

23. HEADINGS. Paragraph headings are for the convenience of the parties only and are not to be construed as part of Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

Salt River Electric Cooperative Corporation

Commonwealth of Kentucky

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

SCHEDULE A

(Salt River to provide their territory map to be inserted here)

SCHEDULE B

A. Attachment fees shall be prepaid for the entire term of this Agreement upon its execution at the negotiated rate of \$791.39 per pole. Permittee has estimated that it desires to attach its facilities to 700 poles of Salt River for a total upfront fee of \$553,973.00 which shall be paid within ninety (90) days of execution of this Agreement. Upon completion of Permittee's initial attachments to Salt River's poles, a physical inventory will be conducted to determine the actual number of attachments utilized. If the actual number of attachments exceeds the estimate by more than 1%, Permittee shall pay to Salt River the pole attachment fee for all attachments more than the estimate. If the actual number of attachments is less than the estimate by more than 1%, Salt River shall refund to Permittee the pole attachment fee for all attachments less than the estimate. The initial physical inventory shall occur within 2 years from the date of execution.

B. Future facilities not installed at the time of said initial physical inventory may be installed at a prorated per pole cost plus 3% annual escalation from the year of execution. Alternately, Permittee may compensate Salt River for the attachment of future facilities at the current 2015 base rate of \$28.68 per pole per year and escalated at an annual rate of 3% per year effective January 1, 2016. This compensation will be due at the beginning of each year and will be calculated based on the number of additional attachments existing at the end of the preceding year.

C. An engineering study shall be performed by a registered engineer at Permittee's expense to determine the construction work needed to make attachments. The Permittee shall compensate Salt River for any and all construction work needed that would allow for the installation of Permittee's facilities on Salt River's poles at an estimated cost as calculated by Salt River Electric Cooperative Corporation and is to be paid before attachments are made.

D. An attachment shall be defined as one or more fiber optic strains encased by a covering forming one cable. No overlashing of additional cables will be allowed.

SCHEDULE C - INSURANCE

Permittee or its Contractors shall provide and maintain, and shall require subcontractor(s) to provide and maintain, with an Insurance Company(s) authorized to do business in the Commonwealth of Kentucky and otherwise acceptable to Salt River, the following insurance:

- (a) Workers Compensation and Employer's Liability Policy:
Prior to the start of the Work, Permittee shall submit evidence of Permittee's Workers' Compensation and Employer's Liability Insurance Policy, and each such policy shall include:
- 1) Workers Compensation and Workers' Occupational Disease Insurance in accordance with the laws of the Commonwealth of Kentucky
 - 2) Employer's Liability with a minimum limit of One Million Dollars (\$1,000,000) each loss with respect to each accident
 - 3) Thirty (30) Day Cancellation Clause
 - 4) Broad Form All States Endorsement
 - 5) United States Longshoremen and Harbor Workers Act Endorsement
 - 6) Maritime Endorsement
 - 7) Jones Act Endorsement
- (b) Commercial General Liability Policy: Prior to the start of Work, Permittee shall provide evidence of Permittee's Policy providing Commercial General Liability Insurance, with combined single minimum limit for bodily injury and property damage of One Million Dollars (\$1,000,000) each occurrence/aggregate and the following:
- 1) Coverage for premises, operations, elevators and Work let or sublet
 - 2) Thirty (30) Day Cancellation Clause
 - 3) Blanket Written Contractual Liability to the extent covered by the policy against liability assumed by Contractor under this Contract
 - 4) Broad Form Property Damage
 - 5) Insurance for liability arising out of blasting, collapse and underground damage (deletion of X, C, U Exclusions)
 - 6) Products Liability and Completed Operations, including coverage for occurrences within two (2) years from the Acceptance of Work
 - 7) Personal Injury Liability Hazards A, B/ & C with Employee and Contractual Exclusions eliminated
 - 8) Said policy shall name Salt River Electric Cooperative Corporation as an additional insured to the extent necessary to fulfill Permittee's indemnity obligations under Article 21 -Indemnity

By Contractor

- 9) Said policy shall include an endorsement providing that the underwriter(s) have waived their rights of subrogation against Salt River's insurance carrier(s)
- (c) Commercial Automobile Liability Insurance: Prior to the start of Work, Permittee shall provide evidence of Contractor's Commercial Automobile Liability Insurance covering the use of all owned, non-owned and hired automobiles, with bodily injury and death with combined single minimum limit for bodily injury and property damage of One Million Dollars (\$1,000,000) each occurrence/aggregate with respect to Permittee's vehicles assigned to or used in performance of Work under this Contract. Said policy shall name Salt River Electric Cooperative Corporation as an additional insured to the extent necessary to fulfill Permittee's indemnity obligations under Article 21 - Indemnity By Contractor. Said policy shall include an endorsement providing that the underwriter(s) have waived their rights of subrogation against Salt River's insurance carrier(s).
- (d) Aircraft Public Liability Insurance: If applicable, Permittee shall provide prior to the start of the Work, evidence of Permittee's Aircraft Public Liability Insurance covering fixed wing and rotor craft aircraft whether owned, non-owned, leased, hired or assigned with a combined single minimum limit for bodily injury and property damage of Five Million Dollars (\$5,000,000) including passenger liability coverage. Said policy shall include an endorsement providing that the underwriter(s) have waived their rights of subrogation against Salt River's insurance carrier(s).
- (e) In the event Permittee does not have coverage in an amount required above, Permittee's coverage shall nevertheless be deemed acceptable if it maintains an umbrella coverage of no less than Seven Million Dollars (\$7,000,000).

The above policies to be provided by Permittee shall be written by companies satisfactory to Salt River or having a Best Rating of not less than A. These policies shall not be materially changed or canceled except with thirty (30) days written notice to Salt River from the Permittee and the Insurance Carrier. Evidence of coverage, notification of cancellation or other changes shall be mailed to Tim Sharp PE, President/CEO, Salt River Electric Cooperative Corporation, 111 West Brashear Avenue Bardstown KY 40004.

Salt River shall not be obligated to review any of Permittee's

Certificates of Insurance, insurance policies, or endorsements, or to advise Permittee of any deficiencies in such documents. Any receipts of such documents or their review by Salt River shall not relieve Permittee from or be deemed a waiver of Salt River's rights to insist on strict fulfillment of Permittee's obligations under the Contract. Salt River reserves the right to request and receive a summary of coverage of any of the above policies or endorsements. Permittee shall provide notice of any accidents or claims at the work site to Salt River's Chief Operating Officer Tim Sharp.