

## COMMERCIAL RIGHT OF ENTRY AGREEMENT

THIS AGREEMENT is entered into as of August 10, 2004 by and between **Precis Communications, LLC**, a Delaware limited liability company ("Operator"), Kevin Patterson ("Owner").

### RECITALS

A. Owner owns a commercial building, apartment complex, motel, or campground known as the **Maple Cove Apartments** whose address 392 S 100 E Ephraim, Utah 84627 consisting of 21 units, plus any units added or constructed in the future (the "Complex"), the legal description(s) of which is attached hereto as **Exhibit A**.

B. Operator owns and operates a cable television system (the "System") in Ephraim, Utah (the "Community") pursuant to a franchise agreement with the Community (the "Franchise").

C. Owner desires to obtain, and Operator is willing to provide, cable television and other services (the "Service") to the Complex upon the terms and conditions contained herein.

### AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties agree as follows:

1. **Term.** The term of this Agreement shall commence on the date hereof and shall end upon the expiration of the Franchise, unless sooner terminated as provided in Section 8 below. If the Franchise is renewed or extended, this Agreement shall automatically renew for the duration of such renewal or extension, unless sooner terminated as provided in Section 8.

2. **Installation, Ownership and Maintenance of System.**

(a) Operator shall install in the Complex all facilities and electronic equipment (the "Equipment") necessary to provide the Service to all units in the Complex (the "Units"), such installation to commence as soon as reasonably possible upon execution of this Agreement. Such installation shall be performed in accordance with the Franchise and Operator's construction and service specifications. Owner shall provide without charge adequate space and electricity for the Equipment.

(b) Operator at all times shall retain exclusive title to and control of the Equipment. All Equipment so installed shall not be considered as fixtures to the Complex, but is the personal property of Operator. Upon termination of this Agreement, Operator at its option may either remove any or all of the Equipment from the Complex, render any or all Equipment inoperable, or leave any or all of it in place. Operator shall repair, replace and maintain all Equipment at its own expense.

(c) Any property damage to the Complex proximately caused by Operator as a result of its installation, repair, maintenance or removal of the Equipment shall be timely and reasonably repaired by the Operator. Owner shall take reasonable precautions to notify its contractors, agents and employees of the location of the Equipment and shall promptly notify Operator of any underground construction in the vicinity of the Complex. Owner shall promptly repair or cause to be repaired to the reasonable satisfaction of Operator any damage to the Equipment caused by Owner.

(d) Operator shall have the right to use any existing unused or partially used conduit or openings passing through the building core or horizontally above the ceilings and hallways where space is available, including any existing unused or partially used vertical risers and cable vault; and, upon prior consent of Owner, which consent shall not be unreasonably withheld, Operator shall have the right to penetrate and bore through the floors and walls of the building in conformance with the building engineer's instructions, in the vertical riser space, mechanical, electrical and telephone closets, in order to install, maintain, operate, repair,

replace and remove coaxial and fiber cables, wires and conduits. Owner or its authorized manager agrees to assist Operator in locating and accessing riser space in the property, including entry to and exits from the building at the street or alley vault.

**3. Grant of Easement and Rights.** Owner hereby grants and conveys to Operator and its successors and assigns an unrestricted easement in gross on, over, under, within and through the Complex as is necessary to install, maintain, repair, replace and remove the Equipment and the System. Such easement shall run with the land until the end of the term of this Agreement and thereafter during any period allowed for removal of the Equipment. Such grant shall include a right of reasonable access within the Complex to sell and market the Service; to connect, disconnect, and change Service to the Units; to install and remove Equipment within the Units; and, as necessary, to repair, maintain, relocate or replace Equipment. All such repair, maintenance, relocation or replacement shall be the responsibility of Operator.

**4. Tenants' Accounts.** Unless there is bulk billing to Owner pursuant to a Bulk Rate Agreement between Operator and Owner, or unless other special billing provisions are provided for by an exhibit to this Agreement: (i) all transactions for the acquisition of the Service shall be directly between Operator and tenants; (ii) the tenants rather than Owner shall be responsible for the installation charges and monthly subscription rates, Equipment deposits or other charges for the Service; and (iii) Operator assumes sole responsibility for collection of charges, billings, accounting and other related services. On request, Owner agrees to provide to Operator any forwarding addresses of former tenants and other such information available to Owner in order to facilitate collection of delinquent accounts. Owner agrees to accompany, or cause one of its representatives to accompany, agents or employees of Operator into any unoccupied Unit.

**5. Bulk Rate (Billing) Arrangement.** During the term of this Agreement, Owner and Operator may negotiate that the Service shall be provided in accordance with a bulk rate & billing arrangement between Owner and Operator. At such time, Owner and Operator shall enter into a Bulk Rate (Billing) Agreement. The termination of the Bulk Rate (Billing) Agreement during the term of this Agreement shall not affect any of the rights granted Operator under this Agreement.

**6. Covenants of Owner.** As of the date hereof and during the term of this Agreement:

(a) Owner warrants that it has title to the property on which the Complex is located and is authorized to enter into this Agreement, or if the execution of this Agreement is not by Owner, the signatory is the authorized agent of Owner. This Agreement constitutes the legal, valid and binding obligation of Owner.

(b) Owner agrees to use its reasonable efforts to provide in writing to Operator the name of the manager of the Complex, the name of any tenant terminating his/her lease and the names of any new tenants. Owner will use reasonable efforts to attempt to retain any Equipment of Operator that is in the possession of any tenants who have terminated their leases.

(c) As an inducement to Operator to make the capital expenditure required to install the Service in the Complex, Owner represents that it has not granted, and will not grant, any other easements or rights which will interfere with the operation within the Complex of Operator's Service or Equipment.

(d) Owner and/or its managers shall notify Operator of any damage to the Equipment of which they become aware.

**7. Indemnification; Attorney fees.** Operator shall hold harmless and indemnify Owner and its principals, partners, affiliates, officers, directors, agents and employees from and against any and all damage or claims for damage asserted by reason of Operator's installation and maintenance of the Equipment in the Complex (except loss or damage arising from any negligent or willful act or omission of Owner, its agents or employees) or the material breach of any representation, warranty or covenant made by Operator in this Agreement. Owner shall hold harmless and indemnify Operator and its principals, partners, affiliates, officers, directors, agents and employees from and against any and all damage or claims for damage that may be asserted by reason of the ownership, use or occupancy of the Complex by Owner, its agents, employees, tenants or motel customers, and/or guests or invitees of such tenants or motel customers (except loss or

damage arising from any negligent or willful act or omission of Operator, its agents or employees), or the material breach of any representation, warranty or covenant made by Owner in this Agreement. If either party is obligated to incur costs in order to enforce any provisions of this Agreement, the prevailing party shall be entitled to reimbursement from the other party of all reasonable costs so incurred by the prevailing party, including reasonable attorney's fees and costs.

**8. Termination.**

(a) This Agreement may be terminated by either party if the other party violates any provision of this Agreement, provided however, that the defaulting party shall be given notice of the default and shall have 30 days from receipt of such notice in which to cure or commence to cure the default. If the defaulting party has not cured or commenced to cure such default by the end of such 30-day period, this Agreement shall terminate on the date stated in the notice.

(b) Operator may terminate this Agreement upon 30 days prior written notice (or such shorter period as may be required by law) to Owner if Operator is unable to continue the distribution of the Service due to any governmental law, rule, regulation, judgment of any court, contract with a third party, force majeure or any other reason beyond the reasonable control of Operator, or if the Franchise is assigned, terminated, surrendered or revoked for any reason.

**9. Service Interruption.** In the event that during the term of this Agreement, the Service is interrupted or discontinued because of some occurrence beyond the reasonable control of Operator, such discontinuance or interruption shall not be considered to be a breach of this Agreement.

**10. Franchise Obligations.** The parties acknowledge that Operator is subject to the provisions of the Franchise and to the provisions of applicable federal and state laws and regulations. Any duty or promise of Operator under this Agreement which conflicts with any provision of the Franchise, or with applicable federal or state laws or regulations, is to that extent void. Notwithstanding, the terms of this Agreement are considered severable, and in the event that any term is rendered unenforceable due to any such conflict, this Agreement shall remain in full force and effect, except for such term.

**11. General Terms.**

(a) The easement granted herein shall run with the land and shall survive any sale, assignment or transfer of the Complex. This Agreement may be assigned by either party and upon such assignment, the covenants and agreements contained in the grant herein shall continue to be binding upon and inuring to the benefit of the parties and shall also apply to, inure to the benefit of, and be binding upon the parties' respective heirs, successors and assigns. Owner agrees to give Operator no less than 30 days' prior written notice of any sale, assignment or transfer of Owner's interest in the Complex, including the name and address of the prospective purchaser, and agrees to provide a copy of this Agreement to any such prospective purchaser of the Complex.

(b) This Agreement, including the exhibits hereto, constitutes the entire agreement between the parties and supersedes any and all previous agreements of whatever nature between the parties with respect to the subject matter. This Agreement shall not be changed, amended or supplemented except by an agreement in writing signed by both parties.

**12. Notice.** All notices to be given by either party to this Agreement to the other party shall be in writing by hand-delivery, by facsimile, or by certified mail to the addresses indicated in this Agreement. Either party may designate a different place of notice by delivering written notice thereof to the other party in accordance with this section.

13. **Jurisdiction and Venue.** Jurisdiction over this Agreement and the parties to this Agreement shall be in the district courts of the State of Utah, and venue shall be in Carbon County.

The parties have executed this Commercial Right of Entry Agreement as of the date first above written.

OWNER:

OPERATOR:

By Maple Cove Apt./ Kevin Patterson (Owner or Owner's Authorized Agent) [Signature] (Operator or Operator's Authorized Agent)

Name Kevin Patterson  
(print or type full legal name of owner)

Name PRECIS COMMUNICATIONS  
(print or type full legal name of operator)

Name \_\_\_\_\_  
(print or type full legal name of owner's agent)

Name SHANG BAGGS  
(print or type full legal name of operator's agent)

Owner's Address: Kevin Patterson  
PO Box 105  
Aitامت Ut 84001

Owner's Address: 1750 So. Hwy 10  
Price, UT 84501

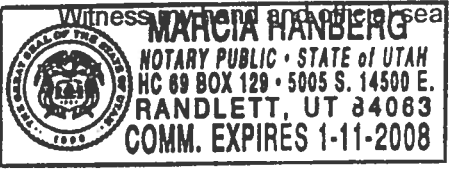
Date Oct 19, 2004

Date 12/16/04

STATE OF Utah

COUNTY OF Duchesne

Subscribed and sworn to before me this 19 day of October, 2004, by Kevin Patterson as the owner of the above named Owner or Authorized Agent for Owner.



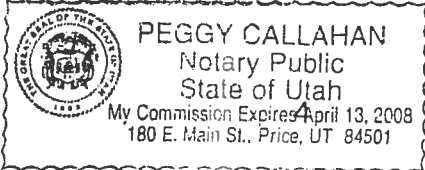
[Signature]  
Notary Public

STATE OF Utah

COUNTY OF Carbon

Subscribed and sworn to before me this 16 day of Dec, 2004, by Shang Baggs as the Director of Operations of the above named Operator.

Witness my hand and official seal.



[Signature]  
Notary Public

