

FRANCHISE AGREEMENT

BETWEEN

THE TOWN OF BELMONT, NEW HAMPSHIRE

AND

METROCAST CABLEVISION OF NEW HAMPSHIRE, LLC

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FRANCHISE AGREEMENT

BETWEEN THE TOWN OF BELMONT, NEW HAMPSHIRE

AND

METROCAST CABLEVISION OF NEW HAMPSHIRE, LLC

WHEREAS, MetroCast Cablevision of New Hampshire, LLC (hereinafter “**MetroCast**” or “**Franchisee**”) is the duly authorized current holder of a cable television franchise authorizing the construction and operation of a cable communications system in the Town of Belmont, New Hampshire (hereinafter “**Town**”), said franchise having originally commenced on June 22, 2000 (the “**2000 Franchise**”); and

WHEREAS, MetroCast filed a timely request for a renewal of its 2000 Franchise by letter dated December 23, 2010 in conformity with Applicable Law (as defined below); and

WHEREAS, there has been an opportunity for public comment on MetroCast’s franchise renewal proposal, as required by Section 626 of the Communications Act (as defined below); and

WHEREAS, MetroCast historically has upgraded and expanded its facilities and services voluntarily as Subscriber demand for new services and technologies has developed during the term of the 2000 Franchise, including the upgrade of the hybrid fiber optic and coaxial cable network to 860 MHz through which a variety of video and communications services are being provided to the Town’s residents and commercial businesses; and

WHEREAS, the Board of Selectmen has determined that the communications services and Programming provided by MetroCast contribute significantly to the communications needs and interests of the Town and its residents and institutions; and

WHEREAS, the Board of Selectmen, as the Franchising Authority, finds that it is in the public interest to renew the 2000 Franchise in light of MetroCast’s past performance, compliance with the terms of the 2000 Franchise, and based on the Board of Selectmen’s finding that the

terms contained in MetroCast's request for renewal of the 2000 Franchise reasonably meet the future cable television related needs of the Town.

NOW THEREFORE, after due and full consideration of MetroCast's franchise renewal proposal and the mutual promises contained herein, the Board of Selectmen and MetroCast intending to be legally bound hereby agree as follows:

ARTICLE 1
DEFINITIONS

SECTION 1.1 – DEFINITIONS

The following terms used in this Franchise shall have the following meanings; however, any term not included in the following definitions, which is otherwise defined in FCC rules and/or regulations, or by federal or state law as of the Effective Date of this Franchise Renewal, shall be incorporated herein by reference:

(a) **Access Channel.** A Channel which Franchisee shall make available to the Town for the purpose of transmitting Access Programming.

(b) **Access Programming.** (i) "Governmental": Non-Commercial Programming produced by Town departments or agencies and other Non-Commercial Programming offered by them or a duly authorized designee which is not ordinarily offered by operators of Cable Television Systems; and (ii) "Educational": Non-Commercial Programming produced by the Town's public schools, or other educational organizations as designated by the Franchising Authority, and other non-commercial educational Programming offered by them which is not ordinarily offered by operators of Cable Television Systems. (iii) "Public": Non-Commercial Programming produced by the residents of the Town, or produced by an access corporation or non-profit corporation operating within the Town, and other Programming not ordinarily offered by operators of Cable Systems.

(c) **Addressable Technology.** The capability of a Cable System to electronically add, change or delete certain Programming or services from a remote location.

(d) **Affiliate or Affiliated Person.** Any Person who or which directly or indirectly controls or owns an interest in Franchisee; any Person which Franchisee directly or indirectly controls and in which Franchisee owns an interest; and any Person directly or indirectly subject to control and owned in whole or in part by a Person who or which directly or indirectly controls and owns an interest in Franchisee.

(e) **Applicable Law.** Shall have the meaning given in Section 8.10 of this Agreement.

(f) **Basic Service.** The category of Cable Service that includes at a minimum the retransmission of local television Broadcast Signals, Public, Educational and Governmental Access Channels, and any other Signals and Programming services required by the Communications Act and FCC regulations, if any.

(g) **Broadcast.** Over-the-air transmission by a radio or television station.

(h) **Cable Service.** The one-way transmission to Subscribers of video Programming, or other Programming service, and Subscriber interaction, if any, which is required for the selection or use of such video Programming or other Programming service. For the purposes of this definition, "video programming" is Programming provided by, or generally considered comparable to Programming provided by, a television Broadcast station, and "other Programming service" is information that a cable operator makes available to all Subscribers generally.

(i) **Cable Television System or Cable System.** A facility consisting of a set of closed transmission paths and associated Signal generation, reception, and control equipment that is designed to provide Cable Service which includes video Programming and which is provided to multiple Subscribers within a community, but such term does not include:

(i) A facility that serves only to retransmit the television Signals of one or more television Broadcast stations;

(ii) A facility that services Subscribers without using any public right-of-way;

(iii) A facility of a common carrier which is subject, in whole or in part to the provisions of Title II of the Communications Act of 1934, as amended,

except that such facility shall be considered a Cable System to the extent such facility is used in the transmission of video Programming directly to Subscribers, unless the extent of such use is solely to provide interactive on demand services;

- (iv) An open video system that complies with 47 U.S.C. § 573; or
- (v) Any facilities of any electric utility used solely for operating its electric utility systems.

(j) Channel. Sufficient frequency capacity to carry one standard video Signal. See 47 U.S.C. §522(4).

(k) Communications Act. The Communications Act of 1934, as amended, including the Cable Communications Policy Act of 1984, the Cable Consumer Protection and Competition Act of 1992, and the Telecommunications Act of 1996, codified at 47 U.S.C. §151 et seq. and as may be further amended.

(l) Converter. An electronic device which converts Signals delivered on the Cable System to a frequency not normally susceptible to interference within the television receiver of a Subscriber and any Channel selector which permits a Subscriber to view all Signals delivered at designated Converter Channel locations at the set or by remote control.

(m) Drop. The coaxial or fiber optic cable that connects a home or municipal building to the Residential System or Institutional Network.

(n) Effective Date: January 1, 2014.

(o) Expanded Basic Service. The second most highly penetrated level of Service tier offered by the Franchisee, after Basic Service.

(p) FCC. Federal Communications Commission, or successor governmental entity thereto.

(q) Feeder Cable. The cable, connected to the trunk cable, from which Cable Service is distributed to multiple Subscribers, as distinguished from trunk cable (which distributes Cable Service throughout the franchise area).

(r) Franchise, Franchise Agreement or Agreement. The Franchise granted herein.

(s) Franchising Authority or Franchise Authority. The Town, or its lawful designee, in accordance with Applicable Law.

(t) Franchise Fee. The payments to be made to the Franchise Authority or other governmental entity under Section 2.5 of this Agreement as consideration for the Franchise granted herein. The Franchise Fee requirements and payments shall comply with the requirements set forth in Section 622 of the Communications Act, 47 U.S.C. §542. Franchise Fees shall not include any payments to the Franchising Authority pursuant to Section 3.7.

(u) Gross Revenues. Any and all consideration of any form or kind or compensation received by the Franchisee which is derived from the operation of the Cable System to provide Cable Service within the Town. Gross Revenues shall include, without limitation, all Subscriber Cable Service monthly fees, installation and reconnection fees, pay per view and on demand services; Leased Access fees and all other Cable Service fees; downgrade, upgrade and any similar fees; any fees paid for Channels designated for commercial use; and revenues received by the Franchisee which are derived from the sale of products in any way advertised or promoted on the Cable System. In the event that an Affiliate is responsible for advertising, advertising revenue shall be deemed the pro rata portion of advertising revenues, less expenses, paid to the Cable System by the Affiliate for said Affiliate's use of the Cable System in the Town for the carriage of advertising. Gross Revenues shall not be reduced by any bad debt expenses. Gross Revenues shall not include any fee or tax on services furnished by Franchisee and paid to any governmental entity and collected by Franchisee on behalf of such entity, nor shall Gross Revenues include any fees on Franchise Fees.

(v) Institutional Network or I-Net. The dedicated fiber strands within Franchisee's fiber optic cable network described in Section 3.5 of this Agreement and directly interconnecting the municipal and school facilities identified in Section 3.5.

(w) Leased Channel or Leased Access. Any Channel that Franchisee makes available pursuant to Section 612 of the Communications Act, 47 U.S.C. §532.

(x) Non-Commercial Programming. Programming not produced for profit and not containing advertising on behalf of for-profit entities. However, underwriting and acknowledgement of contributions consistent with the enhanced underwriting guidelines of the FCC for educational Broadcasting are allowed on Non-Commercial Programming as described in Exhibit A.

(y) Outlet. An interior receptacle that connects a Subscriber's television set to the Cable System.

(z) Person. Any corporation, partnership, limited partnership, association, trust, organization, other business or governmental entity, individual or group of individuals acting in concert.

(aa) Private Roads. Private rights of way or non-public roadways not classified as highways by Chapter 231 of the Revised Statutes Annotated of New Hampshire.

(bb) Programming. Any video, audio, text, data or other Signal carried over the Cable System.

(cc) Public Way. The surface of, and the space above and below, any public Street, highway, freeway, lane, bridge, land path, alley, court, or other public right of way, including, but not limited to public utility easements, dedicated utility strips or rights of way dedicated for compatible uses and any temporary or permanent fixtures or improvements located thereon now or thereafter held by the Franchising Authority within Franchisee's service area for the purpose of public travel, or for compatible uses, and shall include other easements or rights of way and shall, within their proper use and meaning, entitle the Franchising Authority and Franchisee to the use thereof for the purpose of the installing, transmitting, operating and maintaining of Franchisee's Cable Services or other services over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments and other property as may be ordinarily necessary and pertinent to the Cable System.

(dd) Residential System. The trunk and feeder Signal distribution network with bi-directional capability to be operated by Franchisee over which Cable Service can be transmitted to Subscribers, as is described in Section 3.3.

(ee) Scrambling. The electronic distortion or digital encoding/encryption of a Signal to render it unintelligible or not receivable without the use of a Converter or other decoding device.

(ff) Service Interruption. The loss of any Signal, video picture or sound on one or more Channels carried over the Cable System for distribution to a Subscriber.

(gg) Signal. Any transmission of electromagnetic or optical energy which carries information from one location to one or more other locations.

(hh) Street. The surface of and the space above and below any Street, road, highway, freeway, lane, path, Public Way, alley, court, sidewalk, boulevard, parkway, drive or any easement or right-of-way dedicated for use by the Town, use by the general public, or use compatible with the Cable System operations.

(ii) Subscriber. Any Person lawfully subscribing to and receiving Cable Services from Franchisee.

(jj) Transfer. The disposal by Franchisee, directly or indirectly, by gift, assignment, sale, merger, consolidation or otherwise of the ownership and control of the Cable System or the Franchise granted herein to a Person or a group of Persons acting in concert, as described in Section 2.6.

(kk) Upstream Transmissions. Signals traveling from Subscribers or other originating points on the Cable System to a head-end or sub-head-end.

ARTICLE 2
GRANT OF FRANCHISE

SECTION 2.1 – GRANT OF FRANCHISE

(a) Pursuant to the authority of the Communications Act and RSA 53-C of the laws of New Hampshire, as amended from time to time, the Board of Selectmen, in its capacity as the Franchising Authority, hereby grants a non-exclusive Franchise to MetroCast authorizing and permitting said Franchisee to construct, upgrade, operate and maintain a Cable System to provide Programming within the municipal limits of the Franchising Authority.

(b) The Franchise is subject to the requirements of Applicable Law, including the Communications Act and RSA 53-C of the laws of New Hampshire, and compliance with all rules and regulations of the FCC and all other applicable rules and regulations in force and effect during the term of the Franchise. To the extent permitted by Applicable Law, the Franchising Authority specifically reserves all authority granted it under RSA 231:160 *et. seq.* to manage, regulate and control the public right-of-way, as such authority relates to the provisions of telecommunications services including, but not limited to, RSA 33:3-g. To the extent permitted by Applicable Law, Franchisee may use the Cable System to deliver non-Cable Services.

(c) Subject to the terms and conditions herein, the Franchising Authority hereby grants to Franchisee the right to construct, operate and maintain the Cable System, which may include poles, wires, optical fibers, amplifiers and other property and equipment as are necessary in, under, over, along, across and upon the Public Ways and other public places and property under the jurisdiction of the Franchising Authority, including other property over which the Franchising Authority has a sufficient compatible easement or right-of-way, for the purpose of reception, transmission, amplification, origination, distribution or redistribution of Programming in accordance with Applicable Law.

(d) Franchisee must comply, if applicable, with all the requirements of RSA 231:160 et seq. for obtaining conduit or pole licenses for any conduits or poles that Franchisee wishes to install.

(e) If Applicable Law provides authority for the Franchising Authority to assess real and/or personal taxes on Franchisee, pursuant to RSA 72:23, I(b), 72:8-a, 73:10 and/or 48-B:4 or otherwise, the Franchising Authority shall be authorized to impose such taxes and Franchisee shall be obligated to pay such properly assessed taxes. However, Franchisee reserves all rights to appeal any assessment of personal or real property taxes. This is a material term of the Franchise and failure to pay duly assessed personal and real property taxes when due shall be cause for Franchising Authority to provide a written notice to Franchisee to show cause by a date certain specified in the notice as to why this Franchise should not be revoked pursuant to Section 7.5 of the Franchise.

(f) Nothing in this Franchise shall be deemed a waiver or relinquishment of any rights, defenses or claims that Franchisee may have with respect to the application of any law referenced in this Section 2.1 to Franchisee's services or the operation of its Cable System. Franchisee shall have the right to pass through to Subscribers and to itemize separately on Subscribers' monthly bills any tax imposed on Franchisee by the Franchising Authority, if Franchisee itemizes separately other taxes or regulatory fees on Subscribers' monthly bills.

SECTION 2.2 – NON-EXCLUSIVITY

The right to use and occupy the Streets, Public Ways and public places shall not be exclusive, and the Town reserves the right to grant similar or other uses of the said Streets, Public Ways and public places to any Persons for a similar Cable System or otherwise at any time during the term of the Franchise. Franchisee hereby acknowledges the Town's right to make such grants and permit such uses, subject to the requirements of Applicable Law and Section 2.8(a) of this Agreement.

SECTION 2.3 – DURATION OF FRANCHISE

The term of this non-exclusive Franchise shall be for a period of ten (10) years commencing on the Effective Date and shall terminate at midnight on December 31, 2023.

SECTION 2.4 – RENEWAL OF FRANCHISE

The renewal of this Franchise shall be governed by the requirements of Applicable Law.

SECTION 2.5 – FRANCHISE FEE

(a) Franchisee shall pay to the Town as a Franchise Fee a sum equal to three percent (3%) of Franchisee's Gross Revenues, as defined herein, derived during each year of the Franchise. Said payment shall be made annually, on or before April 1. Should Franchisee change its fiscal year, it shall notify the Franchising Authority in writing of such change ninety (90) days prior to the Effective Date of such change and the payment due date may be adjusted accordingly. Each payment shall be accompanied by a statement certifying the factual basis for payment, including a break-down by category and source of Franchisee's Gross Revenues upon which such payment is based. The Franchising Authority may designate in writing one or more particular Town account(s) or fund(s), including any non-capital reserve fund duly established, to which Franchisee shall direct Franchise Fees due hereunder. The Franchising Authority shall have the option, to be exercised by vote of the Board of Selectmen, to increase the Franchise Fee annually, up to a total of Five Percent (5%) of the Franchisee's Gross Revenues, as defined herein, in increments of One Percent (1%) annually. Changes to the Franchise Fee made pursuant to this Franchise Agreement shall be implemented as soon as practicable, and in any event no later than ninety (90) days after written notice from the Board of Selectmen. Furthermore, it shall be recognized that the Board of Selectmen shall have the option to eliminate the Franchise Fee in its entirety or decrease the amount, as otherwise noted herein.

(b) At any time during the life of this Franchise, the Franchising Authority may, as needed to verify the information provided hereunder, upon reasonable belief and after notice and an opportunity by the Franchisee to be heard, inspect and subject to independent audit, at the Franchising Authorities expense, the financial records and books of Franchisee insofar as they apply to the calculation of Gross Revenues and Franchisee Fees paid to the Franchising Authority; provided however, the Franchising Authority must exercise its right to inspect and audit within three (3) years of receipt of the applicable Franchisee Fee payment. If such audit reveals an underpayment of Franchise Fees to the Franchising Authority, Franchisee shall pay such Franchise Fees due within thirty (30) days of notice from the Franchising Authority of the underpayment, plus interest thereon at any annual rate equal to the prime rate plus one percent (1%) of the Bank of America on the date the payment was due. If Franchisee's underpayment is more than three percent (3%) of the amount owed to the Franchising Authority, then Franchisee

shall reimburse the Franchising Authority for the entire cost of the audit, up to a maximum of One Thousand Dollars (\$1,000).

(c) No acceptance of any payment shall be construed as an accord that the payment is, in fact, the correct amount, nor shall such acceptance of payment be construed as a release of (i) any claim the Town may have for further or additional sums payable under provisions of this Franchise or (ii) any other claim whatsoever; provided, however, the Town must challenge such payment within three (3) years of receipt of the applicable Franchise Fee payment.

(d) Franchisee shall cooperate with the Franchising Authority and/or its Delegee in providing all information reasonably necessary for the audit. This is a material term of the Franchise Agreement. Failure to so cooperate shall be considered a breach of this Agreement, pursuant to Section 7.5. The Town agrees to protect any proprietary information supplied to it from disclosure by treating such information as confidential to the extent permitted by Applicable Law. The Town shall notify Franchisee immediately of any request for disclosure of Franchisee's proprietary or confidential information and, before releasing such information, shall provide Franchisee five (5) days from its receipt of the Town's notice to challenge any disclosure of such proprietary or confidential information.

SECTION 2.6 – TRANSFER OR ASSIGNMENT

(a) This Franchise or any part of this Franchise, or control thereof, shall not be transferred or assigned to any Person without the prior written consent of the Franchising Authority, which consent shall not be arbitrarily or unreasonably withheld, conditioned or delayed and shall be governed by applicable provisions of the Communications Act. Notice of any Transfer or assignment shall be made in writing by Franchisee to the Franchising Authority.

(b) For purposes of this section, any sale, assignment or any other disposition of a majority ownership interest of the parent company of Franchisee to any unaffiliated Person or group of Persons acting in concert, in one transaction or a series of related transactions shall be deemed to be a Transfer within the meaning of this section.

(c) The Franchisee shall not enter into any management contract or any other arrangement for the management of the Cable System or any part of the Cable System providing

direct Cable Services to Subscribers, however structured, without the prior written consent of the Town, which consent shall not be unreasonably withheld, conditioned or delayed.

(d) If there shall be filed against Franchisee in any Court, pursuant to any statute either of the United States or of any State, a Petition at Bankruptcy or insolvency or for reorganization or for the appointment of the receiver or trustee of all or a portion of Franchisee's property, and if, within sixty (60) days thereof, Franchisee fails to secure a discharge thereof, or Franchisee shall voluntarily file any such petition or make an assignment for the benefit of creditors, Franchisee shall notify the Town of such fact within five (5) days of its occurrence. Any subsequent sale of the Cable System, or any part thereof, or cable property or facilities, or the Franchise shall be treated as a Transfer or assignment and the provisions of this section requiring approval of the Town shall apply, provided, however, that the Town shall not unreasonably delay, condition or withhold the grant of approval. The term "bankruptcy" as used herein shall include an assignment for the benefit of creditors.

(e) In reviewing any request to Transfer or assign control or ownership of the Franchise, the Town shall analyze such factors as whether the proposed assignee has the appropriate technical, legal, managerial and financial capacity to operate the Cable System, and any other factors authorized by Applicable Law.

(f) Unless the parties otherwise agree, in consenting to any Transfer, the Town does not waive its right to pursue Franchisee for violation of the provisions of this Agreement and Franchisee does not waive its rights or any defense it may have to the Town's claims. All terms of this Agreement shall be binding on transferees except as otherwise agreed to. The Town, as part of its review process, may impose reasonable conditions on the transferee before granting consent. Such conditions shall be calculated to insure performance of this Franchise. Such conditions may include, but are not limited to, the requirements that all terms of the current franchise be upheld by the transferee or that the Town is entitled to compensation of the net present value of any Franchise terms not met by the transferee.

SECTION 2.7 – EFFECT OF UNAUTHORIZED ACTION

The unauthorized assignment of the Franchise or Transfer of control of Franchisee in violation of Section 2.6 shall be null and void and shall be deemed a material breach of this Franchise, and the provisions of Section 7.5 shall apply.

SECTION 2.8 – EQUAL PROTECTION PROVISION

(a) Pursuant to RSA 53-C:3-b, the Town shall not grant any additional franchises to provide Cable Service within its jurisdiction on terms or conditions more favorable or less burdensome than those in any existing franchise within the Town.

(b) For providers not regulated under RSA 53-C, the Town agrees to impose, to the extent allowed by law, comparable Access Channel requirements, a fee in lieu of a Franchise Fee, and comparable conditions for use of the rights-of-way. If Franchisee believes that it is at a competitive disadvantage as a result of a competing multichannel video Programming provider that is not required to be licensed by the Franchising Authority, Franchisee and the Franchising Authority agree that Section 625 of the Communications Act (47 U.S.C. § 545) will be applicable.

(c) Any such additional franchise(s) shall be granted on the condition that such franchisee(s) shall indemnify and hold harmless the Town and Franchisee from and against all costs and expenses incurred in strengthening poles, rearranging attachments, placing underground facilities and all other costs (including those of the Town and Franchisee) incident to inspections, make-ready and construction of an additional Cable System within the Town.

(d) If the Federal Government or the State of New Hampshire issues a franchise or other authorization permitting another Person to construct, operate and maintain a Cable System in the Town and such Person begins construction of a competing Cable System in the Town, then MetroCast, in its sole discretion, may terminate this Agreement on ninety (90) days advance written notice to the Town and opt to provide Cable Service to the Town pursuant to such Federal or State franchising process. However, in the event of an opt-out, the Town shall retain all authority under Applicable Law to regulate use of Public Ways, public property and Streets. If the Town is prevented by operation of law from implementing the requirements of this Section

2.8 and such Person begins construction of a competing Cable System in the Town, then MetroCast, in its sole discretion, may terminate this Agreement on ninety (90) days advance written notice to the Town and opt to provide Cable Service to the Town pursuant to the franchise or other authorization that is, in form and substance, identical to the Franchise granted to any competitor pursuant to such Federal, State or local franchising process. In either case, due to the Town's reliance on the I-Net (described herein at Section 3.5) for critical government services, even if Franchisee terminates this Agreement as permitted herein, the obligation of Franchisee to provide and maintain the I-Net and the Internet bandwidth for the Town consistent with the requirements of Section 3.5 will continue after such termination for any remaining term of the Franchise.

SECTION 2.9 – POLE AND CONDUIT ATTACHMENT RIGHTS

(a) Pursuant to RSA 231:161 and subject to Section 2.1(e), permission is hereby granted to Franchisee to attach or otherwise affix cables, wires, optical fiber cables and related equipment comprising the Cable System to the existing poles and conduits on public Streets and ways, provided Franchisee secures permission and consent of the public utility companies to affix its cables and/or wires to their pole and conduit facilities and provided further that the Town shall determine the location of all such poles or conduit consistent with Applicable Law. All such attachments shall comply with the requirements of Applicable Law and Section 2.1(e), above. All poles and conduit installed within the service area, as defined herein at Section 3.1, shall be made available for attachment or use by Franchisee at just and reasonable rates applied to public utilities under the formula presently established by Applicable Law. Franchisee may erect its own poles and install its own conduit, with approval of the location of such installation by the Town, pursuant to Applicable Law and Section 2.1(e), which approval shall not be unreasonably withheld or conditioned. The Town grants Franchisee equal standing with the power and telephone utilities in the matter of placement of facilities on Public Ways subject to the ultimate authority of the Town to determine the location of all installations.

(b) In all areas of Town where any public utility lines are required to be relocated aerially or underground, Franchisee shall similarly relocate its Cable System. Any costs of relocating utility poles, trenching for the placement of underground conduits and relocation or

modification of related facilities shall be proportionally shared by all affected companies, including reimbursement of such costs, as provided by Applicable Law.

SECTION 2.10 – POLICE AND REGULATORY POWERS

Franchisee's rights are subject to the powers of the Franchising Authority to adopt and enforce general ordinances necessary for the safety and welfare of the public, provided that such ordinances are of general applicability and not specific to the Cable System, Franchisee, or this Franchise, including ordinances and regulations pertaining to management, control and regulation of public rights-of-way but only to the extent authorized or allowed by State law and Federal law. Any conflict between the terms of this Franchise and any present or future exercise of the Franchising Authority's police and regulatory powers shall be resolved by a court or governmental agency with appropriate jurisdiction. Nothing in this Section 2.10 shall be deemed a waiver of any rights or defenses that Franchisee may have under Applicable Law.

ARTICLE 3

SYSTEM SPECIFICATIONS AND CONSTRUCTION

SECTION 3.1 – SERVICE AREA; LINE EXTENSIONS

(a) **Service Area.** As of the Effective Date of this Franchise Agreement, MetroCast Cable Service is available in the present service area as indicated on the map highlighted in green in Exhibit B. Cable Service shall be available to every existing dwelling unit requesting Cable Service and located on Streets and Public Ways as marked in green on Exhibit B, provided Franchisee is able to obtain from property owners any necessary easements at no cost and/or any applicable permits.

(b) **Reporting.** The Franchisee shall be required to keep a record of (1) all requests for service requiring a serviceability estimate from Belmont residents who want to subscribe to Cable Services; (2) all decisions made by MetroCast in response to such requests, to include a statement of estimated connection fees to be paid by a Subscriber, if applicable; and (3) a list of completed line extensions since the Effective Date of this Agreement along with updates to the map attached hereto as Exhibit B. The Franchisee shall provide copies of such records to the Franchising Authority at no charge upon request of the Franchising Authority. It is expressly

understood that records pertaining to subscription requests provided to the Franchising Authority shall not include details on levels of service or specific programming requests.

(c) **Line Extensions.**

- (1) Whenever Franchisee receives one or more requests for Cable Service from at least five (5) Subscribers that are located within one-half mile of its Cable System, it shall extend its Cable System to such Subscribers at no cost, provided that (a) such extension is technically feasible and will not adversely affect the operation, financial condition, or market development of the Cable System; and (b) each Subscriber agrees to pay in advance for one year of Basic Service at the rate in effect at the time the requests are submitted. In addition, Subscribers shall be responsible for paying the usual connection fees that are applicable for all such Subscriber services and any other fees for special circumstances as otherwise set forth in this Franchise Agreement, (such as burial of lines, underground highway crossings, or the existence of more than three hundred (300) feet of distance from distribution cable to connection of service to Subscribers) upon completion of the work.

- (2) Whenever Franchisee receives one or more requests for Cable Service that does not meet the density of five (5) Subscribers per one-half mile as described above, Cable Service may be made available provided the total cost for such line extensions, (including cost of material, labor, permits, easements, customary connection fees, and other special circumstances), shall be paid on a pro rata basis in advance by the Subscribers, less a deduction of one thousand dollars, (\$1,000.00) per Subscriber, and provided that (a) such extension is technically feasible and will not adversely affect the operation, financial condition, or market development of the Cable System; and (b) each Subscriber agrees to pay in advance for one year of Basic Service at the rate in effect at the time the requests are submitted. In addition, Subscribers shall be responsible for paying the

usual connection fees that are applicable for all such Subscriber services and any other fees for special circumstances as otherwise set forth in this Franchise Agreement, (such as burial of lines, underground highway crossings, or the existence of more than three hundred (300) feet of distance from distribution cable to connection of service to Subscribers) upon completion of the work.

- (3) Notwithstanding the provisions of Sections 3.1(c)(1) and 3.1(c)(2), the Franchisee shall promptly extend Cable Service to any areas under the jurisdiction of the Franchising Authority upon written request of the Franchise Authority, provided that (a) such extension is technically feasible and will not adversely affect the operation, financial condition, or market development of the Cable System; and (b) the Franchise Authority agrees to pay in advance for the total cost for such line extensions, (including cost of material, labor, permits, and easements). Upon completion of the project, the Franchise Authority shall be provided with a full accounting of actual costs incurred by the Franchisee for the purposes of adjusting the final invoice as may be necessary.
- (4) The Franchisee shall in no case externalize, pass through and/or line itemize any line extension costs beyond those costs previously assumed by Subscribers or the Franchising Authority pursuant to the provisions of this Section 3.1.
- (5) The Franchisee shall construct line extensions as soon as practicable, but no later than ninety (90) days after receipt of installation fees, any necessary easements and permission to use any poles in such areas, provided that the Franchisee shall expeditiously seek all necessary permits.

SECTION 3.2 – INDIVIDUAL SUBSCRIBER CONNECTIONS

(a) The Franchisee shall, within fifteen (15) days of written request by the occupant of a dwelling, connect the Cable System to a dwelling at standard installation charges if the dwelling is within three hundred aerial feet (300') of the nearest Feeder Cable, provided that no special trenching or boring, easements or completion of any required utility make ready is required, if a landlord's written permission has been obtained (if applicable) and the dwelling is properly internally wired to meet the Franchisee's specifications to prevent signal leakage.

(b) Dwellings located over three hundred feet (300') from the nearest Feeder Cable or requiring special trenching or boring shall be considered non-standard installations and may be subject to additional charges except for the costs that would have otherwise been absorbed by the Franchisee for the installation of three hundred feet (300') of cable drop.

(c) No Subscriber shall be refused service arbitrarily. Neither Franchisee nor any of its employees, agents, representatives, contractors, subcontractors, or consultants, nor any other Person, shall discriminate or permit discrimination between or among any Persons in the availability of Cable Services provided in connection with the Cable System in the Franchise Area. Subject to the other provisions contained herein, it shall be the right of all Persons to receive all available Cable Services provided on the Cable System so long as such Person's financial or other obligations to Franchisee are satisfied.

(d) Franchisee shall complete construction of any such Subscriber connections within ninety (90) days of either a written request by the owner of the dwelling or within ninety (90) days of the date any necessary easements are obtained, whichever occurs later, taking into account and subject to weather, force majeure, completion of any required make-ready work, availability of construction crews and materials. If requested by the Franchising Authority, Franchisee shall provide a written report to the Franchising Authority explaining its failure to meet the time frame stated herein.

SECTION 3.3 – RESIDENTIAL SYSTEM

(a) The Franchisee commits to maintaining a two way capable, Residential System utilizing Addressable Technology, and cable and electronics capable of transmitting a bandwidth of at least 860 MHz. The need for additional system upgrades shall be a subject of the technology reviews pursuant to Section 3.4.

(b) The Cable System shall be designed and constructed so that television station Broadcast Signals received by Franchisee in stereo can be received in stereo by Subscribers without the necessity of subscribing to any other Cable System service, providing Subscriber has video and audio equipment capable of receiving stereo Signals.

(c) Subject to the applicable requirements of FCC regulations, currently 47 C.F.R. part 76, at Sections 76.1602, 76.1603 and 76.1619 (attached hereto as Exhibit F). Franchisee shall provide the Franchising Authority and Subscribers with any notice required by Applicable Law before making deletions, additions or relocations of Programming or stations or any other change to its video program Channel line up offerings. The Franchising Authority may, at its sole discretion, hold a public hearing to (i) solicit comment regarding the proposed changes, and (ii) provide comments to the Franchisee on the proposed changes. Upon provision of fifteen (15) days notice, the Franchisee shall attend such public hearing. Nothing in this Agreement shall be construed to give the Franchising Authority any authority over Franchisee's Programming decisions or Channel line ups, or to waive any rights or defenses that Franchisee may have under Applicable Law with respect to additions or modifications of Programming and Channel line ups.

SECTION 3.4 – FUTURE TECHNOLOGY

(a) No more frequently than one (1) time during each year during the term of the Franchise Agreement starting in the third (3rd) year of this Agreement, if requested in writing by the Franchising Authority, Franchisee shall review with the Franchising Authority changes in relevant cable television technology that might benefit Town Subscribers. Relevant cable technology is that technology necessary to give the Cable System the capability of providing Cable Services substantially equal to those services available to at least fifty percent (50%) of all

Subscribers in the following municipalities: Rochester, NH, Meredith, NH, Belmont, NH and Sanford, ME. Such technology shall include but not be limited to Converters, cable ready television sets, high definition television, digital compressions, remote control devices, Scrambling technology, additional interactive capability, digital video recording technologies, the use of fiber-optics, on-demand Programming, etc.

(b) To the extent consistent with Applicable Law, the Town shall have the option of requiring Franchisee to provide relevant cable technology when the following requirements have been met: (i) the Town must meet with the Franchisee and negotiate in good faith to identify the cable technologies provided in the benchmark municipalities which are not currently provided in the Town of Belmont; and (ii) such relevant cable technology is technically and economically feasible. "Economically feasible" shall mean that Franchisee shall have prospects of earning a reasonable rate of return as that term may be defined by the FCC for applicable infrastructure investments by cable operators.

SECTION 3.5 – CONNECTIVITY FOR INSTITUTIONAL NETWORK

(a) As part of Franchisee's service obligation under the Franchise, Franchisee shall continue to maintain, at its sole cost and expense, without externalizing or line itemizing in any way on Subscribers' bills, the I-Net connecting the Town and school buildings and other government institutions currently connected, as listed on Exhibit C ("I-Net Buildings"). During the term of this Agreement and upon request, Franchisee will extend the I-Net to existing and new municipal and school facilities located within the Town and not included on Exhibit C, provided the Town pays Franchisee for the material and labor costs required to complete any requested extension of the I-Net in advance and the ongoing maintenance costs, including, at the Town's option, through the use of a credit against Franchise Fees owed to the Town by Franchisee or some other mutually acceptable arrangement. The Town shall have the right to use Franchisee's dedicated fiber optic cable connection for non-competitive, non-commercial communications between municipal and school facilities. The Town shall not sell, lease, or offer to provide I-Net bandwidth or connectivity to the I-Net to any non-municipal or non-school owned or maintained facility or third party. The Franchisee shall be responsible for the termination of the fiber optic strands in each location and for providing up to ten (10) (5 for

Town and 5 for School) Internet Protocol (IP) addresses during the term of this Franchise Agreement, which addresses shall be available on the Effective Date. The Town shall be responsible for any and all equipment, including but not limited to optical transceivers, computers, switches, routers, servers, additional Internet Protocol (IP) addresses, software and acceptable use policies required for video, audio and data transmission and reception between I-Net facilities. The Town shall be responsible for the security of all transmissions or signals transmitted on the I-Net.

(b) Under separate contract for such service to include capital costs and monthly fees, Franchisee shall provide Town with a direct fiber connection to Franchisee's uplink switch for Internet bandwidth for municipal and school facilities on the I-Net. Franchisee agrees to provide Internet bandwidth at a rate not to exceed Seventy-Five Dollars (\$75) per megabit per month. Such rate subject to annual rate adjustments of no greater than five percent (5%) upon thirty (30) days advance notice to the Town. Town agrees to use this bandwidth for internal, non-commercial use only and will not resell or otherwise provide this bandwidth to any third party.

(c) Franchisee shall be responsible for the maintenance of the I-Net up to the termination points; provided however that the Town shall reimburse Franchisee for the full cost in material and labor to repair or replace any damaged fiber cable or termination points on Town property or located within municipal or school facilities.

SECTION 3.6 – PARENTAL CONTROL CAPABILITY

Franchisee shall make available to any Subscriber at their request, consistent with Applicable Law, a parental control device or appropriate technology which will permit a Subscriber, at his or her option, to control the reception or to eliminate comprehensive reception of any Channels on the Cable System.

SECTION 3.7 – ACCESS CHANNELS

(a) Franchisee shall provide up to three (3) local Access Channels for broadcasting over the Cable System by the Town or its designee(s), one (1) to be used for governmental programming, one (1) to be used for educational programming, and one (1) to be used for public access programming.

(b) Throughout the duration of this Franchise, Franchisee shall provide the necessary transport connectivity and distribution on the Cable System to enable the Franchising Authority (or its designee) to operate a local Access Channel dedicated to government programming from an origination point on the existing Cable System designated by the Franchising Authority for cablecasting exclusively to Subscribers in the Town of Belmont; provided, however, Franchisee may cablecast the programming to areas outside of the Town if such cablecasting cannot be prevented without the incurrence of any cost as a result of the Cable System architecture. The Town shall be responsible for all costs associated with delivering an acceptable signal to the origination demarcation point, including all costs associated with the purchase, installation and operation of the compatible equipment necessary to deliver such signal. In the event that the Town chooses not to cablecast governmental programming, Franchisee may utilize the channel that would otherwise be dedicated to governmental programming; provided, however, the Franchising Authority may, upon ninety (90) days written notice to Franchisee, resume (or start) cablecasting governmental programming consistent with the provisions herein. The Town shall pay Franchisee in advance for any costs it incurs as a result of the Franchising Authority designating an origination point other than the origination point being used on the Effective Date, if any, as set forth on Exhibit D, or using equipment that is not compatible with the technology being used by Franchisee during the term of this Franchise; provided, however, the Franchisee will use commercially reasonable efforts to work with the Franchising Authority (or its designee) to ensure that technology upgrades will be compatible with existing equipment. If the Town notifies Franchisee that it desires to start or resume cablecasting governmental programming, and the Town does not broadcast government programming within ninety (90) days of Franchisee's notification to the Town that it is capable of distributing such programming, the Town will reimburse Franchisee for all costs it incurred in preparing the required transport connectivity and distribution required hereunder.

(c) Throughout the duration of this Franchise, Franchisee shall provide the necessary transport connectivity and distribution on the Cable System to enable the Franchising Authority (or its designee) to operate a local Access Channel dedicated to educational programming from an origination point on the existing Cable System designated by the Franchising Authority for

cablecasting exclusively to Subscribers in the Town of Belmont; provided, however, Franchisee may cablecast the programming to areas outside of the Town if such cablecasting cannot be prevented without the incurrence of any cost as a result of the Cable System architecture. The Town shall be responsible for all costs associated with delivering an acceptable signal to the origination demarcation point, including all costs associated with the purchase, installation and operation of the compatible equipment necessary to deliver such signal. In the event that the Town chooses not to cablecast educational programming, Franchisee may utilize the channel that would otherwise be dedicated to educational programming provided, however, the Franchising Authority may, upon ninety (90) days written notice to Franchisee, resume (or start) cablecasting educational programming consistent with the provisions herein. The Town shall pay Franchisee in advance for any costs it incurs as a result of Franchising Authority designating an origination point other than the origination point being used on the Effective Date, if any, as set forth on Exhibit D, or using equipment that is not compatible with the technology being used by Franchisee during the term of this Franchise, provided, however, the Franchisee will use commercially reasonable efforts to work with the Franchising Authority (or its designee) to ensure that technology upgrades will be compatible with existing equipment. If the Town notifies Franchisee that it desires to start or resume cablecasting educational programming, and the Town does not cablecast educational programming within ninety (90) days of Franchisee's notification to the Town that it is capable of distributing such programming, the Town will reimburse Franchisee for all costs it incurred in preparing the required transport connectivity and distribution required hereunder.

(d) Throughout the duration of this Franchise, Franchisee shall continue to provide the necessary transport connectivity and distribution on the Cable System to enable the Franchising Authority (or its designee) to operate a regional Access Channel dedicated to public access programming from an origination point situated in the Huot Technical Center at the Belmont High School for cablecasting to Subscribers in the Town of Belmont; provided, however, Franchisee may cablecast the programming to areas outside of the Town. The Town shall be responsible for all costs associated with delivering an acceptable signal to the origination demarcation point, including all costs associated with the purchase, installation and operation of the compatible equipment necessary to deliver such signal. In the event that the Town chooses not to broadcast public access programming, Franchisee may utilize the channel that would be

otherwise dedicated to public access programming, provided, however, the Franchising Authority may, upon ninety (90) days written notice to the Franchisee, resume (or start) public access programming over a dedicated local Access Channel. The Town shall pay Franchisee in advance for any costs it incurs as a result of Franchising Authority designating an origination point other than the origination point as referenced herein, or using equipment that is not compatible with the technology being used by Franchisee during the term of this Franchise, provided, however, the Franchisee will use commercially reasonable efforts to work with the Franchising Authority (or its designee) to ensure that technology upgrades will be compatible with existing equipment. If the Town notifies Franchisee that it desires to start or resume cablecasting public Access Programming, and the Town does not cablecast public Access Programming within ninety (90) days of Franchisee's notification to the Town that it is capable of distributing such programming, the Town will reimburse Franchisee for all costs it incurred in preparing the required transport connectivity and distribution required hereunder.

(e) Nothing herein shall preclude the Franchising Authority from agreeing with other municipalities served by Franchisee to combine their origination point(s) for local Access Channels; thereby reducing the total number of origination points to be provided by Franchisee. Provided, however, the Franchising Authority acknowledges and accepts that if a decision is made to combine its origination point(s) for local Access Channels with the origination point(s) of another municipality served by Franchisee, the programming originating from such combined origination point(s) will be distributed exclusively to all communities using such origination point(s), provided, however, Franchisee may cablecast the programming to areas outside of the communities using such origination point(s) if such cablecasting cannot be prevented without the incurrence of any cost as a result of the Cable System architecture.

(f) In the event the Franchising Authority chooses to relocate an origination point after having been previously installed by Franchisee, the Franchising Authority shall provide a minimum of thirty (30) days written notice to Franchisee and all costs for such relocation shall be paid in advance by the Franchising Authority. Franchisee shall have a commercially reasonable amount of time to complete the relocation.

(g) Effective January 1, 2014, Access Channels shall be designated as follows: governmental programming on Channel 26, public access programming on Channel 25, educational programming on Channel 24. Franchisee shall not move or otherwise relocate the Access Channel positions as set forth herein, except upon thirty (30) days written notice to the Franchising Authority. Franchisee shall use its commercially reasonable efforts, in good faith, to minimize any such channel relocation.

(h) The Franchising Authority (or its designee) shall be responsible for the picture quality of all local Access programming at the demarcation point, which shall be at the output of the device that the Franchising Authority shall purchase after first obtaining the Franchisee's prior approval that such device meets Franchisee's compatibility requirements. Franchisee shall be responsible for providing and maintaining the picture quality along with all necessary equipment and connectivity from the origination points. Franchisee shall monitor the local Access Channels to ensure the picture quality and video signals are maintained at standards commensurate with applicable FCC technical standards.

(i) Franchisee shall not exercise editorial control over the content of any local Access Channels, except as may otherwise be specifically allowed by law. In addition, use of channel capacity for local Access Channels, to the extent applicable, shall be provided in accordance with federal law, 47 U.S.C. § 531, and as further set forth herein. Franchisee shall provide the Franchising Authority (or its designee), upon reasonable request, technical advice on equipment to be used for Access Channel production and transmission of local Access Programming.

(j) Provided the Franchising Authority has utilized on a continuous basis for the previous full calendar year at least one of the Access Channels provided for herein, Franchisee shall provide the Franchising Authority (or its designee) with an annual PEG Access Support Grant to be used as a technology grant in support of the local Access Programming in the amount of \$0.75 per Town Subscriber, as measured by the most recent annual report of Franchisee provided to the Franchising Authority, payable on or before July 1 of each year. In addition, Franchisee shall reimburse the Town over the term of the Franchise for up to \$2,500 of capital costs incurred by the Town associated with equipment or facilities used for local Access Programming, including for the build out of origination points. The Town shall submit itemized

invoices to Franchisee related to the incurrence of such capital costs, and Franchisee shall pay all undisputed portions of such invoices within sixty (60) days of receipt. The Franchisee shall in no case externalize, pass through to Subscribers and/or line itemize any grant payments made pursuant to the provisions of this Article.

SECTION 3.8 – EMERGENCY OVERRIDE

The Cable System shall incorporate audio override capabilities for use in the event of an emergency consistent with FCC and State regulations. The emergency override capability may be operated from a standard touch-tone telephone and/or a computer only by officials authorized by the Franchising Authority. Activation of this emergency override capability shall give authorized official(s) control of all Channels allowed by law for a limited period of time for the purpose of transmitting instructions to viewers. The Franchising Authority shall provide Franchisee with the name(s) of each individual authorized to activate the emergency override capability prior to granting such authorization. Authorization shall be limited to two (2) individuals. Franchisee shall provide training to the two (2) designated individuals upon request.

SECTION 3.9 – DELIVERY OF SIGNALS

Franchisee shall abide by the applicable provisions of the Consumer Electronics Equipment Compatibility provision Section 624A of the Communications Act (47 U.S.C. §544(a)).

SECTION 3.10 – LEASED ACCESS CHANNELS

Franchisee shall make Channel capacity available as required by Section 612 of the Communications Act (47 U.S.C. §532) for Leased Access use to a Person, group, organization or entity upon reaching an appropriate agreement.

SECTION 3.11 – GOVERNMENTAL CABLE DROPS TO CABLE TELEVISION SYSTEM

Franchisee shall provide, as directed by the Franchising Authority, (i) one (1) Cable Service Drop connected to the residential network, (ii) one (1) Outlet, and (iii) Basic and Expanded Basic Service to all municipal and school buildings which are listed in Exhibit E and

within two hundred (200) feet of Feeder Cable. Franchisee shall also donate coaxial cable for each classroom of the public schools in the Town existing as of the date of this Franchise Agreement. The obligation of Franchisee to donate coaxial cable for such Drops and Outlets and to provide such service shall pertain throughout the life of this Franchise and shall apply specifically to municipal and school buildings constructed or located within the service area as defined by Section 3.1 subsequent to the commencement of this Franchise. This coaxial cable shall be provided at no cost to the Franchising Authority. The Franchising Authority or its designee shall consult with the appropriate individuals to determine the appropriate location of each Drop and Outlet prior to the installation of the free service. Franchisee shall not pass through to Subscribers, externalize or line-item any costs associated with this Section 3.11 on Subscribers' bills.

ARTICLE 4

TECHNOLOGICAL AND SAFETY STANDARDS

SECTION 4.1 – SYSTEM MAINTENANCE

(a) In installing, operating and maintaining equipment, cable and wires, Franchisee shall use commercially reasonable efforts to avoid damage and injury to trees, structures and improvements in and along the routes authorized by the Franchising Authority except as may be approved by the Franchising Authority if required for the proper installation, operation and maintenance of such equipment, cable and wires, and in compliance with Section 4.4, *infra*.

(b) The construction, maintenance and operation of the Cable System for which this Franchise is granted shall be done in conformance with OSHA, the National Electrical Safety Code, rules and regulations of the FCC and applicable State and local laws and ordinances.

(c) The Signal of any television station carried on the Cable System shall be carried without material degradation in quality at all Subscriber locations within the limits imposed by the technical specifications of the Cable System and as set forth by the FCC. The Cable System shall be operated and maintained so as to comply with the technical standards set forth in the FCC's rules and regulations as they apply to Cable Systems. Upon written request by the

Franchising Authority or its designee, Franchisee shall provide proof of compliance of FCC Signal requirements.

(d) Operating and maintenance personnel shall be thoroughly trained in the use of all safety equipment and the safe operation of vehicles and equipment. All areas of the Cable System shall be routinely inspected and maintained so that conditions that could develop into safety hazards for the public and/or operating and maintenance personnel can be corrected before they become a hazard. Franchisee shall install and maintain its wire, cable, fixtures, and other equipment in such a manner as shall not interfere with any installations of the Town.

(e) All structures and all lines, equipment and connections in, over, under, and upon Streets, sidewalks, alleys, and Private Roads and places of the Town, wherever situated or located, shall at all times be kept and maintained in a safe and suitable condition and in good order and repair. Franchisee shall maintain maintenance records for the Cable System in the Town and respond to reasonable requests from the Town regarding specific maintenance and service information.

(f) The Town reserves the right to reasonably inspect all construction and installation work for compliance with Applicable Laws, codes, ordinances and regulations and with provisions of the Franchise and the Town through its code enforcement office. All inspections shall be at the expense of the Town.

(g) All lines, cables and distribution structures and equipment, including poles and towers, erected by Franchisee within the Town shall be located so as not to obstruct or interfere with the proper use of Streets, as defined herein, and to cause minimum interference with the rights of property owners who abut any of the said Streets, and not to interfere with the existing public utility installation. Except as otherwise permitted by Applicable Law, Franchisee shall have no vested right in a location except as granted herein by the Franchise, and such construction shall be removed by Franchisee at its own cost and expense whenever the same restricts or obstructs or interferes with the operation or location of said Streets, as determined by the Franchising Authority in its reasonable discretion, provided, however, that this standard shall apply to all Persons and entities owning lines, cables, distribution structures, and equipment, and

provided further that Franchisee shall not be required to remove any such construction solely to accommodate needs of competing Cable Systems.

(h) Upon written notice from the Town, Franchisee shall remedy a general deficiency with respect to the technical standards described herein within fourteen (14) days of receipt of notice and a safety deficiency within forty-eight (48) hours of receipt of notice and shall notify the Town when the deficiency has been corrected.

SECTION 4.2 – REPAIRS AND RESTORATION

(a) Franchisee shall promulgate and adhere to a preventive maintenance policy at or above the performance standard set by the FCC. Whenever it is necessary to interrupt service for the purpose of making repairs, adjustments, installation or other maintenance activities, Franchisee shall do so at such time as will cause the least inconvenience to Subscribers. Except in an emergency, or for insignificant interruptions of thirty (30) minutes or less which may occur during the course of normal maintenance, Franchisee will use best efforts to interrupt service only between the hours of midnight and 7:00 a.m.

(b) Whenever Franchisee intends to take up or disturb any pavement, sidewalk or other improvement of any public Street or Private Road or places, it shall obtain an appropriate permit from the Franchise Authority or designee. Any disturbed pavement, sidewalk or improvement of any Public Street, Private Road or public place shall be replaced and the surface restored in as good condition as before entry as soon as practicable. In no event shall such restoration be made later than ten (10) business days, weather permitting or due to events beyond the reasonable control of Franchisee, after Franchisee's receipt of written notification from the property owner so damaged unless otherwise agreed by Franchisee and the property owner. Upon failure of Franchisee to comply within the time specified (unless the Franchising Authority sets an extended time period for such restoration and repairs) or if such damage presents an emergency situation presenting a threat to public safety, the Franchising Authority may cause proper restoration and repairs to be made and the expense of such work shall be paid by Franchisee upon demand by the Franchising Authority.

(c) In addition, upon the failure, refusal or neglect of Franchisee to cause any work or other act required by law or by this Franchise to be properly completed in, on, over or under any Street within any time prescribed, the Town may cause such work or other act to be performed or completed in whole or in part, and upon so doing shall submit to Franchisee an itemized statement of prevailing rates and the cost thereof. Franchisee shall, within thirty (30) days after receipt of such statement, pay to the Town the entire amount thereof. The Town, at its option, and in its sole discretion, may draw upon the bond described herein to recover any cost incurred pursuant to this section, should Franchisee fail to pay such costs within sixty (60) days of receipt of the statement of those costs.

(d) Franchisee shall be subject to all laws of general applicability regarding private property in the course of constructing, installing, operating and maintaining the Cable System in the Town. Franchisee shall, at its sole cost and expense, promptly repair or replace all private property, real and personal, damaged or destroyed as a result of the construction, installation, operation or maintenance of the Cable System.

SECTION 4.3 – CABLE LOCATIONS

(a) In all areas of the Town where the cable or wire facilities of the public utilities are installed underground, Franchisee shall install its Cable System underground. Vaults and pedestals shall be suitably restored to a similar condition prior to underground work.

(b) The rights and privileges granted hereby shall not be in preference or hindrance to the right of the Town, or other governmental agency, improvement district or other authority having jurisdiction, to perform or carry on any public works or public improvements, and should the Cable System in any way interfere with the construction, maintenance or repair of such public works or improvements, Franchisee shall, at its own expense, protect or relocate its Cable System or portion thereof, as directed by the Town or other authority having jurisdiction; provided, however, if the Town reimburses public utilities or other service providers for their expenses and costs incurred in protecting or relocating facilities, then Franchisee shall be entitled to recover its expenses and costs; and provided further that nothing herein shall be deemed or construed as a waiver or relinquishment by Franchisee of any right to reimbursement of costs and expenses under Applicable Law.

SECTION 4.4 – TREE TRIMMING

Franchisee shall have the authority to trim trees upon and overhanging Streets, Alleys, sidewalks and Public Ways and places of the Town so as to prevent the branches of such trees from coming in contact with the wires, cables and equipment of Franchisee, in accordance with applicable State law and any Town ordinances and regulations. Notwithstanding the foregoing, the authority granted herein to trim trees is subject to state law, including, but not limited to, state laws governing scenic roads, including but not limited to New Hampshire RSA 231:157 and 158.

SECTION 4.5 – STRAND MAPS

Within sixty (60) days from a request in writing from the Franchise Authority, Franchisee shall provide to the Town a complete set of strand maps of the service area that will show Franchisee's cable and equipment in those areas in which its facilities exist and the location of all Streets. Upon reasonable request by the Franchise Authority, Franchisee shall provide updated maps.

SECTION 4.6 – BUILDING MOVES

In accordance with Applicable Law, Franchisee shall, upon the request of any Person holding a valid building moving permit issued by the Town, temporarily raise or lower its wires to permit the moving of the building(s). Franchisee shall be given not less than forty-five (45) days advance notice to arrange for such temporary wire changes. The cost to raise or lower wires, including any refunds to Subscribers for interruption of services, shall be borne exclusively by the Person(s) holding the building move permit. Franchisee may require full or partial payment in advance.

SECTION 4.7 – EMERGENCY POWER

The Cable System shall incorporate equipment capable of providing standby powering of the head-end for a minimum of seventy-two (72) hours upon failure of the power furnished by the electric utility company unless for reasons of force majeure as defined in Section 8.2 hereof. Franchisee shall provide the Franchising Authority with a certificate from an electrical engineer

regarding its compliance with this requirement within ninety (90) days of the signing of this Agreement.

SECTION 4.8 – RESIDENTIAL EXTERIOR WIRING

Franchisee shall adhere to Subscriber's reasonable request for location of the cable Drop entry and shall in other respects observe standard specifications for Drop connections into the residence. Installation of new exterior wiring on a residence after the Effective Date of this Agreement shall be installed in a professional manner consistent with the homeowner's requests at the time of installation. Each Drop shall be grounded at each Subscriber's residence at the time of initial installation of Cable Service.

SECTION 4.9 – DIG SAFE

Franchisee shall comply with all applicable "dig safe" provisions, pursuant to Applicable Law currently outlined in RSA 374:51.

ARTICLE 5

CUSTOMER SERVICE, MARKETING OF SERVICES

AND CONSUMER PROTECTION

SECTION 5.1 – CUSTOMER SERVICE

(a) Franchisee shall comply with the FCC's Customer Service Obligations, required by Federal Law and currently codified at 47 CFR §76.309, as may be amended from time to time. A copy of these regulations is attached as Exhibit F.

(b) Unless otherwise approved by the Town, which approval shall not be unreasonably withheld, conditioned or delayed, Franchisee shall maintain a regional customer service office for the transaction of in-person business (i.e., returns of equipment, payments, questions, reports, orders, customer service) with Subscribers. Franchisee shall provide and maintain twenty-four (24) hour, toll-free answering lines which Subscribers may call without

incurring added message units or toll charges so that prompt maintenance and service is available.

(c) At the time of initial subscription and annually thereafter, Franchisee shall give each subscribing household a written notice, which shall include full disclosure of (i) products and services offered, (ii) prices and options for Programming services and conditions of subscription to Programming and other services, (iii) installation equipment and service maintenance charges and policies, (iv) instructions on how to use the Cable Service and Channel positions of Programming carried on the Cable System; (v) billing and complaint procedures for reporting and resolving Subscriber complaints, including the address and telephone number of the local Franchise Authority; (vi) information regarding availability of parental control devices; and (vii) a list of monthly and non-recurring fees and charges. Franchisee shall provide notice of any changes to Subscribers as required by Section 3.3(c) above.

(d) Franchisee shall provide technical support available twenty-four (24) hours per day, seven (7) days per week, and make all reasonable efforts to respond to all service calls within twenty-four (24) hours and correct malfunctions as promptly as possible. A serious system malfunction or safety hazard will be serviced as soon as possible after its discovery.

(e) In accordance with RSA 53-C:3-e and except as limited by federal law or FCC regulations concerning privacy, Franchisee shall maintain a record of all written complaints and such records shall be available at Franchisee's local offices for at least two (2) years for inspection by the Town as it may from time to time request, during regular business hours and upon reasonable notice. Nothing herein shall be deemed to require Franchisee to maintain records of oral complaints which can be handled to the customer's satisfaction in the course of the initial conversation in which the complaint is made or which does not require technical field response. Upon request and in accordance with RSA 53-C:3-e II(e), Franchisee shall provide to the Town an accounting of the number and nature of such written complaints on an annual basis.

(f) Franchisee shall maintain its records as required by and in a manner not inconsistent with Applicable Law.

SECTION 5.2 – TERMINATION OF SERVICE

(a) In the event a Subscriber's Cable Service is terminated, monthly charges for service shall be pro-rated on a daily basis and, where advance payment has been made by a Subscriber, the appropriate refund shall be made by Franchisee to the Subscriber within forty-five (45) days of such termination provided, in the instance when the Subscriber is relocating, Subscriber has provided Franchisee a forwarding address.

(b) Franchisee shall have the right to disconnect a Subscriber for failure to pay an overdue account, for theft of services, or other violation of cable-related laws; provided that:

- (i) Franchisee's billing practices and policy statement set forth the conditions under which an account will be considered overdue; and
- (ii) The Subscriber's account is at least thirty (30) days delinquent.

SECTION 5.3 – SERVICE INTERRUPTIONS

In the event of a Cable System failure resulting in a Subscriber experiencing a Service Interruption for twenty-four (24) or more consecutive hours, Franchisee shall, upon request by such Subscriber, grant such Subscriber a pro rata credit or rebate, on a daily basis, of that portion of the service charge during the next consecutive billing cycle or, at its option, apply such credit to any outstanding balance then currently due. Credits shall be applied as described above upon request if Franchisee knew of the interruption or after due notice to Franchisee from the Subscriber.

Franchisee shall consider a similar credit for any Service Interruptions lasting less than twenty-four (24) hours, excluding interruptions which are beyond the control of Franchisee, such as, but not limited to, electrical outages, acts of God, or for any reason of force majeure.

SECTION 5.4 – IDENTIFICATION

Franchisee shall ensure that all of its vehicles, employees, agents and subcontractors are reasonably identified to the general public. Agents and contractors hired by Franchisee to perform any substantial work on the Cable System in the Town shall reasonably inform the

Town's Police Department of the general work location within the Town and provide relevant vehicle identification prior to commencing such work. Franchisee's employees, agents and contractors shall display identification when working in Public Ways, on Private Roads or in any dwellings or commercial structures, identifying the individual's name, company and contact information.

SECTION 5.5 – SUBSCRIBER ANTENNAE

Notwithstanding a required disconnection of Subscriber's existing antenna and downloads to receivers connected to the Cable System, Franchisee shall not remove such antennae and downloads. Subscribers may request and Franchisee shall provide an A/B switch or other appropriate switch technology to the Subscriber for purchase at initial installation. Franchisee may require payment of an installation charge by each Subscriber, in addition to the purchase cost, for switch installations made after initial installation of service to that Subscriber. Such charge shall be at the Franchisee's actual cost, plus a reasonable rate of return.

SECTION 5.6 – SUBSCRIBER PRIVACY AND RIGHTS TO INFORMATION

(a) Except as otherwise permitted by Applicable Law, Franchisee shall not collect, store, use or make available to any third party data relating to individual Subscriber households by name, phone number, mailing address or e-mail address, whether the data are for providing Cable Service or other services which are not considered a Cable Service, without first giving the Subscriber an opportunity to remove his or her name from Franchisee's list of Subscribers, unless such disclosure is necessary to provide Cable Service or other service or to conduct cable related business activities (for example, disclosure to the company that addresses and mails out monthly bills and guides, the Programming services or a collections service for past due accounts). The conduct of Franchisee under this section shall be consistent with and governed by Section 631 of the Communications Act, "Protection of Subscriber Privacy" (47 U.S.C. §551) and the regulations of the FCC on Subscriber privacy. A copy of the current regulation is attached as Exhibit G. Any Subscriber may, upon written request and during normal business hours, examine all records maintained by Franchisee relating to that Subscriber's account. Franchisee shall ensure that all information related to billing and service requests is accurate and up-to-date and shall promptly correct any errors upon discovery.

(b) Franchisee shall not record or retain any information transmitted between a Subscriber or user and any third party, except as required for lawful business purposes or as permitted by Applicable Law. Pursuant to Section 631(e) of the Communications Act (47 U.S.C. § 551(e)), Franchisee shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending requests or orders for access to such information pursuant to a request from a Subscriber or pursuant to a court order.

ARTICLE 6

RATES AND CHARGES

SECTION 6.1 – RATES AND CHARGES

(a) A price schedule for service and installation in effect on the Effective Date is attached hereto as Exhibit H. Any changes in price for Cable Service, equipment and installation will be in conformance with Applicable Law including, but not limited to, FCC regulations currently codified at 47 C.F.R. §§ 76.1602, 76.1603 and 76.1619. A copy of these regulations is attached as Exhibit F.

(b) The Franchising Authority shall have the right to the extent granted under Applicable Law, to regulate Basic Service rates and related equipment, installation and service charges to Subscribers.

(c) Franchisee may require a deposit or refuse service to any applicant for a bona fide credit reason. Franchisee may require that the account of any Subscriber requesting work be current before such work is performed.

(d) Franchisee shall notify the Franchising Authority in writing at least thirty (30) days prior to any adjustment in price for Cable Service provided by the Cable System. The notice shall state the date on which the adjustment in price is to occur. If the Town is authorized to regulate Basic Service and related equipment, installation and service charges pursuant to Applicable Law and this Agreement, then at the request of the Town and upon fifteen (15) days advance written notice, Franchisee shall attend and respond at a public hearing providing information in support of the price adjustment for the Basic Service rate and related equipment,

installation and service charges. Franchisee shall provide to the Town copies of any filings by the Franchisee relative to rate proceedings at the FCC, if any.

(e) Franchisee may levy collection charges in a manner consistent with Applicable Law.

(f) Franchisee's monthly Subscriber statements may be itemized in a manner consistent with Applicable Law.

ARTICLE 7
REGULATORY OVERSIGHT

SECTION 7.1 – INDEMNIFICATION

(a) Franchisee shall, at its sole cost and expense, indemnify and hold the Town harmless at all times during the term of this Franchise Agreement, and subsequent renewals, if any, from any and all claims for injury and damage to Persons or property, both real and personal, caused by the installation, operation or maintenance by Franchisee of any structure, equipment, wire or cable within the Franchise area. Upon receipt of notice of any such claim in writing from the Board of Selectmen, Franchisee shall at its own expense defend any action or proceeding against the Town in which it is claimed that personal injury or property damage was caused by activities of Franchisee, its employees and/or agents in the installation, operation or maintenance of its Cable System.

(b) In the event of any claim, demand or litigation specified in Section 7.1(a), the Town shall give prompt written notice to Franchisee of such claim, demand or litigation. Franchisee, at its sole cost and expense, shall resist and defend such claim, demand or litigation with legal counsel selected by Franchisee or Franchisee's applicable insurer and shall have sole control of the defense or settlement of any claim, demand or litigation and all negotiations for the settlement or compromise of the same. The Town and its representatives shall cooperate with Franchisee and its representatives in the defense and/or settlement of any claim, demand or litigation. Nothing herein shall be deemed to prevent the Town from participating in the defense and/or settlement of any claim, demand or litigation by the Town's own counsel at the Town's own expense; however, Franchisee shall have sole control of the defense and/or settlement of

any claim, demand or litigation and all negotiations for the settlement or compromise of the same. To the extent Franchisee makes payment pursuant to this section, it may require from the Town an assignment of all right of recovery against any party.

SECTION 7.2 – INSURANCE

(a) Franchisee shall carry insurance with the Franchising Authority as named insured with an insurance company satisfactory to the Franchising Authority indemnifying the Franchising Authority and Franchisee from and against any and all claims for injury or damage to Persons or property, both real and personal, caused by construction, installation, operation, maintenance or removal of its Cable System. The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000) as to any one occurrence. The amount of such insurance for liability for injury or death to any Person shall be no less than One Million Dollars (\$1,000,000) and Two Million Dollars (\$2,000,000) on account of injury to or death of any number of Persons in any occurrence. Such liability insurance shall include products and completed operations, independent contractors, personal and advertising injury, and automobile; and Franchisee's liability insurance shall be endorsed to include the full indemnity for the Franchising Authority.

(b) Worker's Compensation, including liability benefits and any other legally required employee benefits, shall be supplied in statutory amounts.

(c) All insurance coverage, including Worker's Compensation, shall be maintained throughout the period of this Franchise Agreement. All expenses incurred for said insurance shall be at the sole expense of Franchisee. No later than thirty (30) days after the execution of this Franchise, Franchisee shall furnish to the Town certificates of insurance. Any certificates for new or replacement insurance coverage shall be provided to the Town within thirty (30) days of when they become effective.

(d) In the event that the insurer does not provide such notice directly to the Town as an additional insured, Franchisee agrees to provide the Town with as much advance written notice as is reasonably practicable in the event that any such insurer provides Franchisee with notice that it intends to cancel the policy or fail to renew the policy for any reason.

SECTION 7.3 – PERFORMANCE BOND

(a) Franchisee shall obtain and maintain during the entire term of this Franchise, at its sole cost and expense, and file with the Town, an irrevocable performance bond in the amount of Twenty Five Thousand Dollars (\$25,000) to guarantee performance of the following terms and conditions:

- (i) The satisfactory completion of cable installations in the time schedule provided herein and satisfactory compliance with provisions of this Agreement;
- (ii) The satisfactory restoration of pavements, sidewalks and other improvements in accordance with this Franchise;
- (iii) The satisfactory operation of the Cable System in compliance with the material terms and conditions of this Franchise;
- (iv) The installation of technology upgrades in accordance with Section 3.4.

Thereafter, the Town may draw upon this bond for the purpose of curing any deficiency or breach by Franchisee of the terms stated in this Section 7.3. This right to draw upon this bond shall not in any way impede or impair the right of the Franchisee to appeal the basis for such action.

- (b) The total amount of the bond shall be forfeited in favor of the Town in the event:
- (i) Franchisee abandons the Cable System or any part thereof at any time during the term of the Franchise; or
 - (ii) There is any change in ownership or control of the Franchisee, the Franchise or the Cable System in non-compliance with the provisions hereof;
 - (iii) Franchisee fails to purchase and maintain insurance as required by this Agreement; or

(iv) Franchisee fails to perform its obligations under this Agreement or in any way violates the terms of this Agreement.

(c) The Town may draw upon this bond and may otherwise recover any and all penalties due to the Town and any and all damages, losses, costs, and expenses suffered or incurred by the Town resulting from the failure of Franchisee to comply with one or more provisions of this Section 7.3. Such losses, costs and expenses shall include, but not be limited to, reasonable attorneys' fees and other legal, consulting and auditing expenses.

SECTION 7.4 – NOTICE AND OPPORTUNITY TO CURE

(a) Prior to instituting any action against Franchisee under Section 7.3 (Performance Bond) or Section 7.5 (Revocation of Franchise), the Franchising Authority shall notify Franchisee in writing of the specific failure and shall give Franchisee sixty (60) days, or such longer time as may be granted by the Franchising Authority in its reasonable discretion, in which to demonstrate that a failure does not exist or to rectify such failure, and shall not proceed further if the matter is resolved to the reasonable satisfaction of the Franchising Authority within the specified time period.

(b) In the event that Franchisee fails to cure, or to take reasonable steps to cure, the default within sixty (60) days, (or such other time period reasonably established by the Franchising Authority, at the written request of Franchisee) the Franchising Authority shall schedule a public hearing with fifteen (15) days written notice to Franchisee. Franchisee shall be provided the opportunity to offer evidence and to be heard at such public hearing.

(c) Within thirty (30) days following any such public hearing, the Franchising Authority shall determine if Franchisee is in default and, if so, the Franchising Authority may then pursue any and all lawful remedies, including revocation of this Franchise.

SECTION 7.5 – REVOCATION OF FRANCHISE; DEFAULT

The Franchise issued hereunder may, after due notice and hearing as defined herein, be revoked by the Franchising Authority for any of the following reasons:

- (i) For failure to comply with any of the material terms and conditions of the Franchise;
- (ii) The repeated failure, as determined by the Franchising Authority, to maintain Signal quality pursuant to FCC standards;
- (iii) For any Transfer or assignment of the Franchise Agreement or control thereof without consent of the Franchising Authority;
- (iv) For failure to maintain a performance bond as described in Section 7.3 or to maintain insurance as described in Section 7.2.

SECTION 7.6 – REMOVAL OF SYSTEM

Upon termination of the Franchise Agreement or of any renewal hereof by passage of time or otherwise, Franchisee shall remove its supporting structures, poles, transmission and distribution systems and other appurtenances from the Streets, ways, lanes, alleys, parkways, bridges, highways, and other public places in, over, under, or along which they are installed and shall restore the areas to their original condition. If such removal is not completed within six (6) months of such termination, the Franchising Authority may deem any property not removed as having been abandoned, and deem such property to be owned by the Franchising Authority to handle as its own property.

SECTION 7.7 – INCORPORATION BY REFERENCE

All presently and hereafter applicable conditions and requirements of Federal and State law and the rules and regulations of the FCC, as they may be amended from time to time are incorporated herein by reference and shall control the interpretation and performance of this Franchise, to the extent that any provision of this Franchise conflicts with or is inconsistent with such laws, rules or regulations.

ARTICLE 8
MISCELLANEOUS

SECTION 8.1 – SEVERABILITY

If any section, paragraph, term or provision of this Franchise Agreement is determined to be illegal, invalid or unconstitutional, by any court of competent jurisdiction or by any State or Federal regulatory agency having jurisdiction thereof, such determination shall have no effect on any other section, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of this Agreement or any renewal or renewals hereof.

SECTION 8.2 – FORCE MAJEURE

If for any reason of force majeure Franchisee is unable in whole or in part to carry out its obligations hereunder, Franchisee shall not be deemed in violation or default during the continuance of such inability. Unless further limited elsewhere in this Franchise Agreement, the term force majeure as used herein shall have the following meaning: strikes; acts of God; acts of public enemies, orders of any kind of the government of the United States of America or of the State of New Hampshire or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; arrests; civil disturbances; explosions; partial or entire failure of utilities; or any cause or event not reasonably within Franchisee's control.

SECTION 8.3 – NOTICES

Every notice to be served upon the Franchising Authority shall be delivered or sent by certified mail (postage prepaid) to Attn. Town Administrator, Town of Belmont, P.O. Box 310, Belmont NH, 03220, or such other address as the Franchise Authority may specify in writing to Franchisee. Every notice served upon Franchisee shall be delivered or sent certified mail (postage prepaid) to Attn: General Manager, MetroCast Cablevision of New Hampshire, LLC, 9 Apple Road, Belmont, NH 03220, with a copy to Attn: General Counsel, Harron Communications, L.P., 70 E. Lancaster Avenue, Frazer, PA 19355 or such other address as Franchisee may specify in writing to the Franchise Authority. The delivery shall be equivalent to

direct personal notice, direction or order, and shall be deemed to have been given at the time of receipt.

SECTION 8.4 – AMENDMENT OR MODIFICATION

This Franchise shall not be amended or modified except by written agreement following publication of the proposed amendment in a manner consistent with the publication and notice provisions of RSA Chapter 43.

SECTION 8.5 – ANNUAL REPORTING BY FRANCHISEE AND TOWN REVIEW

Within one hundred eighty (180) days after the end of each year of the Franchise term, the Franchisee shall report to the Town in writing, in substantially the forms attached hereto as Exhibit H (Rates and Charges) and Exhibit I (Annual System Report), such annual reports to include, at a minimum, the information described in those Exhibits.

At the Town's request and with reasonable advance notice, Franchisee shall attend annual meetings with authorized Town official(s) to review compliance with the terms of this Franchise and matters of interest to either party. No later than thirty (30) days prior to such meeting either party may submit a list of items to be reviewed.

SECTION 8.6 – DELEGATION

The Town may delegate to any Town official, employee, agency or commission the authority to exercise any of the Town's rights hereunder which may lawfully be so delegated. The Town shall notify Franchisee in writing of any delegation of authority to exercise the Town's rights hereunder.

SECTION 8.7 – FINAL AGREEMENT

The Agreement stated herein, in writing, constitutes the final agreement between the parties.

SECTION 8.8 – PROPRIETARY AND CONFIDENTIAL INFORMATION

If Franchisee reasonably believes that any documentation to be provided to the Franchising Authority in accordance with the provisions of this Agreement contains proprietary or confidential information, then Franchisee shall provide the Franchising Authority with written notice thereof, and thereafter the Franchising Authority will safeguard the information against disclosure, to the extent authorized under RSA Chapter 91-A.

SECTION 8.9 – STANDARD OF REASONABLENESS

Whenever a party to this Agreement is required, or has the right or discretion, to take an action or to refrain from taking an action with respect to a particular matter, then, in the exercise of any of its contractual obligations or rights, such party shall take such action or refrain from taking such action as is reasonable under the circumstances that exist at the time the action or non-action occurs.

SECTION 8.10 – GOVERNING LAW

This Agreement is governed by and construed in accordance with the Communications Act and the FCC regulations and policies adopted pursuant thereto, except where the law of the State of New Hampshire may control, in which case the law of the State of New Hampshire will govern (collectively, “**Applicable Law**”). All rights, requirements and obligations under this Agreement are subject to the requirements and limitations of Applicable Law. To the extent that any right, requirement or obligation under this Agreement is contrary to Applicable Law, then such provision shall be invalid to the extent that such provision is inconsistent with Applicable Law.

IN WITNESS WHEREOF, the parties hereto have caused this Franchise to be executed by their duly authorized representatives.

THE TOWN OF BELMONT, NEW HAMPSHIRE

By. Ruth P. Mooney

Name: Ruth P. Mooney

Title: Chairman Board of Selectmen

Date: April 21, 2014

METROCAST CABLEVISION OF NEW HAMPSHIRE, LLC

By. Steven Murdough

Name: Steven Murdough

Title: Senior Vice President of Operations

Date: MARCH 25, 2014

EXHIBIT A

PROGRAM UNDERWRITING GUIDELINES FOR PEG CHANNELS

Underwriting announcements may include the following information:

- The name of the donor.
- The purpose to which the donation was directed.
- The donor's location (which may include website addresses).
- The donor's brand or trade names, including visual depictions of the same.
- The date of the donor's founding or the number of years it has been in business.
- The donor's telephone number.
- Established slogans which viewers would associate with the donor or its products or services.
- Statements of the donor's institutional goals ("dedicated to..."), so long as no promotional reference is made to the donor's products or services.

Underwriting announcements should not contain any of the following elements:

- Any language explicitly urging patronage of particular goods, products, services or facilities (calls to action).
- Any explicit mention or comparison of the price, quality or quantity of goods, products, services or facilities.
- Any endorsement or depiction of apparently satisfied customers of the donor.
- Any slogan that is not routinely used by the underwriter in its business (a logo or jingle specially created for public broadcasting cannot be used) or that is overtly promotional in content or style.

EXHIBIT B
PRESENT SERVICE AREA

[See attached]

EXHIBIT C

I-NET BUILDINGS

Location	Street #	Street Name
High School	255	Seavey Rd
Elementary School	26	Best Street
SAU	58	School Street

EXHIBIT D

ACCESS ORIGINATION POINTS

Location	Street #	Street Name
Belmont Corner Meeting House	16	Sargent Rd

EXHIBIT E

CABLE SERVICE DROP POINTS

Location	Street #	Street Name
Town Hall	143	Main St
Library	146	Main St
High School	255	Seavey Rd
Middle School	38	School St
Elementary School	26	Best St
SAU	58	School St
Fire Department	14	Gilmanton Rd
Police Department	16	Fuller St
Public Works	149	Hurricane Rd
Parks & Recreation Bath House	16	Fuller St
Senior Center	14	Mill St
Corner Meeting House	16	Sargent St
Auxiliary Building	154	Main St

EXHIBIT F

FCC REGULATIONS RE: CUSTOMER SERVICE

Code of Federal Regulations 47 CFR

Sec. 76.309 Customer Service Obligations

(a) A cable Franchise Authority may enforce the customer service standards set forth in paragraph (c) of this section against cable operators. The Franchise Authority must provide affected cable operators ninety (90) days written notice of its intent to enforce the standards.

(b) Nothing in this rule should be construed to prevent or prohibit:

(1) A Franchising Authority and a cable operator from agreeing to customer service requirements that exceed the standards set forth in paragraph (c) of this section;

(2) A Franchising Authority from enforcing, through the end of the franchise term, pre-existing customer service requirements that exceed the standards set forth in paragraph (c) of this section and are contained in current Franchise Agreements;

(3) Any State or any Franchising Authority from enacting or enforcing any consumer protection law, to the extent not specifically preempted herein; or

(4) The establishment or enforcement of any State or municipal law or regulation concerning customer service that imposes customer service requirements that exceed, or address matters not addressed by the standards set forth in paragraph (c) of this section.

(c) Effective July 1, 1993, a cable operator shall be subject to the following customer service standards:

(1) Cable system office hours and telephone availability--

(i) The cable operator will maintain a local, toll-free or collect call telephone access line which will be available to its Subscribers 24 hours a day, seven days a week.

(A) Trained company representatives will be available to respond to customer telephone inquiries during normal business hours.

(B) After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.

(ii) Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, Transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis.

(iii) The operator will not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless an historical record of complaints indicates a clear failure to comply.

(iv) Under normal operating conditions, the customer will receive a busy Signal less than three (3) percent of the time.

(v) Customer service center and bill payment locations will be open at least during normal business hours and will be conveniently located.

(2) Installations, outages and service calls. Under normal operating conditions, each of the following four standards will be met no less than ninety-five (95) percent of the time measured on a quarterly basis:

(i) Standard installations will be performed within seven (7) business days after an order has been placed. "Standard" installations are those that are located up to 125 feet from the existing distribution system.

(ii) Excluding conditions beyond the control of the operator, the cable operator will begin working on "Service Interruptions" promptly and in no event later than 24 hours after the interruption becomes Known. The cable operator must begin actions to correct other service problems the next business day after notification of the service problem.

(iii) The "appointment window" alternatives for installations, service calls, and other installation activities will be either a specific time or, at maximum, a four-hour time block during normal business hours. (The operator may schedule service calls and other installation activities outside of normal business hours for the express convenience of the customer.)

(iv) An operator may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.

(v) If a cable operator representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time that is convenient for the customer.

(3) Communications between cable operators and cable Subscribers--

(iii) Refunds--Refund checks will be issued promptly, but no later than either--

(A) The customer's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or

(B) The return of the equipment supplied by the cable operator if service is terminated.

(ii) Credits--Credits for service will be issued no later than the customer's next billing cycle following the determination that a credit is warranted.

(4) Definitions--

(i) Normal business hours--The term "normal business hours" means those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

(ii) Normal operating conditions--The term "normal operating conditions" means those service conditions which are within the control of the cable operator. Those conditions which are not within the control of the cable operator include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the cable operator include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the Cable System.

(iii) Service Interruption--The term "Service Interruption" means the loss of picture or sound on one or more cable Channels.

Sec. 76.1602 Customer service--general information.

(a) A cable Franchise Authority may enforce the customer service standards set forth in paragraph (b) of this section against cable operators. The Franchise Authority must provide affected cable operators 90 days written notice of its intent to enforce standards.

(b) Effective July 1, 1993, the cable operator shall provide written information on each of the following areas at the time of installation of service, at least annually to all Subscribers, and at any time upon request:

- (1) Products and services offered;
- (2) Prices and options for Programming services and conditions of subscription to Programming and other services;
- (3) Installation and service maintenance policies;
- (4) Instructions on how to use the cable service;
- (5) Channel positions of Programming carried on the system; and
- (6) Billing and complaint procedures, including the address and telephone number of the local Franchise Authority's cable office.
- (7) Effective May 1, 2011, any assessed fees for rental of navigation devices and single and additional CableCARDS; and,
- (8) Effective May 1, 2011, if such provider includes equipment in the price of a bundled offer of one or more services, the fees reasonably allocable to:
 - (i) The rental of single and additional CableCARDS; and
 - (ii) The rental of operator-supplied navigation devices

(c) Subscribers shall be advised of the procedures for resolution of complaints about the quality of the television Signal delivered by the Cable System operator, including the address of the responsible officer of the local Franchising Authority.

Sec. 76.1603 Customer service--rate and service changes.

(a) A cable Franchise Authority may enforce the customer service standards set forth in paragraph (b) of this section against cable operators. The Franchise Authority must provide affected cable operators 90 days written notice of its intent to enforce standards.

(b) Customers will be notified of any changes in rates, Programming services or Channel positions as soon as possible in writing. Notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if the change is within the control of the cable operator. In addition, the cable operator shall notify Subscribers 30 days in advance of any significant changes in the other information required by Sec. 76.1602.

(c) In addition to the requirement of paragraph (b) of this section regarding advance notification to customers of any changes in rates, Programming services or Channel positions, Cable Systems shall give 30 days written notice to both Subscribers and local franchising

authorities before implementing any rate or service change. Such notice shall state the precise amount of any rate change and briefly explain in readily understandable fashion the cause of the rate change (e.g., inflation, change in external costs or the addition/deletion of Channels). When the change involves the addition or deletion of Channels, each Channel added or deleted must be separately identified. For purposes of the carriage of digital Broadcast Signals, the operator need only identify for Subscribers, the television Signal added and not whether that Signal may be multiplexed during certain day parts.

(d) A cable operator shall provide written notice to a Subscriber of any increase in the price to be charged for the Basic Service tier or associated equipment at least 30 days before any proposed increase is effective. The notice should include the name and address of the local Franchising Authority.

(e) To the extent the operator is required to provide notice of service and rate changes to Subscribers, the operator may provide such notice using any reasonable written means at its sole discretion.

(f) Notwithstanding any other provision of part 76 of this chapter, a cable operator shall not be required to provide prior notice of any rate change that is the result of a regulatory fee, Franchise Fee, or any other fee, tax, assessment, or charge of any kind imposed by any Federal agency, State, or Franchising Authority on the transaction between the operator and the Subscriber.

Note 1 to Sec. 76.1603: Section 624(h) of the Communications Act, 47 U.S.C. 544(h), contains additional notification requirements which a Franchising Authority may enforce.

Note 2 to Sec. 76.1603: Section 624(d)(3) of the Communications Act, 47 U.S.C. 544(d)(3), contains additional notification provisions pertaining to cable operators who offer a premium Channel without charge to cable Subscribers who do not subscribe to such premium Channel.

Note 3 to Sec. 76.1603: Section 631 of the Communications Act, 47 U.S.C. 551, contains additional notification requirements pertaining to the protection of Subscriber privacy.

Sec. 76.1619 Information on Subscriber bills.

(a) Effective July 1, 1993, bills must be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, basic and premium service charges and equipment charges. Bills will also clearly delineate all activity during the billing period, including optional charges, rebates and credits.

(b) In case of a billing dispute, the cable operator must respond to a written complaint from a Subscriber within 30 days.

(c) A cable Franchise Authority may enforce the customer service standards set forth in this section against cable operators. The Franchise Authority must provide affected cable operators 90 days written notice of its intent to enforce standards.

EXHIBIT G

SUBSCRIBER PRIVACY

47 U.S. Code Sections 551

§ 551. Protection of Subscriber Privacy

(a) Notice to Subscriber regarding personally identifiable information; definitions

(1) At the time of entering into an Agreement to provide any Cable Service or other service to a Subscriber and at least once a year thereafter, a cable operator shall provide notice in the form of a separate, written statement to such Subscriber which clearly and conspicuously informs the Subscriber of—

(A) the nature of personally identifiable information collected or to be collected with respect to the Subscriber and the nature of the use of such information;

(B) the nature, frequency, and purpose of any disclosure which may be made of such information, including an identification of the types of Persons to whom the disclosure may be made;

(C) the period during which such information will be maintained by the cable operator;

(D) the times and place at which the Subscriber may have access to such information in accordance with subsection (d) of this section; and

(E) the limitations provided by this section with respect to the collection and disclosure of information by a cable operator and the right of the Subscriber under subsections (f) and (h) of this section to enforce such limitations.

In the case of Subscribers who have entered into such an Agreement before the Effective Date of this section, such notice shall be provided within 180 days of such date and at least once a year thereafter.

(2) For purposes of this section, other than subsection (h) of this section—

(A) the term “personally identifiable information” does not include any record of aggregate data which does not identify particular Persons;

(B) the term “other service” includes any wire or radio communications service provided using any of the facilities of a cable operator that are used in the provision of Cable Service; and

(C) the term “cable operator” includes, in addition to Persons within the definition of cable operator in section 522 of this title, any Person who

(i) is owned or controlled by, or under common ownership or control with, a cable operator, and

(ii) provides any wire or radio communications service.

(b) Collection of personally identifiable information using Cable System

(1) Except as provided in paragraph (2), a cable operator shall not use the Cable System to collect personally identifiable information concerning any Subscriber without the prior written or electronic consent of the Subscriber concerned.

(2) A cable operator may use the Cable System to collect such information in order to—

- (A) obtain information necessary to render a Cable Service or other service provided by the cable operator to the Subscriber; or
- (B) detect unauthorized reception of cable communications.

(c) Disclosure of personally identifiable information

(1) Except as provided in paragraph (2), a cable operator shall not disclose personally identifiable information concerning any Subscriber without the prior written or electronic consent of the Subscriber concerned and shall take such actions as are necessary to prevent unauthorized access to such information by a Person other than the Subscriber or cable operator.

(2) A cable operator may disclose such information if the disclosure is—

(A) necessary to render, or conduct a legitimate business activity related to, a Cable Service or other service provided by the cable operator to the Subscriber;

(B) subject to subsection (h) of this section, made pursuant to a court order authorizing such disclosure, if the Subscriber is notified of such order by the Person to whom the order is directed;

(C) a disclosure of the names and addresses of Subscribers to any Cable Service or other service, if—

(i) the cable operator has provided the Subscriber the opportunity to prohibit or limit such disclosure, and

(ii) the disclosure does not reveal, directly or indirectly, the—

(I) extent of any viewing or other use by the Subscriber of a Cable Service or other service provided by the cable operator, or

(II) the nature of any transaction made by the Subscriber over the Cable System of the cable operator; or

(D) to a government entity as authorized under chapters 119, 121, or 206 of title 18, except that such disclosure shall not include records revealing cable Subscriber selection of video Programming from a cable operator.

(d) Subscriber access to information

A cable Subscriber shall be provided access to all personally identifiable information regarding that Subscriber which is collected and maintained by a cable operator. Such information shall be made available to the Subscriber at reasonable times and at a convenient place designated by such cable operator. A cable Subscriber shall be provided reasonable opportunity to correct any error in such information.

(e) Destruction of information

A cable operator shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending requests or orders for access to such information under subsection (d) of this section or pursuant to a court order.

(f) Civil action in United States district court; damages; attorney's fees and costs; nonexclusive nature of remedy

(1) Any Person aggrieved by any act of a cable operator in violation of this section may bring a civil action in a United States district court.

(2) The court may award—

(A) actual damages but not less than liquidated damages computed at the rate of \$100 a day for each day of violation or \$1,000, whichever is higher;

(B) punitive damages; and

(C) reasonable attorneys' fees and other litigation costs reasonably incurred.

(3) The remedy provided by this section shall be in addition to any other lawful remedy available to a cable Subscriber.

(g) Regulation by States or franchising authorities

Nothing in this subchapter shall be construed to prohibit any State or any Franchising Authority from enacting or enforcing laws consistent with this section for the protection of Subscriber privacy.

(h) Disclosure of information to governmental entity pursuant to court order

Except as provided in subsection (c)(2)(D) of this section, a governmental entity may obtain personally identifiable information concerning a cable Subscriber pursuant to a court order only if, in the court proceeding relevant to such court order—

(1) such entity offers clear and convincing evidence that the subject of the information is reasonably suspected of engaging in criminal activity and that the information sought would be material evidence in the case; and

(2) the subject of the information is afforded the opportunity to appear and contest such entity's claim.

EXHIBIT I
ANNUAL SYSTEM REPORT
TOWN OF BELMONT

Office Location: MetroCast
9 Apple Road
Belmont, NH 03220

Mailing Address: 9 Apple Road
Belmont, NH 03220

Office Hours:

Phone Number: (603) 524-4425

Headend location: 9 Apple Road Belmont, NH 03220

Miles of Cable Plant:

Number of Subscribers:

Customer Service Statistics:

Projects Constructed:

Locations for which Cable System extension requested by Subscribers but not provided and reasons extension not provided:

Franchise Fees paid:

Emergency Contact: