

FRANCHISE AGREEMENT
BETWEEN
TREDYFFRIN TOWNSHIP
AND
COMCAST OF PENNSYLVANIA, LLC.

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| 1. DEFINITIONS | 5 |
| 2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS | 11 |
| 3. PROVISION OF CABLE SERVICE | 14 |
| 4. SYSTEM OPERATION..... | 15 |
| 5. SYSTEM FACILITIES | 15 |
| 6. PEG SERVICES..... | 16 |
| 7. FRANCHISE FEES..... | 18 |
| 8. CUSTOMER SERVICE..... | 19 |
| 9. REPORTS AND RECORDS..... | 20 |
| 10. INSURANCE AND INDEMNIFICATION..... | 21 |
| 11. TRANSFER OF FRANCHISE | 23 |
| 12. RENEWAL OF FRANCHISE | 24 |
| 13. ENFORCEMENT OF FRANCHISE | 24 |
| 14. MISCELLANEOUS PROVISIONS | 27 |
| | |
| EXHIBIT A -- TOWNSHIP BUILDINGS RECEIVING FREE CABLE SERVICE | 31 |
| | |
| EXHIBIT B – CUSTOMER SERVICE STANDARDS | 32 |

THIS FRANCHISE AGREEMENT (the "Franchise" or "Agreement") is entered into by and between the TOWNSHIP OF TREDYFFRIN, Chester County, Pennsylvania, a validly organized and existing political subdivision of the Commonwealth of Pennsylvania (the "Local Franchising Authority," "LFA," or "Township") and COMCAST OF PENNSYLVANIA, LLC., (the "Franchisee" or "Comcast").

WHEREAS, Comcast currently has a non-exclusive franchise to provide Cable Service within the Township of Tredyffrin by way of a resolution approved by the Board of Supervisors on June 19, 2000, under which the cable franchise was transferred from Adelpia Communications Corporation; and

WHEREAS, Franchisee seeks renewal of its Franchise pursuant to the provisions of the Cable Communications Policy Act of 1984, as amended ("Cable Act"), and applicable state and federal law; and

WHEREAS, the Township is a local franchising authority ("LFA") in accordance with Title VI of the Communications Act of 1934 [*see* 47 U.S.C. §522 (10)] and is authorized to grant and renew one or more non-exclusive franchises to operate, construct, maintain, and reconstruct a Cable System within the Township; and

WHEREAS, the Township has identified the future cable-related needs and interests of the Township and its citizens, and the Township has determined that financial, legal, and technical ability of Franchisee is reasonably sufficient and satisfactory to provide the services, facilities, and equipment necessary to meet the aforesaid needs of the Township; and

WHEREAS, the Township has determined that the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the Township and Franchisee have reached agreement on the terms and conditions set forth herein, and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the Township's grant of a franchise to Franchisee, Franchisee's promise to offer Cable Service to residents of the Township pursuant to and consistent with the Cable Act (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged.

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS

For the purpose of this Franchise, the following terms, phrases, words, and their derivations shall have the meaning given herein. Words used in the present tense include the future tense, words in the plural number include the singular number, words that reference the masculine gender include the feminine, and words in the singular number include the plural number. The words "shall" and "will" are mandatory and "may" is permissive. All capitalized terms used in the definition of any other term shall have their meaning as otherwise defined in this Section. Except as otherwise provided herein, the definitions and word usages set forth in Title VI of the Communications Act are incorporated herein and shall apply in this Agreement. Words not defined shall be given their common and ordinary meaning. Accordingly, the following definitions shall apply:

1.1. *Access Channel*: Channel capacity as designated in this Agreement for public, educational, or governmental use, made available to the Township without charge, for the transmission of non-commercial, video programming as directed by the Township, as governed by Section 611 of the Cable Act.

1.2. *Affiliate*: Shall mean a Person with (i.) a direct or indirect ownership interest in the subject entity of fifty percent (50%) or more or controls such interest, including all forms of ownership such as general, limited, or other partnership interests, direct ownership interests, limited liability companies and other forms of business organizations and entities but, not including corporations, or (ii.) a stock interest in the subject entity where the subject entity is a corporation and such stockholder or its nominee is an officer or director of Franchisee or who directly or indirectly owns or controls fifty percent (50%) of more of the outstanding stock, whether voting or non-voting; and any Person that, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with such Person.

1.3. *Basic Service*: Shall be defined herein as it is defined under Section 602 of Title VI of the Communications Act, 47 U.S.C. §522 (3), which currently states: "Any service tier which includes the retransmission of local television broadcast signals."

1.4. *Cable Operator*: Shall be defined herein as it is defined under Section 602 of Title VI of the Communications Act, 47 U.S.C. §522 (5), as now or hereafter amended.

1.5. *Cable Service* or *Cable Services*: Shall be defined herein as it is defined under Section 602 of Title VI of the Communications Act, 47 U.S.C. §522 (6), which currently states: "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."

1.6. *Cable System* or *System*: Shall be defined herein as it is defined under Section 602 of Title VI of the Communications Act, 47 U.S.C. §522 (7), which currently states: "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 (A) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (B) a facility that serves Subscribers without using any Public Rights-of-Way; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of this Act, except that such facility shall be considered a Cable System (other than for purposes of Section 621(c)) 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; (D) an open video system that complies with Section 653 of this title; or (E) any facilities of any electric utility used solely for operating its electric utility systems.” Franchisee’s and its Affiliates’ Cable System regulated under this Agreement shall be limited to the optical spectrum wavelength(s), bandwidth, or future technological capacity that is used for the transmission of Cable Services directly to Subscribers within the LFA and shall not include the tangible network facilities of a common carrier subject in whole or in part to Title II of the Communications Act or of an Information Services provider.

1.7. *Channel*: Shall be defined herein as it is defined under Section 602 of Title VI of the Communications Act, 47 U.S.C. §522 (4), which currently states “A portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television channel (as television channel is defined by the FCC by regulation).”

1.8. *Cable Act*: Title VI of the Communications Act of 1934, as amended [47 U.S.C. §§521-631].

1.9 *Cable Code*: Shall be defined herein as Chapter 88, Article I, §§88-1 to 88-18 of the Code of the Township of Tredyffrin.

1.10. *Complaint*: Shall mean written communication by a Subscriber expressing dissatisfaction about any aspect of Franchisee’s operation of the Cable System to provide Cable Service in the Township.

1.11. *Control*: The ability to exercise *defacto* or *dejure* control over day-to-day policies and operations or the management of Franchisee’s affairs.

1.12. *Educational Access Channel*: Access channel capacity available for the use by local educational institutions to provide non-commercial, educational programming in the Franchise Area as designated by the Township.

1.13. *Effective Date*: Shall mean the date of ordination and enactment of an ordinance duly adopted by the Board of Supervisors of Tredyffrin Township, Chester County, after which all persons necessary to sign this Agreement in order for it to be binding on both parties have executed this Agreement as indicated on the signature page(s), unless a specific date is otherwise provided herein.

1.14 *Expanded Basic Service or Expanded Service*: Shall be defined as herein

as that level of cable service which includes the Basic Service Tier and the Cable Programming Services Tier ("CPST") which further includes those programming choices beyond the retransmission of local broadcast channels, but does not include premium channels sold on a per-channel or pay-per-view basis. CPST is the unregulated service tier that typically includes channels such as CNN, ESPN, Lifetime, HGTV, MTV, and Nickelodeon. Expand Service is the most common level of service chosen by Subscribers.

1.15. *FCC*: The United States Federal Communications Commission or successor governmental entity thereto.

1.16. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, labor strikes, lockouts, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy including terrorist attacks or threats, orders of the government of the United States or the Commonwealth of Pennsylvania, actions or inactions of any government instrumentality or public utility other than Franchisee including condemnation to the extent such actions are unforeseeable, accidents for which Franchisee is not responsible, fire, flood, or other acts of God, or work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's System is attached, and the unavailability of materials and/or qualified labor to perform the work necessary to the extent that such unavailability of materials and/or qualified labor was reasonably beyond the ability of Franchisee to foresee or control.

1.17. *Franchise*: Shall mean the initial authorization, or renewal thereof, granted by the Township, whether such authorization is designated as a franchise, permit, license, resolution, contract, certificate, ordinance or otherwise, which authorizes construction and operation of the Cable System for the purpose of offering Cable Service to Subscribers in the Franchise Area.

1.18. *Franchise Area*. The incorporated municipal boundaries (entire territorial limits) of the Township and such additional areas as may be included in the corporate (territorial) limits of Township during the term of this Franchise.

1.19. *Franchise Fee*. The term "Franchise Fee" includes any tax, fee, or assessment of any kind imposed by a local franchising authority or other governmental entity on a cable operator or cable subscriber, or both, solely because of their status as such. The Franchise Fee and other external costs incidental to the Franchise may be collected from subscribers and remitted to the Franchising Authority in a manner consistent with federal law. Notwithstanding the law, the PEG Support Grant described at Section 6.4 herein shall be in addition to and separate from any Franchise Fee imposed by this Agreement.

1.20. *Franchisee*: Comcast of Pennsylvania, LLC., and its lawful and permitted successors, assigns, and transferees.

1.21. *Government Access Channel*: Access channel capacity available for the use by the Township or its designee(s) for non-commercial, governmental purposes.

1.22. *Gross Revenue*: All revenue, as determined in accordance with generally accepted accounting principles (“GAAP”), which is received by Franchisee and its Affiliates from the operation of the Cable System to provide Cable Service in the Township, including:

- (1) fees charged for Basic Service;
- (2) fees charged to Subscribers for any Cable Service tier other than Basic Service;
- (3) fees charged for premium channels and premium video programming services;
- (4) fees charged to Subscribers for any optional, per-channel or per-program services;
- (5) revenue from the provision of any other Cable Service;
- (6) charges for installation, additional outlets, relocation, disconnection, reconnection and change-in-service fees for video or audio programming;
- (7) fees for downgrading any level of Cable Service programming;
- (8) fees charged for service call response;
- (9) fees for leased access channels;
- (10) rental or sales of any and all Subscriber equipment, including converters and remote control devices;
- (11) any and all locally-derived advertising revenues;
- (12) revenues or commissions derived locally from home shopping channels;
- (13) fees for video-on-demand;
- (14) sales of hardcopy program guides;
- (15) late payment fees;
- (16) revenue from NSF check charges; and
- (17) franchise fees.

Except for commissions paid to independent third parties, advertising revenue is based upon the ratio of the number of Subscribers as of the last day of the period for which Gross Revenue is being calculated to the number of Franchisee’s subscribers within all areas covered by the particular advertising source as of the last day of such period.

Gross Revenue shall not include:

1.22.1 Revenues received from Franchisee by any Affiliate or Person other than Franchisee in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System in the Township;

1.22.2 Bad debts written off by Franchisee in the normal course of its business, provided, however, that bad debt recovery shall be included in Gross Revenue during the period collected;

1.22.3 Refunds, rebates or discounts made to Subscribers or other third parties;

1.22.4 Any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communications that are not Cable Services; and any other revenues attributed to Non-Cable Services in accordance with applicable federal and state laws, regulatory rules, standards, orders, or regulations;

1.22.5 Any revenue of Franchisee or any other Person that is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, notwithstanding that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise, which portion shall be included in Gross Revenue;

1.22.6 The resale of Cable Services on the Cable System for which the purchaser is required to collect cable franchise fees from purchaser's customer;

1.22.7 Any tax of general applicability imposed upon Franchisee or upon Subscribers by a municipality, state, federal, or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes, and Non-Cable Services revenue);

1.22.8 Any forgone revenue that Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise; provided, however, that such foregone revenue that Franchisee chooses not to receive in exchange for trades, barter, services, or other items of value shall be included in Gross Revenue;

1.22.9 Sales of capital assets or sales of surplus equipment that are not deemed to be a Cable Service;

1.22.10 Program launch fees;

1.22.11 Directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing;

1.22.12 Any fees or charges collected from Subscribers or other third parties for any public, educational, or governmental ("PEG") Access Channel Grant.

1.23. *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153 (20); provided, however, that any reference to Information Services herein does not include any Cable Services over the Cable System in the

Township.

1.24. *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet; provided, however, that any reference to Information Services herein does not include any Cable Services over the Cable System in the Township.

1.25. *Local Franchising Authority or "LFA"*: The Township of Tredyffrin or the lawful successor, transferee, or assignee thereof, including the incorporated area (entire existing territorial limits) of the Township and such additional areas as may be included in the corporate (territorial) limits of Township during the term of this Franchise. "Local" or "Locally" shall refer to such territorial limits.

1.26. *Non-Cable Services*: Any service that is not a Cable Service provided over the Cable System in the Franchise Area, as defined herein, including, but not limited to, Information Services and Telecommunications Services.

1.27. *Normal Business Hours*: 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. *See* 47 C.F.R. §76.309 (c) (4) (i).

1.28. *Normal Operating Conditions*: Those service conditions that are within the control of Franchisee. Those conditions that are not within the control of Franchisee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions that are ordinarily within the control of Franchisee 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. *See* 47 C.F.R. § 76.309 (c) (4) (ii).

1.29. *PEG*: Public, Educational and Governmental access channels.

1.30. *Person*: An individual, partnership, association, joint stock company, trust, corporation, limited liability company, governmental entity or other entity recognized under Pennsylvania law as a legal person.

1.31. *Public Access Channel*: Channel capacity designated by the Township available for non-commercial use by residents on a first-come, first-served, non-discriminatory basis for public access video programming provided by the LFA or its designee, such as a public access organization. A Public Access Channel may not be used to telecast programs for profit, or political or commercial fundraising in any fashion.

1.32. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with

regard to cellular or other non-wire communications or broadcast services.

1.33. *Service Area*: All portions of the Township where Franchisee's Cable Service is being offered.

1.34. *Service Interruption*: The loss of picture or sound on one or more cable channels.

1.35. *Subscriber*: A Person who lawfully receives Cable Service distributed by the Cable System with Franchisee's express permission.

1.36. *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46).

1.37. *Title II*: Title II of the Communications Act, Common Carriers, as amended.

1.38. *Title VI*: Title VI of the Communications Act, entitled Cable Communications, as amended, which governs the provision of Cable Services by Franchisee (i.e. the "Cable Act").

1.39. *Transfer of the Franchise*:

1.39.1 Any transaction in which:

1.39.1.1 the right, title, control or other interest in the Franchise or the Cable System exceeding twenty-five percent (25%) of equitable ownership is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that management or control of Franchisee is transferred; or

1.39.1.2 the rights held by Franchisee pursuant to this Agreement greater than the percentage above are transferred or assigned to another Person or group of Persons.

1.39.1.3 However, notwithstanding subsection 1.39.1.1, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action that is the result of a merger of the parent of Franchisee; or any action that is the result of a merger of another Affiliate of Franchisee.

1.40. *Video Programming*: Shall be defined herein as it is defined under Section 602 of Title VI of the Communications Act, 47 U.S.C. §522 (20), which states: "Programming provided by, or generally considered comparable to programming provided by a television broadcast station."

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1. *Grant of Authority*: Subject to the terms and conditions of this Agreement

and applicable laws and regulations, Township hereby grants Franchisee the right to own, construct, operate, and maintain a Cable System to provide Cable Services in and along the Public Rights-of-Way within the Township, in order to provide Cable Service. No privilege or power of eminent domain is bestowed or waived by this grant or by this Agreement.

2.2. *Township's Regulatory Authority:* The parties recognize that Franchisee's Cable System is also being operated and maintained for the provision of Non-Cable Services. The jurisdiction of Township over such Telecommunications Facilities is governed by federal and state law, and Township does not and will not assert jurisdiction over Franchisee's Non-Cable Services in contravention of those laws. This Agreement shall not be construed to limit whatever existing regulatory authority the Township may have under federal and state law with respect to the Cable System facilities, including the lawful regulatory authority of LFA over the Public Rights-of-Way.

2.3. *Term:* This Franchise shall become effective and in full force on the Effective Date. The term of this Franchise shall be ten (10) years from the Effective Date, with an automatic, one-time extension of five (5) years unless either party notifies the other in writing no sooner than thirty-six (36) months and no later than thirty (30) months prior to the expiration date of its desire to enter into renewal negotiations as provided under the Cable Act, or the Franchise is earlier extended or lawfully revoked as provided herein.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and Township reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use themselves, at any time during the term of this Franchise. Any such rights that are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of Franchisee's Cable System.

2.5. *Franchise Subject to Federal Law:* Notwithstanding any provision to the contrary herein, this Agreement is subject to and shall be governed by all applicable provisions of federal law, as amended. Nothing in this Agreement or Franchise shall be construed to prohibit the Franchisee from offering any service over its Cable System that is not prohibited by federal or state law.

2.6. *No Waiver:*

2.6.1. The failure of the Township on one or more occasions to exercise a right or to require compliance or performance under this Franchise or applicable law shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance by LFA, nor to excuse Franchisee from complying or performing, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of Franchisee on one or more occasions to exercise a right under this Franchise or applicable law, or to require performance under this Franchise, shall not be deemed to constitute a waiver of such right or of performance of this Agreement, nor shall

it excuse LFA from performance, unless such right or performance has been specifically waived in writing.

2.7. *Construction of Agreement:*

2.7.1. The parties agree that this Agreement contains all terms and conditions applicable to this Agreement. In the event of a conflict between any prior understanding, ordinance or agreement and this Agreement, whether written or oral, this Agreement shall prevail. In the event of a conflict between the Cable Code and this Agreement, this Agreement shall prevail. Cable Code provisions not addressed by this Agreement do not apply to this Franchise.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of Title VI of the Communications Act, 47 U.S.C. §545.

2.7.3. Should any change to state law have the lawful effect of materially altering the terms and conditions of this Agreement, making it commercially impracticable for Franchisee to continue the provision of Cable Services in the Township, then the parties shall modify this Franchise to the mutual satisfaction of both parties to ameliorate the negative effects on Franchisee of the material alteration. Any modification to this Agreement shall be in writing and signed by both parties. If the parties cannot reach agreement on the above-referenced modification to the Agreement, then Franchisee may terminate this Agreement without further obligation to Township or, at either Franchisee's or the Township's option, the parties agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association (or other competent arbitration organization that is nationally recognized as such). Any termination pursuant to this subsection shall require one hundred and eighty (180) days notice by the Franchisee, to the Township, prior to such termination taking effect.

2.8. *Police Powers:* Nothing in this Agreement shall be construed to prohibit the reasonable, necessary, and lawful exercise of the police powers of the Township. Franchisee shall apply to the Township for all generally-applicable required permits and shall not undertake any activities in the public rights-of-way subject to a permit without receipt of such permit, the issuance of which shall not be unreasonably withheld. Notwithstanding, Franchisee shall not be required to obtain a permit for individual drop connections to Subscribers, individual pedestal repair or installations, or instances of routine maintenance or minor repair to its Cable System. If the Township exercises its reasonable, necessary, and lawful police powers and such exercise results in a material alteration of the terms and conditions of this Agreement that makes it commercially impracticable for Franchisee to continue the provision of Cable Services in the Township, then the parties shall modify this Agreement to the mutual satisfaction of both parties to ameliorate the negative effects of Township's exercise of its police powers on Franchisee. Any modification to this Agreement shall be in writing and signed by both parties. If the parties cannot reach agreement on how to ameliorate the negative effects of Township's exercise of its police powers, then Franchisee may terminate this Agreement without further obligation to Township or, at either the Franchisee's or the Township's option, the parties agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American

Arbitration Association (or other competent arbitration organization that is nationally recognized as such) before the parties seek any other remedy. Any termination pursuant to this subsection shall require one hundred and eighty (180) days notice by the Franchisee, to the Township, prior to such termination taking effect.

3. **PROVISION OF CABLE SERVICE**

3.1. *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Township where the minimum density is equal to or greater than thirty (30) occupied residential dwelling units per linear mile as measured in strand footage from the nearest technically feasible point on the active Cable System trunk or feeder line. Should, through new residential construction, an area within the Township meet such density requirements after the time stated for providing Cable Service as set forth in this Subsection 3.1.1, Franchisee shall provide Cable Service to such area within six (6) months of receiving written notice from the Township that the density requirements have been met.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units within the Service Area in conformance with Section 3.1 and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service. Franchisee may choose to make Cable Service available to businesses within the Service Area in conformance with the above. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, all residential dwelling units that are within one hundred twenty-five (125) feet of trunk or feeder lines not otherwise already served by Franchisee's Cable System. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, no more than the actual costs incurred for residential dwelling unit connections that exceed one hundred twenty-five (125) feet and actual costs incurred to connect any non-residential dwelling unit Subscriber.

3.3. *Cable Service to Township and School Buildings:* Franchisee shall provide, without charge within the Service Area where Cable Service is available, one (1) service outlet activated for Expanded Basic Service or equivalent level of service and the equipment necessary to receive this level of service to one (1) outlet to the following buildings:

3.3.1. Each Township building, fire station, and public library as may be designated by LFA in Exhibit A; provided, however, that if it is necessary to extend Franchisee's trunk or feeder lines more than one hundred twenty-five (125) feet solely to provide service to any such public building, LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of one hundred twenty-five (125) feet, or of releasing Franchisee from the obligation to provide service to such public building. Furthermore, Franchisee shall be permitted to recover, from any public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one (1) outlet, or concealed inside wiring, or a service outlet requiring more than one hundred twenty-five (125) feet of drop cable and for the provision of Basic Service to the additional service outlets once installed.

3.3.2. Each public K-12 school, and each non-public K-12 school that

receives funding pursuant to Title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C. §6301 et seq., located in the LFA, as may be designated by LFA in Exhibit A; provided, however, that Franchisee shall not be obligated to provide any service outlets activated for Basic Service to home schools; also provided, however, that if it is necessary to extend Franchisee's trunk or feeder lines more than one hundred twenty-five (125) feet solely to provide service to any such school building, LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of one hundred twenty-five (125) feet, or of releasing Franchisee from the obligation to provide service to such school building. Furthermore, Franchisee shall be permitted to recover, from any school building owner entitled to free service, the direct cost of installing, when requested to do so, more than one (1) outlet, or concealed inside wiring, or a service outlet requiring more than one hundred twenty-five (125) feet of drop cable and for the provision of Basic Service to the additional service outlets once installed.

3.4. *Cable Modem Service to Public Buildings:* Franchisee shall provide, without charge within the Service Area where Cable Service is available, one (1) service outlet activated for Internet Access Service via cable modem to one (1) Township building and each public K-12 school, and each non-public K-12 school subject to the service conditions set forth in Section 3.3, herein above.

3.5 *Permits for Service.* The Township shall use its best efforts to expedite the issuance of permits that may be necessary for the construction specified in this Section 3.

3.6 Notwithstanding the above terms, Franchisee shall not reduce the level of complimentary service (and necessary equipment) that exists in public buildings at the time of the effective date of this Agreement.

4. **SYSTEM OPERATION**

To the extent that jurisdiction of the LFA over the Franchisee's Cable System is restricted by Federal or State Law, the LFA shall not assert jurisdiction over Franchisee's Cable System in contravention of those limitations.

5. **SYSTEM FACILITIES**

5.1. *Technical Requirement:* Franchisee shall operate, maintain, construct, and extend the Cable System that is capable of providing reliable delivery of one-way and two-way Cable Services for cable programming services throughout Franchise Area. The Cable System shall meet or exceed any and all technical performance standards of: the FCC, the National Electrical Safety Code, the National Electric Code, and any other applicable federal laws and the laws of the Commonwealth of Pennsylvania, to the extent not in conflict with federal law and regulations, as determined by a Court of competent jurisdiction.

5.2. *System Characteristics:* Franchisee's Cable System shall meet or exceed the following requirements:

5.2.1. The System shall be designed, constructed, and maintained with analog and/or digital capability with a bandwidth capacity no less than 750 MHz.

5.2.2. The System shall be designed, constructed, and maintained as an active two-way system capable to deliver reliable two-way Cable Services.

5.3. *Interconnection of PEG Transmission Source:* For the purposes of PEG Access and if technically feasible, Franchisee shall allow the connection by another cable operator(s) to the site location of any Public, Educational and Governmental access programming studio or transmission source consistent with this Agreement. Such connection may be accomplished by return line or other appropriate and reasonable method of connection, but shall be separate and independent from, and not technically reliant upon the Franchisee's Cable System.

5.4. *Emergency Alert System:*

5.4.1. Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC set forth under 47 C.F.R. Part 11, FCC Rules and Regulations, Emergency Alert System (EAS). To the extent required under federal and state law, Franchisee shall assist the Township in the establishment of an emergency response plan.

5.5. *System Design:* The Franchisee shall maintain a Cable System in the Township in accordance with the provisions of this Agreement. Franchisee reserves the right to alter, adjust, modify, rebuild, upgrade, redesign, or otherwise reconfigure the Cable System at any time during the term of the Agreement. Notwithstanding the above, Franchisee agrees that no alteration, adjustment, modification, rebuild, upgrade, redesign, or other reconfiguration of the Cable System shall have the effect of reducing the technical capabilities of the Cable System from those that exist on the Effective Date of this Agreement.

5.6. *Programming:* Franchisee shall make available a broad range of Cable Service programming to Subscribers, in accordance with federal law and regulation.

6. **PEG SERVICES**

6.1. *PEG Capacity; Cable System Connection:*

6.1.1. In order to contribute to an informed citizenry and show, among other things, local government at work, provide a forum for the discussion of local needs, and bring local education into the home, Franchisee shall provide capacity on its channel lineup dedicated for Public Access, Educational Access, and Government Access (collectively, "PEG Channels").

6.1.2. Township shall have the right to use channel capacity for one (1) Public Access Channel, one (1) Educational Access Channel that Township may designate for educational purposes, and one (1) Government Access Channel for exclusive use by Township or its designee. In the event that Township determines to use PEG channel capacity it is not using already, LFA shall provide Franchisee with one hundred eighty (180) days' prior written notice

of such request. Franchisee shall assign the PEG Channel numbers to the extent such channel number assignments do not interfere with Franchisee's existing or planned channel number line-up and contractual obligations, provided it is understood that Franchisee specifically reserves the right to make such assignments in its sole discretion. The PEG Channels shall be used for non-commercial, community programming related to public, educational and/or governmental activities. If a PEG Channel provided under this Section is not being utilized by Township, Franchisee may utilize such PEG Channel, in its sole discretion, after providing (1.) no less than sixty (60) days written notice to the LFA, and (2.) upon receiving approval by the Township. In the event that the Township requests the full utilization of the access channel being programmed by the Franchisee, in full or in part, the Franchisee shall relinquish such use no later than sixty (60) days after receipt from the Township of written notification that the LFA requires such channel use for Public, Educational and/or Government access.

6.1.3. The Franchisee shall not exercise any editorial control over the timing or content of programming of such PEG channels in accordance with federal law. Township shall have complete control over the content, scheduling, and administration of PEG Access programming and may delegate such functions, or a portion of such functions, to an appropriate designee. Regarding the non-commercial use of PEG Channels, Township shall comply with past practice and the law, in particular the provisions of Section 611 of the Act, 47 U.S.C. §531.

6.1.4. In order to ensure the universal availability of PEG access programming to all cable subscribers in the Township, Franchisee shall use a reasonable effort to allow connection by another cable operator(s) to the site location of any public, educational and governmental access programming transmission source consistent with Section 5.3 in this Agreement.

6.2. *Indemnity for PEG:* LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations, or other requirements of local, state, or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name, or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which results from the use of a PEG facility or Channel. Township shall establish rules and regulations for use of PEG facilities, consistent with, and as required by the Cable Act, 47 U.S.C. §531.

6.3. *Recovery of Costs:* To the extent permitted by federal law, Franchisee may recover from Subscribers any external franchise costs, including costs arising from a PEG Support Grant, interconnection costs, or any other costs arising from the provision of PEG services and to include such costs as a separately billed line item on each Subscriber's bill, which shall include without limitation the PEG Support Grant Amount (as hereinafter defined).

6.4. *PEG Support Grant:*

6.4.1. In addition to the Franchise Fee enumerated in Section 7.1 herein, Franchisee agrees to provide the Township with an annual PEG access grant in an amount no less than Sixty-Five Thousand Dollars (\$65,000.00) to be used to support the activities associated with the production of PEG access programming such as programming operations, videotaping sessions, maintaining staff, or costs associated with training local public access programmers. Grant funds may be used also to defray the capital costs of equipment and facilities purchased for use in the production of local PEG programming, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities. This support shall be known as the "PEG Support Grant," or "PEG Support Grant Amount." The PEG Support Grant Amount shall be no less than stated above and shall be cumulatively increased by the Consumer Price Index (CPI) for all urban consumers in the Philadelphia-Wilmington-Atlantic City area reported for the most recent 12 month period preceding the annual payment.

6.4.2. The initial PEG Support Grant Amount shall be payable within ninety (90) days of the Effective Date or within the time period set forth under Section 6.4.3 if the transition of public access is not completed within ninety (90) days; successive annual payments are due on or before the annual anniversary of the Effective Date. Other than the PEG Support Grant Amount specifically agreed to in this Agreement, Franchisee shall not be required to provide any additional technical or production staff in-kind support, purchase or obtain equipment or studio facilities for access channel programming, building upkeep and utilities expense, or reimburse the costs of any other related access programming activities.

6.4.3. All responsibilities and costs associated with access channel staffing shall be assumed by the Township with six (6) months of the Effective Date.

7. **FRANCHISE FEES**

7.1. *Payment to LFA:* Franchisee shall pay to the Township a Franchise Fee as defined herein equal to five percent (5%) of annual Gross Revenue. In accordance with the Cable Act (47 U.S.C. §542 (b)), the twelve (12) month period applicable under the Franchise for the computation of the Franchise fee shall be a calendar year. Such payments shall be made no later than forty-five (45) days following the end of the first, second, and third calendar quarter, and sixty (60) days following the end of the year. Specifically, payments shall be due and payable on or before May 15 (for the first quarter), August 15 (for the second quarter), November 15 (for the third quarter), and the last day of February (for the fourth quarter). In the event that any Franchise Fee payment is not made on or before the applicable dates, then interest shall be added at the annual rate of six percent (6%) of the amount of Franchise Fee revenue due to LFA. No acceptance of any payment shall be construed as an accord that the amount paid is the correct amount. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable. The PEG Support Grant Amount pursuant to Section 6.4 of this Agreement shall be in addition to, rather than a part of, the five percent (5%) Franchise Fee set forth herein.

7.2. *Supporting Information:* Each Franchise Fee payment shall be sent to the Township at the same time as a brief report that provides line items of applicable revenue sources and is verified by a financial representative of Franchisee showing the basis for the computation.

7.3. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be forty-eight (48) months from the date on which payment by Franchisee is due.

7.4 *Bundled Services:* If Cable Services subject to the Franchise Fee required under this section are provided to Subscribers in conjunction with Non-Cable Services, the Franchise fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards, or orders.

7.4. *Audits:*

7.4.1. Township may audit or conduct a Franchise Fee review of Franchisee's books and records no more than once every three (3) years during the term of the Agreement. The Township may also commence an audit within ninety (90) days of the expiration of this Agreement. All records reasonably necessary for any such audit shall be made available by Franchisee to the Township. Franchisee shall provide copies of such records to the Township upon written request.

7.4.2. Each party shall bear its own costs of an audit; provided, however, that if the results of any audit indicate that Franchisee underpaid the Franchise Fees by five percent (5%) or more of the amount owed, then Franchisee shall pay the reasonable, documented, out-of-pocket costs of the audit up to Five Thousand Dollars (\$5,000).

7.4.3. If the results of an audit indicate an overpayment or underpayment of Franchise Fees, the parties agree that such overpayment or underpayment shall be returned to the proper party within sixty (60) days; provided, however, that Franchisee shall be required to remit underpayments to LFA together with annual interest at six percent (6%) of the amount correctly due from the date such underpayment would have been due.

7.4.4. Any auditor employed by Township that performs the audit or Franchise Fee review shall be a Certified Public Accountant with recognized expertise in auditing franchise fees and shall not be permitted to be compensated on a success based formula, e.g. payment based on an underpayment of fees, if any.

8. CUSTOMER SERVICE

In accordance with FCC rules (*See* 47 C.F.R. §76.309), the Customer Service Requirements are set forth in Exhibit B, which shall apply to Franchisee to the extent it is

providing Cable Services over the Cable System in the Franchise Area, unless amended by written consent of both parties.

9. REPORTS AND RECORDS

9.1. *Open Books and Records:* Upon thirty (30) days written notice to Franchisee, the Township shall have the right to inspect Franchisee's financial books and records pertaining directly to the Franchisee's collection and payment of the franchise fee at any time during Normal Business Hours, as reasonably necessary to ensure compliance with this Agreement. Such written notice shall specifically reference the section or subsection of the Franchise that is under review, so that Franchisee may organize the necessary books and records for appropriate access by the Township. Franchisee shall not be required to maintain any books and records for franchise fee compliance purposes longer than 48 months (48) months.

9.2 *Proprietary Books and Records:*

9.2.1 Notwithstanding anything to the contrary set forth herein, all information specifically marked by Franchisee as proprietary or confidential in nature and furnished to the Township or its designated representatives shall be treated as confidential so long as the Township is permitted to do so under applicable law. Information and documentation marked by Franchisee as proprietary or confidential shall include a brief written explanation as to its proprietary nature or confidentiality. The Township and its officially designated representatives agree in advance to treat any such information or records which Franchisee reasonably deems would provide an unfair advantage for Comcast's competitors (e.g., system design maps, engineering plans, programming contracts, etc.) as confidential so long as permitted to do so under applicable law and only to disclose it to municipal employees, agents, or representatives who have a need to know or in order to enforce the provisions of this Agreement. In the event a request is made by an individual or entity not an employee, agent or representative of the Township acting in their official capacity for information related to the Franchise and marked by Franchisee as confidential and/or proprietary, the Township shall notify Franchisee of such request and shall furnish Franchisee with a copy of such demand. Franchisee shall not be required to provide subscriber information in violation of Section 631 of the Cable Act, 47 U.S.C. §551.

9.2.2 The Township acknowledges that it is only obligated to disclose documents and information deemed to be "public records" pursuant to the Pennsylvania Right-to-Know Act, 65 P.S. §§ 67.101 - 67.3104, and shall not disclose Franchisee's documents and information marked proprietary and/or confidential and not deemed by the Township to be "public records" to any Person unless otherwise ordered by a court of competent jurisdiction.

9.3. *Records Required:* Franchisee shall at all times maintain the following, which may be inspected pursuant to Section 9.1 above (i.e. upon 30 days written notice):

9.3.1. Records of all written Complaints for a period of twelve (12) months after receipt by Franchisee. Complaints recorded will be limited to those complaints requiring a work order or employee service call (“truck roll”);

9.3.2. Records of service calls for repair and maintenance for a period of twelve (12) months after resolution by Franchisee, indicating the general nature of service calls and summary descriptions of the resolution action taken;

9.3.3. A strand map showing areas of the extension of Cable Service in the Township;

9.3.4. Records of installation/reconnection and requests for service extension for a period of forty-eight (48) months after the request was fulfilled by Franchisee, in an aggregated format and not containing any personally-identifiable information; and

9.3.5. Records of outages for a period of forty-eight (48) months after occurrence, indicating date, duration, area, the number of Subscribers affected, type of outage, and cause. (An outage being defined as a loss of reception of audio or video signals resulting from cable operator equipment failure affecting five (5) or more Subscribers served by the same node.)

10. INSURANCE AND INDEMNIFICATION

10.1. *Insurance:*

10.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the term of this Agreement, the following insurance coverage:

10.1.1.1 Commercial General Liability Insurance in the amount of three million dollars (\$3,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation, and maintenance of the Cable System, and the conduct of Franchisee’s Cable Service business in LFA.

10.1.1.2 Automobile Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for bodily injury and property damage coverage.

10.1.1.3 Workers’ Compensation Insurance meeting all legal requirements of the Commonwealth of Pennsylvania.

10.1.1.4 Employers’ Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; \$500,000 policy limit.

10.1.2. Township shall be designated as an additional insured under each of the insurance policies required in this Section 10 except Worker’s Compensation and

Employer's Liability Insurance.

10.1.3. Franchisee shall not cancel any required insurance policy without submitting documentation to LFA verifying that Franchisee has obtained alternative insurance in conformance with this Agreement.

10.1.4. Each of the required insurance policies shall be with insurance companies qualified to do business in the Commonwealth of Pennsylvania, with an A-minus VII or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition.

10.1.5. Upon written request, Franchisee shall deliver to the Township certificates of insurance showing evidence of the required coverage within thirty (30) days.

10.1.6 Notwithstanding anything to the contrary set forth in this Agreement or elsewhere, any policy or policies of insurance maintained by Franchisee shall (i) contain a waiver of subrogation clause with regard to Township any of its officials, officers, agents, employees, and contractors, and (ii) be primary as to all claims thereunder and provide that any insurance carried by Township is not in excess of and is non-contributing with any insurance requirement of Franchisee hereunder.

10.2. *Indemnification:*

10.2.1. Franchisee agrees to indemnify, save, hold harmless, and defend Township, its elected and appointed officials, officers, agents, boards, and employees, attorneys, consultants, and independent contractors, acting in their official capacities, from and against any and all claims for injury, loss, liability, cost or expense arising in whole or in part from, incident to, or connected with any act or omission of Franchisee, its officers, agents, or employees, including the acts or omissions of any contractor or subcontractor of Franchisee, arising out of the construction, operation, upgrade, or maintenance of its Cable System. The obligation to indemnify, save, hold harmless, and defend Township shall include the obligation to pay judgments, injuries, liabilities, damages, penalties, court costs, and Franchisee's own attorneys' fees. Township shall give Franchisee timely written notice via certified mail, return receipt requested, of Township's request for indemnification within (a.) thirty (30) days of receipt of a claim or action pursuant to this subsection, or within (b.) ten (10) days following service of legal process on Township or its designated agent of any action related to this subsection. Township agrees that it will take all necessary action to avoid a default judgment. Notwithstanding the foregoing, Franchisee shall not indemnify Township for any damages, liability, or claims resulting from, and Township shall be responsible for, Township's own acts of willful misconduct, Township's breach of obligation under the Franchise Agreement, or negligence of Township, its elected and appointed officials, officers, agents, boards, and employees.

10.2.2. With respect to Franchisee's indemnity obligations set forth in subsection 10.2.1, Franchisee shall provide the defense of any claims brought against the Township by selecting counsel to defend the claim, subject to the consent of the Township which

shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the Township from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense. Franchisee shall have the right to defend, settle, or compromise any claim or action arising hereunder and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement, subject however in all cases to the prior written consent of the Township, and the Township may withhold such consent in the reasonable exercise of its governmental discretion. In the event that the terms of any such settlement do not include the release of the Township, and the Township does not consent to the terms of any such settlement or compromise, Franchisee's obligation to indemnify the Township shall in no event exceed the maximum possible amount that would have been payable had the Township consented to the terms of such settlement.

10.2.3 The Township shall be responsible for its own acts of willful misconduct or negligence, or breach of obligation, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the Township for the proportion of any damages, liability or claims arising from acts of the Township that constitute willful misconduct or negligence on the part of the Township, its officers, employees, agents, attorneys, consultants, independent contractors, or third parties.

11. TRANSFER OF FRANCHISE

11.1. *Transfer:* Subject to Section 617 of the Cable Act, 47 U.S.C. §537, and applicable federal regulations, no Transfer of the Franchise shall occur without the prior consent of Township, provided that such consent shall not be unreasonably withheld, delayed, or conditioned. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of Franchisee in the Franchise or Cable System in order to secure indebtedness, for a transfer to an Affiliate Entity, or for transactions otherwise excluded herein above. Franchisee shall make written application to Township of any Transfer and shall provide information required by FCC Form 394 and any other applicable law regarding transfer or assignment. Within thirty (30) days of receiving a request for consent, the LFA shall, in accordance with FCC rules and regulations, notify the Franchisee in writing of the additional information, if any, it requires to determine the legal, financial, and technical qualifications of the transferee or new controlling party. The Township shall have one hundred twenty (120) days from the receipt of all required information to take action on the Transfer application at a lawfully advertised public hearing. If the Township has not taken action on the Franchisee's request for consent at a public hearing within one hundred twenty (120) days after receiving such request, consent shall be deemed given. Any consent by Township for any Transfer shall not be effective until the proposed transferee or assignee shall have executed a legally binding agreement stating that it shall be bound by all the terms and conditions contained in this Franchise Agreement.

11.2 *No Waiver:* Township's approval of a Transfer of Franchise shall not constitute a waiver or release of any of the rights of the Township pertaining to the operation of the Cable System in the Franchise Area.

12. **RENEWAL OF FRANCHISE**

12.1. *Governing Law:* Township and Franchisee agree that any proceedings undertaken by LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, 47 U.S.C. §546.

12.2. *Needs Assessments:* In addition to the renewal procedures set forth in said Section 626 of the Cable Act, Township may notify Franchisee of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then-current Franchise term, if such assessments are performed. Such assessments shall be provided to Franchisee by the Township promptly and in accordance with applicable law so that Franchisee has adequate time to submit a proposal under Section 626 and complete renewal of the Franchise prior to the expiration of the term.

13. **ENFORCEMENT AND REVOCATION OF FRANCHISE**

13.1. *Notice of Noncompliance:* If at any time the Township believes that Franchisee has not complied with the terms of the Agreement, then Township shall first informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem within a reasonable period of time, Township shall notify Franchisee in writing by certified mail, return receipt requested, of the nature of the alleged noncompliance (for purposes of this Section, "Noncompliance Notice") and cite the specific provision or provisions in breach. If Township does not notify Franchisee of any alleged noncompliance, it shall not operate as a waiver of any rights of the Township hereunder or pursuant to applicable law.

13.2. *Franchisee's Right to Cure or Respond:* Franchisee shall have thirty (30) days from receipt of the written Noncompliance Notice to: (i.) respond to LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii.) cure such noncompliance; or (iii.) in the event that, by its nature, such noncompliance cannot be cured within such thirty (30) day period, initiate reasonable steps to remedy such noncompliance and diligently pursue such remedy to completion and notify LFA of the steps being taken and the date by which they are projected to be completed. Upon cure of any noncompliance, LFA shall provide written confirmation that such cure has been affected.

13.3. *Public Hearing:* In the event that Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or in the event that the alleged noncompliance is not remedied within thirty (30) days or the date projected pursuant to Section 13.2 (iii.) above, if LFA seeks to continue its investigation into the alleged noncompliance, then Franchisee may request that a public hearing be advertised and held by the governing body of the Township. If such a public hearing is scheduled, LFA shall provide Franchisee at least forty-five (45) days prior written notice of such public hearing, which will specify the time, place, and purpose of such public hearing, and provide Franchisee such rights

that are in accordance with the standards of a fair hearing applicable to administrative hearings in the Commonwealth of Pennsylvania. Such public hearing shall afford Franchisee due process and full opportunity to be heard, including the ability to introduce evidence, to question witnesses and to respond to any notice of grounds for Noncompliance Notice in accordance with the standards of a fair hearing applicable to administrative hearings in the Commonwealth of Pennsylvania.

13.4 *Enforcement:* Subject to applicable federal and state law, in the event the Township, after the public hearing set forth in Section 13.3, determines that Franchisee is in default of any provision of this Franchise, the Township may:

13.4.1 Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages;

13.4.2 Commence an action at law for monetary damages or seek other equitable relief;

13.4.3 Impose liquidated damages as set forth in Section 13.7 below

13.4.4 In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 13.6.

13.5 *Performance Bond:*

13.5.1 During the term of this Agreement, Franchisee shall provide security for the performance of its obligations under this agreement to the Township in the amount of Twenty-Five Thousand Dollars (\$25,000). The form of this security may, at Franchisee's option, be a performance bond, letter of credit, cash deposit, cashier's check, or any other reasonably acceptable surety instrument.

13.5.2 In the event that a performance bond provided pursuant to the Agreement is not renewed or is cancelled, Franchisee shall provide new security pursuant to this Article within thirty (30) days of such cancellation or failure to renew.

13.5.3 Neither cancellation, nor termination, nor refusal by surety to extend the bond, nor inability of Principal to file a replacement bond or replacement security for its obligations, shall constitute a loss to LFA recoverable under the bond.

13.6 *Revocation:* Should the Township seek to initiate revocation proceedings after following the procedures set forth above in this Section, including any public hearing described in Section 13.3, LFA shall give written notice – via certified mail, return receipt requested -- to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event Township has not received a satisfactory response from Franchisee, it may then seek revocation of the Agreement at a second

public hearing. LFA shall cause to be served upon Franchisee, at least forty-five (45) days prior to such public hearing, a written notice – via certified mail, return receipt requested -- specifying the time and place of such hearing and stating its intent to revoke the Agreement.

13.6.1 At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, or employees of Township, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such public hearing.

13.6.2 Following the public hearing(s), Franchisee shall be provided up to forty-five (45) days to submit its proposed findings and conclusions to Township in writing, and thereafter the Township shall determine (i.) whether an event of default has occurred under this Agreement; (ii.) whether such event of default is excusable; and (iii.) whether such event of default has been cured by Franchisee. Township shall also determine whether it will revoke the Franchise based on the information presented or, where applicable, grant additional time to Franchisee to affect any cure. If Township determines that it will revoke the Franchise, Township shall within thirty (30) days provide Franchisee with a written determination -- via certified mail or overnight delivery service -- setting forth LFA’s findings of fact and reasoning for such revocation. Franchisee may appeal such written determination of Township to an appropriate court of competent jurisdiction, which shall have the power to review the decision of Township *de novo* to the extent permitted by law. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days, to the extent permitted by law, of Franchisee’s receipt of the written determination of Township.

13.6.3. The Township may, at its sole discretion, take any lawful action that it deems appropriate to enforce LFA’s rights under the Agreement in lieu of revocation of the Franchise.

13.7 *Liquidated Damages*

13.7.1 In the event that Franchisee does not comply with a decision, order, and/or requirement made by LFA pursuant to this Franchise, LFA may elect to assess liquidated damages against Franchisee as follows:

- For failure to provide Cable Service as set forth in Section 3\$100 per day for each day the violation continues;

- For failure to provide PEG Services to the LFA specified in Section 6.....\$100/day for each day the violation continues;

- For failure to provide LFA with any reports or records required by the Agreement

| | |
|--|--|
| within the time period required | \$100/day for each day the violation continues; |
| For failure to meet customer service requirements referenced in the Agreement..... | \$300 for each quarter in which such standards were not met; |
| For failure to carry the insurance specified in Section 10 | \$100/day for each day the violation continues; and |
| For a Transfer specified in Section 11 without required approval | \$100/day for each day the violation continues. |

Each day that a violation continues shall be a separate violation for which a separate fine may be imposed. Franchisee shall pay all such fines within one hundred and eighty (180) days of imposition. The first day for which liquidated damages may be assessed, if there has been no cure after the end of the applicable cure period, shall be the day after the end of the applicable cure period, including any extension of the cure period granted by LFA.

13.7.2 If LFA elects to recover liquidated damages for any item set forth in this Section 13.7 (including customer service violations), LFA agrees that such recovery shall be its exclusive remedy; provided, however, once LFA has exhausted its liquidated damages remedy as set forth in Section 13.7.3, it may pursue other available remedies.

13.7.3 The amount of all liquidated damages for each violation category per annum shall not exceed \$12,000 in the aggregate. All similar violations or failures from the same factual events affecting multiple subscribers shall be assessed as a single violation, and a violation or a failure may only be assessed under any one of the above-referenced categories. Violations or failures shall not be deemed to have occurred or commenced until they are not cured as provided in Sections 13.1-13.3 above.

13.7.4 Notwithstanding any provision in this Agreement to the contrary, LFA is not entitled to assess liquidated damages for any violations of this Agreement unless all cable operators in the LFA are required to comply at a minimum with the material provisions of Section 13.

14. MISCELLANEOUS PROVISIONS

14.1. *Actions of Parties:* In any action by Township or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed, or conditioned.

14.2. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors, and

assigns, and the promises and obligations herein shall survive the expiration date hereof as long as the Franchisee is permitted to provide Cable Service a in the Franchise Area in accordance with the terms and conditions herein. Approval of this Franchise Agreement by the Board of Supervisors is authorized pursuant to applicable state and federal law designating the Township as an appropriate Franchising Authority.

14.3. *Preemption:* In the event that a federal or state law, rule or regulation preempts or limits the enforceability of a provision of this Agreement, the provision shall be read to be preempted or limited and for the time, but only to the extent and for the time required by such law, rule or regulation. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended, or otherwise changed so that the provision hereof that had been preempted or limited is no longer preempted or limited, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of Township.

14.4. *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of this Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by Force Majeure.

14.5. *Good Faith Error:* Furthermore, the parties hereby agree that it is not Township's intention to subject Franchisee to penalties, fines, forfeitures, or revocation of the Franchise for violations of the Agreement where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in hardship being placed upon Franchisee that outweigh the benefit to be derived by the Township and/or Subscribers.

14.6. *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

14.6.1. Notices to Franchisee shall be mailed to:

Comcast of Pennsylvania, LLC.
1004 Cornerstone Drive
Downingtown, PA 19335
Attention: Government Affairs Department

14.6.2. Notices to the Township shall be mailed to:

Township of Tredyffrin
Administration Building
1100 DuPortail Road
Berwyn, PA 19312-1079
Attention: Township Manager

14.7. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and Township and supersedes all prior or contemporaneous agreements, representations, or understanding (written or oral) of the parties regarding the subject matter hereof. Any ordinances or parts of ordinances that conflict with the provisions of this Agreement are superseded by this Agreement.

14.8. *Amendments:* Amendments to this Agreement shall be mutually agreed to in writing by the parties.

14.9. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

14.10. *Severability:* If any section, subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term, or provision hereof, all of which will remain in full force and effect for the term of the Franchise Agreement.


14.11. *Cable System Removal Prohibition:* Under no circumstance including, without limitation, revocation, denial of renewal of the Franchise, or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use, or control of any portion of Franchisee's Cable System including any capacity used for Cable Service, Non-Cable Services, or otherwise, to the Township or any third party. Franchisee shall not be required to remove the Cable System or to relocate the Cable System or any portion thereof as a result of revocation, denial of renewal, or any other action to forbid or disallow Franchisee from providing Cable Services or Non-Cable Services.

14.12. *Certain Exceptions:* The Township and Franchisee each acknowledge that they have received independent legal advice in entering into this Agreement. In the event that a dispute arises over the meaning or application of any term(s) of this Agreement, such term(s) shall not be construed by the reference to any doctrine calling for ambiguities to be construed against the drafter of the Agreement.

14.13. *Venue:* Without waiving any right to bring or remove an action in either State or Federal Court, venue for any dispute between LFA and Franchisee under this Agreement shall rest in the Court of Common Pleas of Chester County, Pennsylvania or, if one or more of the issues within such dispute shall constitute a Federal question, then venue shall rest in the United States District Court for the Eastern District of Pennsylvania.

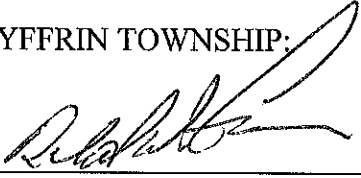
ORDAINED AND ENACTED THIS 20th DAY OF JUNE A.D., 2011.

ATTEST:



MIMI GLEASON
TOWNSHIP MANAGER

TREDYFFRIN TOWNSHIP:

By: 

Print: ROBERT W. LAMINA

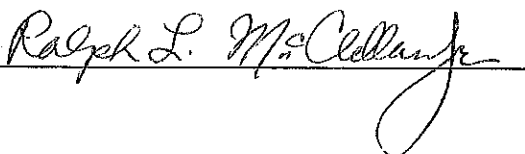
Title: CHAIRMAN, BOARD OF SUPERVISORS

Date: 6/24/2011


ACCEPTANCE

COMCAST OF PENNSYLVANIA, LLC does hereby accept the conditions and obligations contained in Tredyffrin Township Ordinance No. HR-389 to which this Acceptance is attached and does by this Acceptance intend to be legally bound to observe the terms, conditions, and obligations of the said Ordinance, the Effective Date of this Agreement recognized as being the date of ordination and enactment of this Ordinance duly adopted by the Board of Supervisors of the Township of Tredyffrin, Chester County.

ATTEST:



COMCAST OF PENNSYLVANIA, LLC.

By: 

Print: AMY SMITH

Title: SENIOR VICE PRESIDENT

CABLE MANAGEMENT

FREEDOM REGION

EXHIBIT A

BUILDINGS TO BE PROVIDED COMPLIMENTARY CABLE SERVICE (BASIC AND EXPANDED SERVICE)

Township Administration Building
1100 DuPortail Road
Berwyn, PA 19312-1079

Conestoga High School
200 Irish Road
Berwyn, PA 19312

Township Police Department
1100 DuPortail Road
Berwyn, PA 19312-1079

Tredyffrin/Easttown Middle School
801 Conestoga Road
Berwyn, PA 19312

Tredyffrin Public Library
582 Upper Gulph Road
Strafford, PA 19087-2052

Valley Forge Middle School
105 West Walker Road
Wayne, PA 19087

Paoli Library
18 Darby Road
Paoli, PA 19301-1416

Hillside Elementary School
507 Howellville Road
Berwyn, PA 19312

Devon Preparatory School
363 North Valley Forge Road
Devon, PA 19333-1299

New Eagle Elementary School
507 Pugh Road
Wayne, PA 19087

Woodlynde School
445 Upper Gulph Road
Strafford, PA 19087-5498

Valley Forge Elementary School
99 Walker Road
Wayne, PA 19087-1399

Delaware Valley Friends School
19 East Central Avenue
Paoli, PA 19301

Berwyn Fire Company
23 Bridge Avenue
Berwyn, PA 19312

Valley Forge Military Academy
1001 Eagle Road
Wayne, PA 19087

Paoli Fire Company
69 Darby Road
Paoli, PA 19301

Heritage School
675 North Wayne Avenue
Wayne, PA 19087

EXHIBIT B

CUSTOMER SERVICE STANDARDS

SECTION 1: DEFINITIONS

A. Response: Franchisee's investigation of a Service Interruption after receiving a Subscriber call by opening a trouble ticket ("trouble call"), if required, and responding to the call ("truck roll").

B. Significant Outage: A significant outage shall mean any Interruption of Cable Service lasting at least four (4) continuous hours that affects at least fifteen percent (15%) of the Subscribers in the Service Area that is unrelated to the loss of power provided by the local electrical utility company or for reasons *force majeure*.

C. Service Call: The action taken by Franchisee to correct a Service Interruption, the effect of which is limited to an individual Subscriber.

D. Standard Installation: Installations where the subscriber is within one hundred twenty-five (125) feet of trunk or cable feeder lines.

SECTION 2: TELEPHONE AVAILABILITY

A. Franchisee shall maintain a toll-free number to receive all calls and inquiries from Subscribers in the Township regarding Cable Service twenty-four (24) hours a day, seven (7) days a week. Franchisee representatives trained and qualified to answer questions related to Cable Service in the Township will be available to respond to customer telephone inquiries during Normal Business Hours. Excluding conditions beyond its control, Franchisee must respond to Service Interruptions by a trained Franchisee representative by the end of the next business day.

B. After Normal Business Hours, Franchisee may use an automated response system to respond to service calls. Inquiries received after Normal Business Hours must be responded to by a Franchisee representative on the next business day.

C. Under Normal Operating Conditions, telephone calls received by Franchisee shall be answered within thirty (30) seconds when the connection is made. Franchisee shall meet this standard no less than ninety percent (90%) of the calls it receives from Subscribers, as measured on a cumulative quarterly calendar basis.

D. Under Normal Operating Conditions, callers to Franchisee shall receive a busy signal no more than three (3%) percent of the time.

E. Notwithstanding the performance criteria of Section 2. A through D above,

Franchisee shall not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless a historical record of Complaints indicates a clear failure to comply.

SECTION 3: INSTALLATIONS AND SERVICE APPOINTMENTS

A. All installations will be in accordance with the rules of the FCC, the National Electric Code, and the National Electrical Safety Code, including but not limited to, appropriate grounding, connection of equipment to ensure reception of Cable Service. Franchisee shall provide all FCC-required consumer information and literature in order to inform customers in the proper use of Cable Service and ancillary Subscriber equipment.

B. The Standard Installation of Cable Service shall be performed within seven (7) business days after an order is placed. "Standard Installations" are those aerial installations that are located up to one hundred twenty-five (125) feet from the existing distribution system.

C. Franchisee will offer Subscribers "appointment window" alternatives for installations, Service Calls, and other installation activities will be either a specific time or, of a maximum four (4) hours scheduled time block during Normal Business Hours. The Franchisee may offer Subscribers appointment arrival times outside of Normal Business Hours for the express convenience of the customer. These restrictions do not apply to the weekends. Franchisee may not cancel an appointment with a Subscriber after the close of business on the business day prior to the scheduled appointment; provided, however, that if a technician is running late for an appointment with a Subscriber and will not be able to keep the appointment as scheduled, the Subscriber will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for Franchisee and the Subscriber.

SECTION 4: SERVICE INTERRUPTIONS AND OUTAGES

A. Franchisee shall notify Township of any Significant Outage of Cable Service, as defined hereinabove.

B. Franchisee shall exercise commercially reasonable efforts to limit any Significant Outage for the purpose of maintaining, repairing, or constructing the Cable System. Except in an emergency or other situation necessitating a more expedited or alternative notification procedure, when necessary service interruptions of more than twenty-four (24) hours can be anticipated, Franchisee shall notify Township in advance of such service interruption.

C. Franchisee representatives who are capable of responding to Service Interruptions must be available to respond twenty-four (24) hours a day, seven (7) days a week.

D. Under Normal Operating Conditions, Franchisee must respond to a call from a Subscriber regarding a Service Interruption or other cable service problems within the following time frames:

- (1) Franchisee shall begin working on a Service Interruption promptly and in no event later than twenty-four (24) hours after the interruption becomes known and shall diligently pursue to completion, and
- (2) All other service calls for situations not affecting public health, safety or welfare shall be responded to within a maximum of forty-eight (48) hours after notification by the Subscriber or Township of a Cable Service problem.

E. Under Normal Operating Condition, and in the event that there is a Service Interruption to all channels received by any Subscriber for six (6) or more consecutive hours, upon receipt of written or credible oral request Franchisee shall 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 that is currently due. In order to qualify for the credit, the Subscriber must allow Franchisee to verify the problem if requested by Franchisee. If Subscriber availability is required for repair, a credit will not be provided for such time, if any, that the Subscriber is not reasonably available.

SECTION 5: CUSTOMER COMPLAINTS

Under Normal Operating Conditions, Franchisee shall respond in kind to all written Subscriber Complaints within thirty (30) days. If the Township is contacted directly about a customer complaint, it shall notify Franchisee promptly and in writing. When Franchisee receives such notification, the time period for Franchisee to respond as required above shall commence. For purposes of this Section, "respond" means that Franchisee shall initiate the performance of those actions, which, in the normal course of business, are necessary and feasible to investigate and ultimately resolve the Subscriber's Complaint.

SECTION 6: BILLING

A. Subscriber bills shall be clear, concise, and understandable. Bills must be itemized to include all applicable service tiers and, if applicable, all related equipment charges. Bills shall clearly delineate activity during the billing period, including optional charges, rebates, credits, and aggregate late charges. Franchisee shall, without limitation as to additional line items, be allowed to itemize as separate line items on the bill external costs, franchise fees, taxes, and/or other governmentally-imposed fees.

B. Franchisee shall not assess late fees for non-payment of a current bill until at least twenty (20) days have elapsed since the mailing of the bill by Franchisee.

C. Any Subscriber who, in good faith, disputes all or part of any bill shall have the option of withholding the disputed amount without disconnect or late fee being assessed until the dispute is resolved provided that:

- (1) The Subscriber pays all undisputed charges.

- (2) The Subscriber provides a written complaint to Franchisee in a timely fashion and includes identifying information.
- (3) The Subscriber cooperates in determining the accuracy and/or appropriateness of the charges in dispute.
- (4) It shall be within Franchisee's sole discretion to determine when the dispute has been resolved.

D. Under Normal Operating Conditions, Franchisee shall respond to all written billing Complaints received from Subscribers within thirty (30) days of receipt of the Complaint. Final resolution shall not be unreasonably delayed.

E. Franchisee shall provide a telephone number and address on the bill for Subscribers to contact Franchisee.

F. Franchisee shall forward a copy of any Cable Service related billing inserts or other mailing sent to Subscribers to Township, upon written request.

G. Upon written request by the Township, the Franchisee shall omit the Township's name, address, and telephone number from Subscriber bills as permitted by 47 C.F.R. §76.952.

SECTION 7: RATES, FEES AND CHARGES

A. The Township shall retain the right to regulate cable rates to the full extent permitted under applicable federal law. If LFA is certified to regulate rates, Franchisee shall file all required forms and documentation for any increase in the rates or charges for any basic service or related equipment with the LFA within the time period required by applicable federal law. If required, such documentation shall include FCC Form 1240 for increases in basic service rates, and FCC Form 1205 for increases in rates for subscriber equipment and installation.

B. Franchisee shall provide reasonable notice to Subscribers of the possible assessment of a late fee on bills or by separate notice.

SECTION 8: DISCONNECTION/DENIAL OF SERVICE

A. The Franchisee shall not terminate Cable Service for non-payment of a delinquent account unless Franchisee mails a notice of the delinquency and impending termination prior to the proposed final termination. The notice shall be mailed to the Subscriber to whom the Cable Service is billed. The notice of delinquency and impending termination may be part of a billing statement.

B. Cable Service terminated in error must be restored without charge within a reasonable

period of time of written notice. If a Subscriber was billed for the period during which Cable Service was terminated in error, a credit shall be issued to the Subscriber if the Service Interruption was reported in writing by the Subscriber.

C. Nothing in these standards shall limit the right of Franchisee to deny Cable Service for non-payment of previously provided Cable Services, refusal to pay any required deposit, theft of Cable Service, damage to Franchisee's equipment or system, abusive and/or threatening statements or behavior toward Franchisee's employees or representatives, or refusal to provide credit history information or refusal to allow Franchisee to validate the identity, credit history, and credit worthiness via an external credit agency.

D. Charges for Cable Service will be discontinued at the time of the requested termination of service by the Subscriber, except equipment charges may be applied until equipment has been returned. No charge shall be imposed upon the Subscriber for or related to total disconnection of Cable Service or for any Cable Service delivered after the effective date of the disconnect request, unless there is a delay in returning Franchisee equipment or early termination charges apply pursuant to the Subscriber's service contract. For purposes of this subsection, the term "disconnect" shall include Subscribers who elect to cease receiving Cable Service from Franchisee and return service related equipment, and those who may then opt to receive Cable Service or other multi-channel video service from another Person or entity.

SECTION 9: COMMUNICATIONS WITH SUBSCRIBERS

A. Franchisee shall require any employees, contractors, and subcontractors contacting Subscribers outside the office of Franchisee to wear a clearly visible identification card bearing their name and photograph. Every service vehicle of Franchisee and its contractors or subcontractors shall be required by Franchisee to be clearly identified as such to the public. Specifically, Franchisee-owned vehicles shall have "cable contractor" or Franchisee's logo plainly visible. The vehicles of those contractors and subcontractors working for Franchisee shall be required by Franchisee to have such markings (e.g., a magnetic door sign) indicating they are under contract to work on the Cable System.

B. All contact with a Subscriber or potential Subscriber by a Person representing Franchisee shall be conducted in a business-like manner.

C. All notices identified in this Section shall be by either:

- (1) A separate document included with a billing statement or included on the portion of the monthly bill that is to be retained by the Subscriber; or
- (2) A separate electronic notification.

D. Pursuant to 47 C.F.R. §76.1603 (c), Franchisee shall provide reasonable notice to Subscribers of any pricing changes (excluding sales discounts, new products or promotional offers) and, subject to the foregoing, any changes in programming services, including channel

line-up positions. Such notice must be given to Subscribers and LFA a minimum of thirty (30) days in advance of such changes if within the control of Franchisee.

E. Pursuant to 47 C.F.R. §76.309 (c) (3), Franchisee shall provide information to all Subscribers about each of the following items at the time of installation of Cable Services, annually to all Subscribers, and at any time upon request:

- (1) Products and Cable Service offered;
- (2) Prices and options for programming services and conditions of subscription to programming and other services;
- (3) Installation and service maintenance policies;
- (4) Channel positions of programming offered on the Cable System;
- (5) Billing and complaint procedures;
- (6) Instructions on how to use the Cable Service;
- (7) A notice of Subscriber privacy rights as required by federal law; and
- (8) The address and telephone number of Franchisee's office to which Complaints may be reported.

SECTION 10: PRIVACY

Franchisee shall respect the rights of privacy of every Subscriber and shall not violate such rights through the use of any device or signal associated with the Cable System. Franchisee shall at all times comply with the privacy provisions of Section 631 of the Cable Act and all other applicable federal and state privacy laws and regulations. Franchisee shall not make its Subscriber list or lists, or any portion thereof, available to any other person or entity, with or without remuneration, in conformance with Section 631 of the Cable Act. Notwithstanding, Franchisee may conduct system-wide or individually addressed "sweeps" solely for the purpose of verifying system integrity, checking for illegal taps, controlling return-path transmission, billing for pay services, or monitoring channel usage in a manner not inconsistent with the federal law. All references to privacy in this Section are subject to the provisions of Public Law 107-56 (October 26, 2001), Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, known as the "USA PATRIOT ACT."