

FRANCHISE AGREEMENT
BETWEEN
THE TOWN OF WOLFEBORO, NEW HAMPSHIRE
AND
METROCAST CABLEVISION OF NEW HAMPSHIRE LLC

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**FRANCHISE AGREEMENT
BETWEEN THE TOWN OF WOLFEBORO, NEW HAMPSHIRE
AND
METROCAST CABLEVISION OF NEW HAMPSHIRE LLC**

WHEREAS, MetroCast Cablevision of New Hampshire LLC (hereinafter “**MetroCast**” or “**Franchisee**”) is the duly authorized current holder of a cable television franchise authorizing the construction and operation of a cable communications system in the Town of Wolfeboro, New Hampshire (hereinafter “**Town**”), said franchise having originally commenced on June 16, 1999 (the “**1999 Franchise**”); and

WHEREAS, MetroCast filed a timely request for a renewal of its 1999 Franchise by letter dated October 23, 2008 in conformity with Applicable Law (as defined below) ; and

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

WHEREAS, MetroCast historically has upgraded and expanded its facilities and services voluntarily as subscriber demand for new services and technologies has developed during the term of the 1999 Franchise; and

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

WHEREAS, the Town Board of Selectmen, as the Franchising Authority, finds that it is in the public interest to renew MetroCast’s 1999 Franchise in light of its past performance, compliance with the terms of its 1999 Franchise, and based on the Town Board of Selectmen’s finding that the terms contained in MetroCast’s request for renewal of its 1999 Franchise reasonably meet the future cable television related needs of the Town of Wolfeboro.

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

ARTICLE 1 DEFINITIONS

SECTION 1.1 – DEFINITIONS

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

(a) **Access Channel.** One or more Channels which the Franchisee shall make available to the Town of Wolfeboro for the purpose of transmitting Access Programming.

(b) **Access Programming.** (i) “Governmental”: Non-Commercial Programming produced by Town of Wolfeboro departments or agencies and other Non-Commercial Programming offered by them or a duly authorized designee which is not ordinarily offered by operators of cable television systems; and (ii) “Educational”: Non-Commercial Programming produced by Town of Wolfeboro Public Schools, or other educational organizations as designated by the Franchising Authority, and other non-commercial educational programming offered by them which is not ordinarily offered by operators of cable television systems. (iii) “Public”: Non-Commercial Programming produced by the residents of the Town of Wolfeboro, or produced by an access corporation or non-profit corporation operating within the Town of Wolfeboro, and other programming not ordinarily offered by operators of cable systems.

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

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

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

(f) **Basic Service.** That Service Tier which includes at a minimum the mandatory retransmission of local television broadcast signals, public, educational and governmental Access Channels and any other signals and programming services required by the Communications Act and FCC regulations, if any.

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

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

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

- (i) A facility that serves only to retransmit the television signals of one or more television broadcast stations;
- (ii) A facility that services Subscribers without using any public right-of-way;
- (iii) A facility of a common carrier which is subject, in whole or in part to the provisions of Title II of the Communications Act of 1934, as amended, except that such facility shall be considered a cable system to the extent such facility is used in the transmission of video programming directly to Subscribers, unless the extent of such use is solely to provide interactive on demand services;
- (iv) An open video system that complies with 47 U.S.C. § 573; or
- (v) Any facilities of any electric utility used solely for operating its electric utility systems.

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

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

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

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

(n) **Effective Date.** ___June 16, 2011___

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

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

(q) **Franchise, Franchise Agreement or Agreement.** The Franchise granted herein.

(r) **Franchising Authority or Franchise Authority.** The Town of Wolfeboro, New Hampshire, or its lawful designee, in accordance with Applicable Law.

(s) **Franchise Fee.** The payments to be made to the Franchise Authority or other governmental entity under Section 2.5 of this Agreement as consideration for the Franchise granted herein. The Franchise Fee requirements and payments shall comply with the requirements set forth in Section 622 of the Communications Act, 47 U.S.C. §542. The Franchise Fee required under Section 2.5 of this Agreement shall not be considered a tax imposed directly on the Subscriber by a governmental unit.

(t) **Gross Revenues.** Any and all consideration of any form or kind received by the Franchisee which is derived from the operation of the Cable System to provide Cable Service within the Town. Gross Revenues shall include, without limitation, all Subscriber Cable Service monthly fees, installation and reconnection fees, monthly pay, pay-per-view and on demand services; leased access fees and all other Cable Service fees; downgrade, upgrade and any similar fees; any fees paid for Channels designated for commercial use; and advertising revenues. Gross Revenues shall not include bad debt expense.

(u) **Institutional Network or I-NET.** The dedicated fiber strands within Franchisee's fiber optic cable network directly interconnecting the municipal and school facilities.

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

(w) **Non-Commercial Programming.** Programming not produced for profit and not containing advertising on behalf of for-profit entities. However, underwriting and acknowledgement of contributions consistent with the enhanced underwriting guidelines of the

FCC for educational broadcasting are allowed on Non-Commercial Programming as described in Exhibit A.

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

(y) **Pay Cable or Pay Cable Services.** Programming delivered for a separate fee or charge to Subscribers on a per Channel basis.

(z) **Pay-Per-View (PPV).** Programming delivered for a separate fee or charge to Subscribers on a per program basis.

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

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

(cc) **Programming.** Any video, audio, text, data or other signal carried over the Cable System.

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

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

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

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

(hh) Service Tier. An optional category of Cable Service (other than Basic Service, Pay Cable or PPV) consisting of multiple Channels of video Programming provided by Franchisee to Subscribers for a separate monthly charge.

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

(jj) Standard Service Package. A combination of the Franchisee's Basic Service and expanded Basic Service Tier, as provided by the Franchisee as of the Effective Date, and including any individual broadcast Channels or cable networks added to these tiers in the Franchisee's sole discretion or as is otherwise required by Applicable Law.

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

(ll) Subscriber. Any Person, firm, company, municipality, corporation or association lawfully subscribing to and receiving Cable Services from the Franchisee.

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

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

(oo) Video On Demand (VOD). A digital video and/or audio programming service available to Subscribers on demand with VCR or DVD control functionality.

ARTICLE 2 GRANT OF FRANCHISE

SECTION 2.1 – GRANT OF FRANCHISE

(a) Pursuant to the authority of the Communications Act and RSA 53-C of the laws of New Hampshire, as amended from time to time, the Town Board of Selectmen, acting as the Franchising Authority, hereby grants a non-exclusive Franchise to MetroCast Cablevision of

New Hampshire LLC authorizing and permitting said Franchisee to construct, upgrade, operate and maintain a Cable System to provide Programming within the municipal limits of the Town of Wolfeboro.

(b) The Franchise is subject to the requirements of Applicable Law, including the Communications Act and RSA 53-C of the laws of New Hampshire, and in compliance with all rules and regulations of the FCC and all other applicable rules and regulations in force and effect during the period for which this Franchise Agreement is granted.

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

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

SECTION 2.2 – NON-EXCLUSIVITY

The right to use and occupy the Streets, Public Ways and public places shall not be exclusive, and the Town reserves the right to grant similar or other uses of the said Streets, Public Ways and public places to any Persons for a similar Cable System or otherwise at any time during the term of the Franchise. The Franchisee hereby acknowledges the Town's right to make such grants and permit such uses subject to the requirements of Applicable Law and Section 2.11(a) of this Agreement.

SECTION 2.3 – DURATION OF FRANCHISE

The term of this non-exclusive Franchise shall be for a period of ten (10) years commencing on the Effective Date and shall terminate at midnight on June 15, 2021.

SECTION 2.4 – RENEWAL OF FRANCHISE

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

SECTION 2.5 – FRANCHISE FEE

(a) The Franchisee shall pay to the Town, as a Franchise Fee a sum equal to four percent (4%) of the Franchisee's Gross Annual Revenues, as defined herein, derived during each year of the Franchise. The Town shall have the option, to be exercised by vote of the Town Board of Selectman, to increase or decrease the Franchise Fee annually; provided that any increase must be an increment of One Quarter Percent (0.25%), and the Franchise Fee may not exceed Five Percent (5%) of the Franchisee's Gross Annual Revenues. Changes to the Franchise Fee made pursuant to this Section 2.5 shall be implemented as soon as practicable and in any event no later than 90 days after the Town gives Franchisee written notice of such change. The Franchisee shall not be liable for a total financial commitment in excess of five percent (5%) of its Gross Annual Revenues; provided, however, that said five percent (5%) cap shall not include (i) the equipment/facilities grant (Section 3.8), (ii) any damages (Section 7.4), and/or (iii) any interest from late payments.

(b) Pursuant to Section 622(f) of the Communications Act, the Franchisee may designate that portion of a Subscriber's bill attributable to the Franchise Fee as a separate item on the bill.

SECTION 2.6 - PAYMENT

(a) The Town shall be furnished, on an annual basis, with a statement by a Certified Public Accountant that verifies, in reasonable detail, the total Gross Annual Revenues for the payment period. The Franchise Fee shall be due and payable on or before March 15th of each calendar year of this Renewal Franchise.

(b) The Town may designate a representative to consult with the Franchisee's Certified Public Accountant to examine such Gross Annual Revenue and Subscriber records of

the Franchisee which are necessary to determine the accuracy of the statement submitted by Franchisee's Certified Public Accountant.

SECTION 2.7 – LATE PAYMENT

In the event the Franchise Fees herein required are not tendered within seven (7) business days of the dates fixed in Sections 2.5 and 2.6 above, interest due on such Franchise Fee(s) shall accrue from the date due at the rate of one (1%) percent above the Prime Rate. The Town and Franchisee agree that this interest charge represents a fair and reasonable estimate of the damages which the Town might suffer from such failure and further agree that the actual damages which the Town might suffer in such event are incapable of ascertainment or reliable estimate. Any interest because of late payments to the Town pursuant to Section 2.7 shall not be deemed to be part of the Franchise Fees to be paid to the Town pursuant to Section 2.5 hereof and shall be within the exclusion to the term "franchise fee" for requirements incidental to enforcing the Franchise pursuant to Section 622(g)(2)(D) of the Communications Act.

SECTION 2.8 – RECOMPUTATION

Tender or acceptance of any payment shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the Town may have for additional sums including interest payable under Section 2.7 or this Section 2.8. All amounts shall be subject to audit and recomputation by the Town, which shall be based on a calendar year and shall occur in no event later than one (1) year after the Franchise Fees are tendered with respect to such calendar year. If, after audit and recomputation, an additional payment is owed to the Town, such payment shall be paid within thirty (30) days after such audit and recomputation. The interest on such additional payment shall be charged from the due date at the rate of one percent (1%) above the Prime Rate during the period that such additional amount is owed.

SECTION 2.9 – TRANSFER OR ASSIGNMENT

(a) This Franchise or any part of this Franchise, or control thereof, shall not be transferred or assigned to any Person who is not an Affiliate without the prior written consent of the Franchising Authority, which consent shall not be arbitrarily or unreasonably withheld, conditioned or delayed, and which shall be expressed in writing, with such conditions as may be

reasonably prescribed by the Franchising Authority, and shall be governed by applicable provisions of the Communications Act. Notice of any proposed transfer or assignment shall be made in writing by the Franchisee to the Franchising Authority.

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

(c) The Franchisee shall not enter into any management contract or any other arrangement for the management of the Cable System or any part of the Cable System providing direct services to Subscribers, however structured, without the prior written consent of the Town, which consent shall not be unreasonably withheld, conditioned or delayed.

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

(e) In reviewing any request to transfer or assign control or ownership of the Franchise, the Town shall analyze such factors as whether the proposed assignee has the appropriate technical, legal, managerial and financial capacity to operate the Cable System. In submitting any such request, the Franchisee shall submit to the Town all reasonably appropriate documentation and such additional information as the Town may reasonably require.

(f) Unless the parties otherwise agree, in consenting to any transfer, the Town does not waive its right to pursue Franchisee for violation of the provisions of this Agreement and the

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

SECTION 2.10 – EFFECT OF UNAUTHORIZED ACTION

The unauthorized assignment of the Franchise or transfer of control of the Franchisee in violation of Section 2.9 shall be null and void and shall be deemed a material breach of this Franchise, and the provisions of Sections 7.6 and 7.7 shall apply.

SECTION 2.11 – EQUAL PROTECTION PROVISION

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

(b) For providers not regulated under RSA 53-C, the Town agrees to impose, to the extent allowed by law, comparable Access Channel requirements, a fee in lieu of a franchise fee, and comparable conditions for use of the rights-of-way. If Franchisee believes that it is at a competitive disadvantage as a result of a competing multichannel video programming provider that is not required to be licensed by the Franchising Authority, the Franchisee and the Franchising Authority agree that Section 625 of the Communications Act (47 U.S.C. § 545) will be applicable. The Franchising Authority and the Franchisee agree that the terms and conditions of any such potential competition are unforeseeable as of the Effective Date of the Franchise. In the event the parties cannot reach an agreement, the Franchising Authority and Franchisee agree to submit the dispute to arbitration pursuant to the rules of the American Arbitration Association. Due to the technical nature of the subject matter, the Franchising Authority and Franchisee shall confer regarding the selection of a technically qualified arbitrator or arbitrators. If unable to agree on one arbitrator pursuant to the rules of the American Arbitration Association, they agree to have a panel of three arbitrators resolve the dispute. The Franchising Authority and

Franchisee shall each offer the name of an arbitrator acceptable to it and together the Franchising Authority and Franchisee shall agree on a third arbitrator for that panel.

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

(d) The Town agrees that it will not use, or authorize others to use, the designated Access Channel(s), if any, or other facilities, the Institutional Network facilities, if any, or other designated Franchisee Subscriber network facilities to provide for-profit commercial services.

(e) If the Federal Government or the State of New Hampshire issues a franchise or other authorization permitting another Person to construct, operate and maintain a Cable System in the Town, and if such Person begins construction of a competing Cable System in the Town, then MetroCast, in its sole discretion, may terminate this Agreement on ninety (90) days advance written notice to the Town and opt to provide Cable Service to the Town pursuant to such Federal or State franchising process. If the Town is prevented by operation of law from implementing the requirements of Section 2.11 and such Person begins construction of a competing Cable System in the Town, then MetroCast, in its sole discretion, may terminate this Agreement on ninety (90) days advanced written notice to the Town and opt to provide Cable Service to the Town pursuant to the franchise or other authorization granted to any competitor pursuant to such Federal, State or local franchising process.

SECTION 2.12 – POLE AND CONDUIT ATTACHMENT RIGHTS

(a) Pursuant to RSA 231:161 and subject to Section 2.1(d), permission is hereby granted to the Franchisee to attach or otherwise affix cables, wires, optical fiber cables and related equipment comprising the Cable System to the existing poles and conduits on public streets and ways, provided the Franchisee secures permission and consent of the public utility companies to affix its cables and/or wires to their pole and conduit facilities and provided further that the Town shall determine the location of all such poles or conduit consistent with Applicable Law. All such attachments shall comply with the requirements of Applicable Law and Section

2.1(d), above. All poles and conduit installed within the service area, as defined herein at Section 3.1, shall be made available for attachment or use by Franchisee at just and reasonable rates applied to public utilities under the formula presently established by Applicable Law. Franchisee may erect its own poles and install its own conduit, with approval of the location of such installation by the Town, pursuant to Applicable Law and Section 2.1(d), which approval shall not be unreasonably withheld. The Town grants Franchisee equal standing with the power and telephone utilities in the matter of placement of facilities on Public Ways subject to the ultimate authority of the Town to determine the location of all installations.

(b) In all areas of Town where public utilities are aerially placed, if subsequently during the term of the Franchise such utility lines required by local ordinance or state law to be relocated aerially or underground, Franchisee shall similarly relocate its Cable System. Any costs of relocating utility poles, trenching for the placement of underground conduits and relocation or modification of related facilities shall be proportionally shared by all affected companies, including reimbursement of such costs, as provided by Applicable Law.

SECTION 2.13 – POLICE AND REGULATORY POWERS

Franchisee's rights are subject to the powers of the Town to adopt and enforce general ordinances necessary for the safety and welfare of the public, provided that such ordinances are of general applicability and not specific to the Cable System, the Franchisee, or this Franchise, including ordinances and regulations pertaining to management, control and regulation of public rights-of-way but only to the extent authorized or allowed by State law and Federal law. Any conflict between the terms of this Franchise and any present or future exercise of the Franchising Authority's police and regulatory powers shall be resolved by a court or governmental agency with appropriate jurisdiction. Nothing in this Section 2.13 shall be deemed a waiver of any rights or defenses that Franchisee may have under Applicable Law.

ARTICLE 3 SYSTEM SPECIFICATIONS AND CONSTRUCTION

SECTION 3.1 – SERVICE AREA; LINE EXTENSIONS

(a) **Present Service Area.** As of the Effective Date of this Franchise Agreement, MetroCast provides Cable Service in the present service area as indicated on the map highlighted in green of Exhibit B. Cable Service shall be provided to every existing dwelling unit requesting

Cable Service and located on Streets and Public Ways as marked in green on Exhibit B, provided Franchisee is able to obtain from property owners any necessary easements at no cost and/or any applicable permits.

(b) **Future Service Area.** As of the Effective Date of this Franchise Agreement, the Franchisee agrees to extend service with a minimum requirement of fifteen (15) fulltime Subscribers per mile contiguous to the existing Cable System or fractional portion thereof. Service will be automatically extended to newly developed areas which meet the density requirement and excluded areas which meet the density requirement during the term of the franchise agreement. The Franchisee in no such case shall externalize, pass-through or itemize any such line extension costs. The Franchisee, shall have the right, to be exercised in its sole discretion, to extend Cable Service to other parts of the Franchise Area not meeting the density requirement. Such other areas may be serviced upon request and upon payment in advance for the cost in time, materials, labor, permits and pole make-ready work to extend Cable Service. Franchisee may also require minimum service commitments from Subscribers in those parts of the Franchise Area not meeting the density requirement. In the case of new construction or property development where utilities are to be placed underground, the developer or property owner shall give Franchisee reasonable notice of not less than forty-five (45) days prior to such construction or development, and, if applicable, of the particular date on which open trenching will be available for Franchisee's installation of conduit, pedestals and/or vaults, and materials to be provided at Franchisee's expense. Franchisee shall also provide specifications as needed for trenching. Cost of trenching and easements required to bring service to the development shall be borne by the developer or property owner.

Under all circumstances, the Cable System shall pass new units within five (5) months after a resident requests service within the Service Area, subject to events of force majeure, utility make ready and Franchisee's ability to receive access to the new units.

SECTION 3.2 – SUBSCRIBER CONNECTION

(a) The Franchisee shall, within fifteen (15) days of written request by the occupant of a dwelling, connect the Cable System to a dwelling at standard installation charges if the dwelling is within two hundred (200) aerial feet of the nearest Feeder Cable, if no special trenching or boring is required, completion of any required utility make ready and only if the

dwelling is properly internally wired to meet the Franchisee's specifications to prevent signal leakage.

(b) Residences located over two hundred (200) aerial feet from Feeder Cable or requiring special trenching or boring shall be considered non-standard installations and charged an additional one-time installation fee equal to the actual costs for materials and labor required to complete installation of service, except that the distance for the cable drop from the end of the extended Feeder Cable to the residence, if less than two hundred (200) aerial feet, shall be considered a standard installation.

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

SECTION 3.3 – RESIDENTIAL SYSTEM

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

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

(c) Subject to the applicable requirements of FCC regulations, currently 47 C.F.R. part 76, at Sections 76.1602, 76.1603 and 76.1619 (attached hereto as Exhibit C), Franchisee shall provide the Franchising Authority and Subscribers with any notice required by Applicable Law before making deletions, additions or relocations of programming or stations or any other change to its video program channel line up offerings. The Franchising Authority may, at its sole

discretion, hold a public hearing to solicit comment regarding the proposed changes. Upon provision of fifteen (15) days notice, the Franchisee shall attend such public hearing. Nothing in this Agreement shall be construed to give the Town any authority over Franchisee's programming decisions or channel-line-ups or to waive any rights or defenses that Franchisee may have under Applicable Law with respect to deletions, additions or modifications of programming and channel line-ups.

SECTION 3.4 – FUTURE TECHNOLOGY

(a) No more frequently than one (1) time during each year during the term of the Franchise Agreement starting in the third (3rd) year of this Agreement, if requested in writing by the Franchising Authority, Franchisee shall review with the

Franchising Authority changes in relevant cable television technology that might benefit Town Subscribers. Relevant cable technology is that technology necessary to give the Cable System the capability of providing Cable Services substantially equal to those services available to at least fifty percent (50%) of all Subscribers in the following New Hampshire municipalities: Franklin, Alton, Gilford, Meredith, Laconia and such other New Hampshire municipalities as mutually agreed. Such technology shall include but not be limited to converters, cable ready television sets, high definition television, digital compressions, remote control devices, scrambling technology, additional interactive capability, and digital video recording technologies.

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

SECTION 3.5 – INSTITUTIONAL NETWORK

(a) Upon receipt of a written request from the Town, the Franchisee shall construct and provide connectivity for an Institutional Network ("I-Net") consisting solely of a fiber optic cable connection from a designated hub site identified in Exhibit D that will interconnect the town municipal and school termination points listed in Exhibit D-1 within twelve (12) months after receipt of such written request. The Town shall have the option to have the I-Net constructed in annual phases, each of which will be constructed by Franchisee within twelve (12) months after receipt of the written request for such phase. The cost to construct the I-Net (including, if applicable, any phases thereof) will be paid for in advance by the Town through the use of a credit against Franchise Fees owed to the Town by the Franchisee. The Town shall have the right to use this fiber optic I-Net for non-competitive, non-commercial communications between municipal and school facilities. The Town shall not sell, lease, or offer to provide I-Net bandwidth to any non-Town or non-school owned or maintained facility or third party. The Franchisee shall be responsible for the termination of the fiber optic strands in each location. The Town shall be responsible for any and all equipment, including but not limited to optical transceivers, computers, switches, routers, servers, Internet Protocol (IP) addresses, software and acceptable use policies required for video, audio and data transmission and reception between I-Net facilities. The Town shall be responsible for the security of all transmissions or signals transmitted on the I-Net.

(b) During the term of this Agreement and upon request, Franchisee will extend the I-Net to existing and new municipal and school facilities located within the Town of Wolfeboro and not included in Exhibit D-1, provided the Town reimburses Franchisee for the material and labor costs required to complete any requested extension of the I-Net.

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

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

SECTION 3.6 – PARENTAL CONTROL CAPABILITY

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

SECTION 3.7 – PEG ACCESS PROGRAMMING

(a) The Franchisee shall provide three (3) six megahertz (6 MHz) Channels for PEG Access use, subject to the control of Wolfeboro Community Television.

(b) The Franchisee shall not move or otherwise relocate the channel locations of the three (3) PEG channels, once established, without the advance, written notice to the Franchising Authority and Subscribers. The Franchisee shall make good faith effort to maintain continuity of Access Channel(s) locations.

(c) In order that PEG Access Users can cablecast PEG Access Programming over the three (3) PEG Access Channels, all PEG Programming shall be modulated, then transmitted from the Wolfeboro Public Television studio to the Cable System headend via a fiber optical transceiver. Wolfeboro Public Television will be responsible for said fiber optical transceivers at both locations to transmit and receive PEG Access Channels. At the headend, said Access Programming shall be retransmitted on one of the three PEG Access Channels.

(d) Franchisee shall install equipment in order to process said PEG Access Channels from Wolfeboro Community Television's fiber optical transceiver in headend for distribution to the Subscriber Network.

SECTION 3.8 – PEG ACCESS GRANT

(a) Franchisee shall provide to the Town and the Wolfeboro Community Television Studio a grant for PEG capital costs to equip a studio for the production and transmission of Access Programming on any Access Channel in the amount of Twenty Thousand Dollars (\$20,000.00) to be paid by Franchisee according to the following schedule: \$10,000.00 within ninety (90) days of the Effective Date of this Agreement; and \$10,000.00 on June 15, 2012 (the first year anniversary date of the Effective Date of this Agreement).

SECTION 3.9 – PUBLIC ACCESS PROGRAMMING

(a) Public Access Users shall sign a user form in which she or he agrees:

- (i) to comply with all applicable laws regarding obscenity;
- (ii) to be solely responsible for any liability resulting from his or her Public Access Programming including, but not limited to, defamation, slander, libel, obscenity or copyright infringement; and
- (iii) to indemnify the Franchising Authority, the Town, Wolfeboro Public Television and the Franchisee from any liability arising from said Public Access Programming.

(b) In accordance with Section 611(e) of the Communications Act, the Franchisee shall not exercise any editorial control over any public, educational or governmental use of PEG Access Channels, except as may be required by applicable federal law.

SECTION 3.10 – EMERGENCY OVERRIDE

The Cable System shall incorporate audio override capabilities for use in the event of an emergency consistent with FCC and State regulations. The emergency override capability may

be operated from a standard touch-tone telephone only by officials authorized by the Franchising Authority. Activation of this emergency override capability shall give authorized official(s) control of all Channels allowed by law for a limited period of time for the purpose of transmitting instructions to viewers. The Franchising Authority shall provide Franchisee with the name(s) of each individual authorized to activate the emergency override capability prior to granting such authorization. Authorization shall be limited to two (2) individuals.

SECTION 3.11 – DELIVERY OF SIGNALS

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

SECTION 3.12 – LEASED ACCESS CHANNELS

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

SECTION 3.13 – GOVERNMENTAL CABLE DROPS TO RESIDENTIAL NETWORK

The Franchisee shall provide, as directed by the Town, (i) one (1) cable service drop connected to the residential network, (ii) one (1) outlet, and (iii) the Standard Service Package to all municipal and school buildings which are listed in Exhibit E and within two hundred (200) feet of Feeder Cable. Franchisee shall also donate coaxial cable for wiring of each classroom of the public schools in the Town existing as of the date of this Franchise Agreement. The obligation of Franchisee to donate coaxial cable for such drops and outlets and to provide such service shall pertain throughout the life of this Franchise and shall apply specifically to municipal and school buildings constructed or located subsequent to the commencement of this Franchise, which shall be wired within six (6) months of delivery of a written request from the Town to Franchisee. This obligation specifically excludes the labor to install such coaxial cable wire and outlets. This coaxial cable shall be provided at no cost to the Town. The Franchising Authority or its designee shall consult with the appropriate individuals to determine the appropriate location of each drop and outlet prior to the installation of the free service.

ARTICLE 4
TECHNOLOGICAL AND SAFETY STANDARDS

SECTION 4.1 – SYSTEM MAINTENANCE

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

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

(c) The Cable System shall be constructed, operated and maintained so as to comply, at a minimum, with all FCC signal quality requirements. Upon written request by the Franchising Authority or its designee, Franchisee shall provide proof of compliance of FCC signal requirements.

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

(e) All structures and all lines, equipment and connections in, over, under, and upon streets, sidewalks, alleys, and public streets and Private Roads and places of the Town, wherever situated or located, shall at all times be kept and maintained in a safe and suitable condition and in good order and repair.

(f) The signal of any television or radio station carried on the Cable System shall be carried without material degradation in quality at all Subscriber locations within the limits imposed by the technical specifications of the Cable System and as set forth by the FCC. The

Cable System shall be operated and maintained so as to comply with the technical standards set forth in the FCC's rules and regulations as they apply to Cable Systems.

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

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

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

SECTION 4.2 – REPAIRS AND RESTORATION

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

during the course of normal maintenance, Franchisee will use best efforts to interrupt service only between the hours of midnight and 7:00 a.m.

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

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

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

SECTION 4.3 – CABLE LOCATIONS

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

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

SECTION 4.4 – TREE TRIMMING

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

SECTION 4.5 – STRAND MAPS

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

SECTION 4.6 – BUILDING MOVES

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

SECTION 4.7 – EMERGENCY POWER

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

SECTION 4.8 – RESIDENTIAL EXTERIOR WIRING

Franchisee shall adhere to Subscriber's reasonable request for location of the cable Drop entry and shall in other respects observe standard specifications for drop connections into the residence. Installation of new exterior wiring on a residence after the Effective Date of this Agreement shall be installed in a professional manner consistent with the homeowner's requests at the time of installation. Each Drop shall be grounded at each Subscriber's residence at the time of initial installation of cable service or during the next scheduled in-house servicing that is performed.

SECTION 4.9 – DIG SAFE

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

ARTICLE 5 CUSTOMER SERVICE, MARKETING OF SERVICES AND CONSUMER PROTECTION

SECTION 5.1 – CUSTOMER SERVICE

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

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

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

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

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

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

SECTION 5.2 – TERMINATION OF SERVICE

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

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

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

SECTION 5.3 – SERVICE INTERRUPTIONS

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

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

SECTION 5.4 – IDENTIFICATION

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

Wolfeboro Police Department of the general work location within the Town and provide relevant vehicle identification prior to commencing such work.

SECTION 5.5 – SUBSCRIBER ANTENNAE

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

SECTION 5.6 – SUBSCRIBER PRIVACY AND RIGHTS TO INFORMATION

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

(b) The Franchisee shall not record or retain any information transmitted between a Subscriber or user and any third party, except as required for lawful business purposes or as permitted by Applicable Law. Pursuant to Section 631(e) of the Communications Act (47 U.S.C. § 551(e)), the Franchisee shall destroy personally identifiable information if the information is no

longer necessary for the purpose for which it was collected and there are no pending requests or orders for access to such information pursuant to a request from a Subscriber or pursuant to a court order.

ARTICLE 6 RATES AND CHARGES

SECTION 6.1 – RATES AND CHARGES

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

(b) The Franchising Authority shall have the right to the extent granted under State law, the Communications Act and FCC regulations, to regulate basic service rates and related equipment, installation and service charges to Subscribers.

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

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

(e) The Franchisee may levy collection charges not to exceed actual costs on overdue or delinquent accounts, not including reasonable late fees consistent with the prevailing law of New Hampshire.

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

ARTICLE 7 REGULATORY OVERSIGHT

SECTION 7.1 – INDEMNIFICATION

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

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

SECTION 7.2 – INSURANCE

(a) The Franchisee shall carry insurance with the Town as named insured with an insurance company satisfactory to the Franchising Authority indemnifying the Town and the

Franchisee from and against any and all claims for injury or damage to persons or property, both real and personal, caused by construction, installation, operation, maintenance or removal of its Cable System. The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000) as to any one occurrence. The amount of such insurance for liability for injury or death to any person shall be no less than One Million Dollars (\$1,000,000) and Five Million Dollars (\$5,000,000) on account of injury to or death of any number of persons in any occurrence. Such liability insurance shall include products and completed operations, independent contractors, personal and advertising injury, and automobile; and Franchisee's liability insurance shall be endorsed to include the full indemnity for the Town.

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

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

(d) All of Franchisee's insurance policies and certificates of insurance shall stipulate that the coverage afforded by the policies will not be canceled, modified or not renewed until at least thirty (30) days prior notice has been given to the Town.

(e) Such insurance shall be primary with respect to any insurance maintained by the Town and shall not call on the Town's insurance for contributions.

(f) The Franchisee's failure to obtain to procure or maintain the required insurance shall constitute a material breach of this renewal license.

SECTION 7.3 – ANNUAL REPORTING BY FRANCHISEE

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

SECTION 7.4 – PERFORMANCE BOND

(a) Franchisee shall obtain and maintain during the entire term of this Franchise, at its sole cost and expense, and file with the Town, an irrevocable performance bond in the amount of Ten Thousand Dollars (\$10,000) to guarantee performance of the following terms and conditions:

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

Thereafter, the Town may draw upon this bond for the purpose of curing any deficiency or breach by Franchisee of the terms stated in this Section 7.4. This right to draw upon this bond shall not in any way impede or impair the right of the Franchisee to appeal the basis for such action.

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

(c) The Town may draw upon this bond and may otherwise recover any and all penalties due to the Town and any and all damages, losses, costs, and expenses suffered or incurred by the Town resulting from the failure of Franchisee to comply with one or more provisions of this Section 7.4. Such losses, costs and expenses shall include, but not be limited to, reasonable attorneys' fees and other legal, consulting and auditing expenses. Nothing herein shall be deemed to permit the Town to collect more than the sums that are due to it. The Town may not recover these sums from multiple parties.

SECTION 7.5 – NOTICE AND OPPORTUNITY TO CURE

(a) Prior to instituting any action against the Franchisee under Section 7.6 (Revocation of Franchise), the Franchising Authority shall notify the Franchisee in writing of the specific failure and shall give the Franchisee thirty (30) days, or such longer time as may be granted by the Franchising Authority in its reasonable discretion, in which to demonstrate that a failure does not exist or to rectify such failure, and shall not proceed further if the matter is resolved to the reasonable satisfaction of the Town within the specified time period.

(b) In the event that the Franchisee fails to cure, or to take reasonable steps to cure, the default within thirty (30) days, (or such other time period reasonably established by the Franchising Authority, at the written request of the Franchisee) the Franchising Authority shall schedule a public hearing with fifteen (15) days written notice to the Franchisee. The Franchisee shall be provided a reasonable opportunity to offer evidence and to be heard at such public hearing.

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

SECTION 7.6 – REVOCATION OF FRANCHISE; DEFAULT

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

- (i) For failure to comply with any of the material terms and conditions of the Franchise;
- (ii) The repeated failure, as determined by the Franchising Authority, to maintain signal quality pursuant to FCC standards;
- (iii) For any transfer or assignment of the Franchise Agreement or control thereof without consent of the Franchising Authority;
- (iv) For failure to maintain a performance bond as described in Section 7.4 or to maintain insurance as described in Section 7.2.

SECTION 7.7 – REMOVAL OF SYSTEM

Upon termination of the Franchise Agreement or of any renewal hereof by passage of time or otherwise, the Franchisee shall remove its supporting structures, poles, transmission and distribution systems and other appurtenances from the Streets, ways, lanes, alleys, parkways,

bridges, highways, and other public places in, over, under, or along which they are installed and shall restore the areas to their original condition. If such removal is not completed within six (6) months of such termination, the Franchising Authority may deem any property not removed as having been abandoned, or at the Franchisee's expense remove or cause to be removed any components of the Cable System and restore the areas to their original condition.

SECTION 7.8 – INCORPORATION BY REFERENCE

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

ARTICLE 8 MISCELLANEOUS

SECTION 8.1 – SEVERABILITY

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

SECTION 8.2 – FORCE MAJEURE

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

disturbances; explosions; partial or entire failure of utilities; or any cause or event not reasonably within the Franchisee's control.

SECTION 8.3 – NOTICES

Every notice to be served upon the Franchising Authority shall be delivered or sent by certified mail (postage prepaid) to Attn. Town Board of Selectmen, Town of Wolfeboro, P.O. Box 629, 84 South Main Street, Wolfeboro, New Hampshire 03894, or such other address as the Franchise Authority may specify in writing to the Franchisee. Every notice served upon the Franchisee shall be delivered or sent certified mail (postage prepaid) to Attn: General Manager, MetroCast Cablevision of New Hampshire LLC., 9 Apple Road, Belmont, NH 03220, or such other address as the Franchisee may specify in writing to the Franchise Authority. The delivery shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of receipt.

SECTION 8.4 – AMENDMENT OR MODIFICATION

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

SECTION 8.5 – ANNUAL TOWN REVIEW

At the Town's request, the Franchisee shall attend annual meetings with authorized Town official(s) to review compliance with the terms of this Franchise and matters of interest to either party. No later than five (5) days prior to such meeting either party may submit a list of items to be reviewed.

SECTION 8.6 – DELEGATION

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

SECTION 8.7 – FINAL AGREEMENT

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

SECTION 8.8 – PROPRIETARY AND CONFIDENTIAL INFORMATION

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

SECTION 8.9 – STANDARD OF REASONABLENESS

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

SECTION 8.10 – GOVERNING LAW

This Agreement is governed by and construed in accordance with the Communications Act and the FCC regulations and policies adopted pursuant thereto, except where the law of the State of New Hampshire may control, in which case the law of the State of New Hampshire will govern (collectively, “**Applicable Law**”). All rights, requirements and obligations under this Agreement are subject to the requirements and limitations of Applicable Law. To the extent that any right, requirement or obligation under this Agreement is contrary to Applicable Law, then such provision shall be invalid to the extent that such provision is inconsistent with Applicable Law. The Franchisee’s obligations set forth in RSA Chapter 53-C are incorporated herein by reference. Failure to comply with such obligations shall be a material breach of this Agreement.

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

THE TOWN OF WOLFEBORO, NEW HAMPSHIRE

By 

Name: SARAH M. SILK

Title: Town Chairman of the Board of Selectman

Date: 6-1-11

METROCAST CABLEVISION OF NEW HAMPSHIRE LLC

By 

Name: Steven Murdough

Title: Vice President of Operations

Date: 6-7-2011

EXHIBIT A

PROGRAM UNDERWRITING GUIDELINES FOR PEG CHANNELS

Underwriting announcements may include the following information:

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

Underwriting announcements should not contain any of the following elements:

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