

CABLE TELEVISION FRANCHISE AGREEMENT

This Cable Television Franchise Agreement ("Franchise") is entered into this 17TH day of ~~August~~ ^{NOVEMBER}, 2014, by and between the City of Hagerstown, Maryland ("City"), and Antietam Cable Television, Inc. ("Grantee").

RECITALS

WHEREAS, the City is authorized to grant and renew franchises for the installation, operation and maintenance of cable television systems within the City; and

WHEREAS, the Grantee has applied to the City for the renewal of its cable television franchise to construct, operate and maintain a cable television system within the City; and

WHEREAS, the Grantee is willing to accept this Franchise subject to the terms and conditions stated herein, and to abide by these terms and conditions; and

WHEREAS, the public has had adequate notice and opportunity to comment on the Grantee's proposal to provide cable television service within the City; and

WHEREAS, the City Council hereby finds that it would serve the public interest of the citizens of the City to grant a new cable television franchise to the Grantee subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises made herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, City and Grantee do hereby agree as follows:

SECTION 1. DEFINITIONS

For the purpose of this Franchise, the following terms, phrases, words, and their derivations have the meanings given herein, unless the context clearly indicates that another meaning is intended. When not inconsistent with the context, words used in the present tense include the future, the word he shall be gender neutral and shall include all persons, words in the plural number include the singular number, and words in the singular number include the plural number. The word shall is always mandatory and not merely directory.

1.1 "Access" means the availability for noncommercial use by various agencies, institutions, organizations, groups and individuals in the community, including the City and its designees, of the Cable System to acquire, create, receive, and distribute Cable Services as permitted under applicable law including, but not limited to:

a. "Public Access" means a Channel or Channels, facilities and programming utilized or produced by the public who are residents or businesses of the City, including groups and individuals, that is available on a non-discriminatory basis.

b. "Educational Access" means a Channel or Channels, facilities and programming utilized or produced by educational institutions.

c. "Government Access" means a Channel or Channels, facilities and programming utilized or produced by governmental institutions.

1.2 "Access Channel" means any Channel, or portion thereof, designated for Access purposes or otherwise made available to facilitate or transmit Access programming or services.

1.3 "Activated" means the status of any capacity or part of the Cable System in which any Cable Service requiring the use of that capacity or part is available without further installation of system equipment, whether hardware or software, other than subscriber premises equipment.

1.4 "Affiliate", when used in connection with Grantee, means any Person who owns or controls, is owned or controlled by, or is under common ownership or control with Grantee.

1.5 "Bad Debt" means amounts lawfully billed to a Subscriber and owed by the Subscriber for Cable Service and accrued as revenues on the books of Grantee, but not collected after reasonable efforts have been made by Grantee to collect the charges.

1.6 "Basic Service" means the lowest Cable Service Tier which includes, at a minimum, the retransmission of local television Broadcast Signals and all PEG Access Channels.

1.7 "Broadcast Signal" means a television or radio signal transmitted over the air to a wide geographic audience, and received by the Cable System by antenna, microwave, satellite dishes or any other means.

1.8 "Cable Act" means the Communications Act of 1934 as amended by the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, and the Telecommunications Act of 1996, and all additional amendments thereto.

1.9 "Cable Internet Service" means any service offered by Grantee whereby Persons receive access to the Internet through the Cable System.

1.10 "Cable Operator" means any person or groups of persons, including Grantee, who provide(s) Cable Service over a Cable System and directly or through one or more affiliates owns a significant interest in such Cable System or who otherwise control(s) or is (are) responsible for, through any arrangement, the management and operation of such a Cable System.

1.11 "Cable Service" means 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.

1.12 "Cable System" means any facility, consisting of a set of closed transmissions 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 Right-of-Way; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the federal Communications Act (47 U.S.C. 201 et seq.), except that such facility shall be considered a Cable System (other than for purposes of Section 621(c) (47 U.S.C. 541(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 federal statutes; or (E) any facilities of any electric utility used solely for operating its electric utility systems. As used herein, the term Cable System shall mean Grantee's cable communications facilities located in the City.

1.13 "Channel" means a time or frequency slot or technical equivalent on the Cable System, discretely identified and capable of carrying full motion color video and audio, and may include other non-video subcarriers and digital information.

1.14 "City" is the City of Hagerstown, a body politic and corporate under the laws of the State of Maryland, and all of the area within its boundaries, as such may change from time to time.

1.15 "City Council" means the Hagerstown City Council, or its successor, the governing body of the City.

1.16 "Commercial Subscribers" means any Subscribers other than Residential Subscribers.

1.17 "Demarcation Point" means the point between the Cable System and the Subscriber equipment as defined within the FCC rules and regulations concerning inside wiring, as amended from time to time. Currently that point shall be twelve inches outside of the Subscriber's, or potential Subscriber's, exterior dwelling unit wall.

1.18 "Designated Access Provider" means the entity or entities designated now or in the future by the City to manage or co-manage Access Channels and facilities. The City may be a Designated Access Provider.

1.19 "Downstream" means carrying a transmission from the Headend to remote points on the Cable System.

1.20 "Dwelling Unit" means any building, or portion thereof, that has independent living facilities, including provisions for cooking, sanitation and sleeping, and that is designed for residential occupancy.

1.21 "Expanded Basic Service" means the analog or digital Tier of optional video programming services, which is the level of Cable Service received by most Subscribers above Basic Service, and does not include Premium Services.

1.22 "FCC" means the Federal Communications Commission.

1.23 "Fiber Optic Cable" or "Fiber" means the thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple reflections to a receiver which translates the message.

1.24 "Franchise" means the document in which this definition appears, i.e., the contractual agreement, executed between the City and Grantee, containing the specific provisions of the authorization granted, including references, specifications, requirements and other related matters.

1.25 "Franchise Area" means the area within the jurisdictional boundaries of the City, including any areas annexed by the City during the term of this Franchise.

1.26 “GAAP” means generally accepted accounting principles.

1.27 “Grantee” means Antietam Cable Television, Inc., or its lawful successor, transferee or assignee.

1.28 “Gross Revenues” means, to the extent derived directly or indirectly from the operation of the Cable System within the City to provide Cable Services, any and all cash, credits, property or consideration of any kind or nature that arise from, are attributable to, or are in any way derived directly or indirectly by the Grantee or by any other entity (including an Affiliate) that may be a Cable Operator of the Cable System to provide Cable Services, including, but not limited to, the value of bartered services; monthly Subscriber fees and charges; pay-per-view; video on demand; digital services; disconnection fees; late fees; Internet subscriber fees and revenues if Internet service is declared to be a Cable Service by the FCC or a court of competent jurisdiction or the United States Congress or the State of Maryland; returned check fees; installation and reconnection fees; change-in-service fees; payments or other consideration received from programmers for carriage of programming on the Cable System; any fees collected from Subscribers to pay the Capital Contribution which is indicated in Section 9.1; and revenues from rentals or sales of converters or other equipment. Gross Revenues shall not include advertising revenues; home shopping revenues; any taxes on services furnished by Grantee which are imposed directly on any Subscriber or user by the State of Maryland, the County, the City, the FCC or other governmental unit which are collected by the Grantee on behalf of said governmental unit, and any uncollected receipts (bad debt); provided, however, that all or any part of any such actual bad debt that is written off but subsequently collected shall be included in Gross Revenues in the period collected. Franchise Fees are not a tax and are therefore included in the Gross Revenue calculation. For purposes of this subsection, Grantee’s accounting shall be done in accordance with GAAP. This in no way is intended to limit the specific items enumerated above or the broad definition of “Gross Revenues.”

1.29 “Headend” means the control center of the Cable System, where incoming signals are amplified, converted, processed and/or combined onto a common cable or cables and may include any local origination programming or PEG Access programming, if any, for transmission to Subscribers.

1.30 “Institutional Network” or “I-Net” means that part of the Cable System facilities or capacity designated for non-commercial communications to, from and among government agencies, Schools, libraries and other public agencies.

1.31 “Interconnect” or “Interconnection” means the linking of the Cable System’s Access Channels with the access channels of another geographically contiguous cable system, including technical, engineering, physical, financial and other necessary components to accomplish, complete and adequately maintain such linking, in a manner that permits the transmission and receiving of Access programming between the Cable System and other cable systems.

1.32 “Leased Access Channel” means any Channel or portion of a Channel commercially available for programming by Persons other than Grantee, for a fee or charge.

1.33 “Node” means an exchange point in the signal distribution system portion of the Cable System (including the I-Net), where in the case of the Subscriber Network, optical signals are converted to RF signals.

1.34 “Person” means any individual, sole proprietorship, partnership, association, or corporation, or any other form of entity or organization.

1.35 “Premium Service” means programming choices (such as movie Channels or pay-per-view programs) offered to Subscribers on a per-Channel, per-program or per-event basis.

1.36 “Residential Subscriber” means any Person who receives Cable Service delivered to Dwelling Units or Multiple Dwelling Units, excluding such Multiple Dwelling Units billed on a bulk-billing basis.

1.37 “Right-of-Way” means each of the following which have been dedicated to the public or are hereafter dedicated to the public and maintained under public authority or by others and located within the City: streets, roadways, highways, avenues, lanes, alleys, bridges, sidewalks; easements, rights-of-way and similar public property and areas.

1.38 “Schools” means all accredited public elementary and secondary schools, junior colleges, colleges and universities.

1.39 “State” means the State of Maryland.

1.40 “Subscriber” means any Person who or which elects to subscribe to, for any purpose, Cable Service provided by Grantee by means of or in connection with the Cable System and whose premises are physically wired and lawfully Activated to receive Cable Service from Grantee’s Cable System.

1.41 “Subscriber Network” means that portion of the Cable System used primarily by Grantee in the transmission of Cable Services to Residential Subscribers.

1.42 “Telecommunications” means the transmission, between or among points specified by the user, of information of the user’s choosing, without change in the form or content of the information as sent and received (as provided in 47 U.S.C. 153(50)).

1.43 “Telecommunications Service” means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used (as provided in 47 U.S.C. 153(53)).

1.44 “Tier” means a group of Channels for which a single periodic subscription fee is charged.

1.45 “Two-Way” means that the Cable System is capable of providing both Upstream and Downstream transmissions.

1.46 “Upstream” means carrying a transmission to the Headend from remote points on the Cable System.

SECTION 2. GRANT OF FRANSHISE

2.1 Grant

(A) The City hereby grants to Grantee a nonexclusive authorization to make reasonable and lawful use of the Rights-of-Way within the City to construct, operate, maintain, reconstruct, rebuild and upgrade a Cable System for the purpose of providing Cable Service subject to the terms and conditions set forth in this Franchise. This Franchise shall constitute both a right and an obligation to provide the Cable Service required by, and to fulfill the obligations set forth in, the provisions of this Franchise.

(B) Nothing in this Franchise shall be deemed to waive the lawful requirements of any generally applicable City law existing as of the Effective Date of this Franchise.

(C) Each and every provision or condition herein is subject to local law, State law, federal law, the Charter of the City of Hagerstown and the ordinances and regulations enacted pursuant thereto.

(D) This Franchise shall not be interpreted to prevent the City from imposing additional lawful conditions, including additional compensation conditions for use of the Rights-of-Way, should Grantee provide service other than Cable Service.

(E) Grantee promises and guarantees, as a condition of exercising the privileges granted by this Franchise, that any Affiliate of the Grantee directly involved in the offering of Cable Service in the Franchise Area, or directly involved in the management or operation of the Cable System in the Franchise Area, will also comply with the terms and conditions of this Franchise.

(F) No rights shall pass to Grantee by implication. Without limiting the foregoing, by way of example and not limitation, this Franchise shall not include or be a substitute for:

(1) Any other permit or authorization generally required for the privilege of transacting and carrying on a business within the City that may be required by the ordinances and laws of the City.

(2) Any permit, agreement, or authorization required by the City for Right-of-Way users in connection with operations on or in Rights-of-Way or public property including, by way of example and not limitation, street cut permits; or

(3) Any permits or agreements for occupying any other property of the City or private entities to which access is not specifically granted by this Franchise including, without limitation, permits and agreements for placing devices on poles, in conduits or in or on other structures.

(G) This Franchise is intended to convey limited rights and interests only as to those Rights-of-Way in which the City has an actual interest. It is not a warranty of title or interest in any Right-of-Way; it does not provide the Grantee with any interest in any particular location within the Right-of-Way; and it does not confer rights other than as expressly provided in the grant hereof.

(H) This Franchise does not authorize Grantee to provide (or preclude Grantee from providing) Telecommunications Services. This Franchise is not a bar to imposition of any lawful conditions on Grantee with respect to Telecommunications Services, whether similar, different or the same as the conditions specified herein. This Franchise does not relieve Grantee of any obligation it may have to obtain from the City an authorization to provide Telecommunications Services, or relieve Grantee of its obligation to comply with any such authorization(s) that may be lawfully required.

(I) The parties to this Franchise shall cooperate in good faith in advancing its underlying objectives. In particular, the City, in its administration of the Franchise, shall consider costs and other operational burdens on Grantee and any adverse effects on Grantee and its ability to serve existing and potential subscribers.

2.2 Use of Rights-of-Way

(A) Subject to the City's supervision and control, Grantee may erect, install, construct, repair, replace, reconstruct, upgrade and retain in, on, over, under, upon, across, and along the Rights-of-Way within the City such wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, pedestals, attachments and other property and equipment as are necessary and appurtenant to the operation of the Cable System within the City.

(B) Grantee must follow City-established requirements for placement of Cable System facilities in Rights-of-Way, including the specific location of facilities in the Rights-of-Way, and must in any event install Cable System facilities in a manner that minimizes interference with the use of the Rights-of-Way by others, including others that may be installing communications facilities. Within limits reasonably related to the City's role in protecting public health, safety and welfare, the City may require that Cable System facilities be installed at a particular time, at a specific place or in a particular manner as a condition of access to a particular Right-of-Way; may deny access if Grantee is not willing to comply with City's requirements; and may remove, or require removal of, any facility that is not installed in compliance with the requirements established by the City, or which is installed without prior City approval of the time, place or manner of installation, and charge Grantee for all the costs associated with removal; and may require Grantee to cooperate with others to minimize adverse impacts on the Rights-of-Way through joint trenching and other arrangements.

2.3 Term of Franchise

This Franchise and the rights, privileges and authority granted hereunder shall take effect on November 1, 2014 (the "Effective Date"), and shall terminate on November 1, 2026, unless terminated sooner as hereinafter provided.

2.4 Franchise Nonexclusive

This Franchise shall be nonexclusive, and subject to all prior rights, interests, easements or licenses granted by the City to any Person to use any property, Right-of-Way, right, interest or license for any purpose whatsoever, including the right of the City to use the same for any purpose it deems fit, including the same or similar purposes allowed Grantee hereunder. The City may at any time grant authorization to use the Rights-of-Way for any purpose not incompatible with Grantee's authority under this Franchise and for such additional franchises for Cable Systems as the City deems appropriate.

2.5 Police Powers

Grantee's rights hereunder are subject to the police powers of the City to adopt and enforce ordinances necessary to the safety, health, and welfare of the public, and Grantee agrees to comply with all laws and ordinances of general applicability enacted, or hereafter enacted, by the City or any other legally constituted governmental unit having lawful jurisdiction over the subject matter hereof. The City shall have the right to adopt, from time to time, such ordinances as may be deemed necessary in the exercise of its police power, and any conflict between the provisions of this Franchise and any other present or future lawful exercise of the City's police powers shall be resolved in favor of the latter; provided that such ordinances shall be reasonable and not destructive of the rights granted in this Franchise.

2.6 Grant of Other Franchises

(A) In the event the City enters into a franchise, permit, license, authorization or other agreement of any kind with any other Person or entity other than the Grantee to enter into the City's Rights-of-Way for the purpose of constructing or operating a cable system or providing Cable Service to any part of the Franchise Area, in which the Grantee is actually providing Cable Service under the terms and conditions of this Franchise or is required to extend Cable Service to under the provisions of this Franchise, the material provisions thereof (including provisions related to the geographic scope of service, subject to reasonable build-out requirements as specified by the FCC) shall be reasonably comparable to those contained herein, or the terms herein (other than geographic scope of service) may be modified or deleted, in order that one operator not be granted an unfair competitive advantage over another, and to provide all parties equal protection under the law. The modification process shall only be initiated by written notice by the Grantee to the City regarding specified franchise obligations. Grantee's notice shall address the following: (a) identifying the specific terms or conditions in the competitive cable services franchise which are materially different from Grantee's obligations under this Franchise; (b) identifying the Franchise terms and conditions for which Grantee is seeking amendments; (c) providing text for any proposed Franchise amendments to the City, with a written explanation of why the proposed amendments are necessary and consistent. The parties agree that this provision shall not require identical word for word provisions so long as the regulatory and financial burdens on each entity are materially equivalent when comparing this Franchise to a new competing franchise as a whole. The City shall not permit Cable Service competition without a City franchise unless the competitor is duly authorized by Federal or State law. The protections afforded Grantee under this section shall also apply to any action taken by the City, or any entity affiliated with the City, to construct or operate a Cable System or to provide cable service in competition with Grantee. The City shall notify Grantee in the event any entity applies for authority to provide Cable Service to any part of the Franchise Area.

(B) If during this Franchise's term, any laws, rules, regulations or governmental authorizations would allow a competing provider of Cable Service in the City's Rights-of-Way to provide Cable Service or materially equivalent service under less burdensome regulations or regulatory structure than Grantee is operating under in this Franchise, the more burdensome terms and conditions of Grantee's Franchise shall be modified to correspond to the less burdensome requirements applicable to the competing provider. The parties agree that this shall not require identical word for word provisions so long as the regulatory and financial burdens on each entity are materially equivalent taken as a whole. The parties agree that (a) video service provided through an "Open Video System" (as specified in Federal laws or regulations); (b) video service provided

through the public Internet without any affiliated occupation of the City's Rights-of-Way; and (c) video service provided through wireless distribution shall not trigger the relief available under this provision.

(C) In the event that Grantee elects to pursue the relief provided under subsections (A) or (B) above, Grantee shall notify the City in writing, and the parties shall engage in good faith negotiations, which shall conclude within a ninety (90) day time period unless that time period is reduced or extended by mutual agreement of the parties. If the City and Grantee reach agreement on the Franchise modifications pursuant to such negotiations, then the City and Grantee shall amend this Franchise to include the modifications. If the City and Grantee are unable to reach agreement on the Franchise modifications to ensure a competitive Franchise, then Grantee may enforce in a court of competent jurisdiction its right to a franchise modification pursuant to subsection (A) or (B) above or may terminate this Franchise subject to subsection (D) below. In the event that Grantee secures any franchise modification in a judicial proceeding under this provision, the City shall reimburse any Franchise-related fees paid to the City subsequent to the initiation of said judicial proceeding that exceed the Franchise-related fee obligations established as a result of that proceeding; and, if the court finds the City did not engage in good faith negotiations, the City shall reimburse Grantee's reasonable attorneys' fees. Nothing in Section 2.6 shall limit Grantee's right to pursue any other cause of action available to it, including, but not limited to, the right to pursue the modification procedures set forth in Section 626 of the Cable Act.

(D) As specified in subsection (C) above, in the event Grantee fails to secure a satisfactory modification from the City, Grantee shall have the option of shortening the term of this Franchise (while retaining full substantive renewal rights, including, but not limited to, the renewal rights provided under this Franchise and Section 626 of the Cable Act) such that this Franchise expires on a date twenty-four (24) months after Grantee provides notice to the City of such termination; provided, however, in no event shall Grantee invoke this provision by providing notice to the City during the initial four (4) year period of this Franchise.

(E) The City shall not be obligated to amend this Franchise unless the new entrant makes Cable Services or materially equivalent service available for purchase by subscribers or customers.

2.7 Familiarity with Franchise

The Grantee acknowledges and warrants by acceptance of the rights, privileges and agreements granted herein, that it has carefully read and fully comprehends the terms and conditions of this Franchise and is willing to and does accept all lawful and reasonable risks of the meaning of the provisions, terms and conditions herein. The Grantee further acknowledges and states that it has fully studied and considered all requirements and provisions of this Franchise and finds that the same are commercially practicable at this time.

2.8 Effect of Acceptance

By accepting the Franchise, the Grantee: (1) acknowledges and accepts the City's legal right to issue and enforce the Franchise; (2) accepts and agrees to comply with each and every provision of this Franchise subject to applicable law; and (3) agrees that the Franchise was granted pursuant to processes and procedures consistent with applicable law, and that it will not raise any claim to the contrary.

SECTION 3. FRANCHISE FEE PAYMENT AND FINANCIAL CONTROLS

3.1 Franchise Fees

As compensation for the benefits and privileges granted under this Franchise and in consideration of permission to use the City's Rights-of-Way, Grantee shall pay as a franchise fee to the City, throughout the duration of this Franchise, an amount equal to five percent (5%) of Grantee's Gross Revenues. Accrual of such franchise fees shall commence as of the Effective Date of this Franchise.

3.2 Payments

Grantee's franchise fee payments to the City shall be computed quarterly for the preceding calendar quarter. Each quarterly payment shall be due and payable no later than thirty (30) days after the end of the preceding quarter.

3.3 Acceptance of Payment and Recomputation

The acceptance of any payment required by the City shall not be construed as an acknowledgement or an accord and satisfaction that the amount paid is the correct amount due, nor shall such acceptance of payment be construed as a release or waiver of any claim which the City may have for additional sums due and payable. However, if the City accepts payment of the amount determined to be due to the City through an audit, that shall be construed as an accord and satisfaction.

3.4 Quarterly Franchise Fee Reports

Each payment shall be accompanied by a written report to the City, verified by an officer of Grantee, containing an accurate statement in categorized form of Grantee's Gross Revenues and the computation of the payment amount. Such reports shall detail all Gross Revenues of the Cable System and shall be drafted in accordance with GAAP and all of the provisions of this Franchise (including, but not limited to, Subsection 1.28 herein).

3.5 Annual Franchise Fee Reports

Grantee shall, within ninety (90) days after the end of each year, furnish to the City a detailed statement stating the total amount of Gross Revenues for that prior year and all payments, deductions and computations for the period. Such statement shall be reviewed by a certified public accountant, or a responsible officer of Grantee, prior to submission to the City.

3.6 Audits

(A) The City shall have the right to inspect books and records of Grantee and its Affiliates and to audit and recompute any amounts determined to be payable under this Franchise. The books and records necessary to determine the accuracy of the Franchise Fee payments and all other payments due the City shall be kept at a location within the City. If additionally required and necessary records, as determined by the City, are kept at a more distant location, the Grantee shall pay the travel expenses of not more than two (2) auditors selected by the City, which auditors may or may not be City employees, to the location where Grantee's records are kept.

(B) The City's expenses, fees, and costs for an audit or financial review shall be borne by the City unless the audit or financial review discloses an underpayment of five percent (5%) or more, in which case the costs shall be borne by the Grantee.

(C) The Grantee shall pay any undisputed amounts due the City as a result of the audit or financial review within thirty (30) days of written notice, provided that a copy of the audit or financial review is delivered to the Grantee by the City.

(D) Disputed amounts recovered by the City shall be subject to the additional payment of interest as provided for in this Franchise.

3.7 Late Payments

In the event that the Franchise Fees herein required are not tendered on or before the date due as identified above, interest on such fees shall accrue from the date due at the then current bank prime rate of interest as published in the Wall Street Journal.

3.8 Alternative Compensation

In the event the obligation of Grantee to compensate the City through franchise fee payments is lawfully suspended or eliminated, in whole or part, then Grantee shall pay to the City such other compensation as is required by law.

3.9 Additional Commitments Not Franchise Fee Payments

No term or condition in this Franchise, including the funding required by Section 9, shall in any way modify or affect Grantee's obligation to pay franchise fees. Although the total sum of franchise fee payments and additional commitments set forth elsewhere in this Franchise may total more than five percent (5%) of Grantee's Gross Revenues in any twelve (12) month period, Grantee agrees not to offset or credit such other amounts against any franchise fee payments due to the City under this Section 3, provided the City uses such additional funding consistent with the terms of this Franchise.

3.10 Tax Liability

The franchise fees shall be in addition to any and all taxes or other levies or assessments which are now or hereafter required to be paid by businesses in general by any law of the City, the State or the United States including, without limitation, sales, use and other taxes, business license fees or other payments. Payment of the franchise fees under this Franchise shall not exempt Grantee from the payment of any other license fee, permit fee, tax or charge on the business, occupation, property or income of Grantee that may be lawfully imposed by the City. Any other license fees, taxes or charges shall be of general applicability in nature and shall not be levied against Grantee solely because of its status as a Cable Operator.

3.11 Collection of Fees and Taxes

Fees and taxes imposed by a governmental body on a Cable Service, the Cable System or its Subscribers shall be collected by Grantee on behalf of said governmental body and remitted to the appropriate governmental body.

3.12 No Limitation on Authority

Nothing in this Franchise shall be construed to limit any authority of the City to impose any tax, fee, or assessment of general applicability on Grantee or its Subscribers.

3.13 Financial Records

Grantee agrees to meet with a representative of the City upon request to review Grantee's methodology of record-keeping, financial reporting, the computing of franchise fee obligations and other procedures, the understanding of which the City deems necessary for reviewing reports and records.

3.14 Payment on Termination

If this Franchise terminates for any reason, the Grantee shall file with the City within ninety (90) calendar days of the date of the termination, a financial statement, certified by an independent certified public accountant, showing the Gross Revenues received by the Grantee since the end of the previous fiscal year. The City reserves the right to satisfy any remaining financial obligations of the Grantee to the City by utilizing the funds available in the letter of credit or other security provided by the Grantee.

3.15 Bundling of Cable Service and Non-Cable Service

If Grantee offers bundled Cable and non-Cable Services, any discount applied to a Cable Service under this Franchise shall not be applied in a manner so as to evade the payment of Franchise Fees. Any discounting shall be done reasonably and equitably among Cable and non-Cable Services so as not to evade the payment of Franchise Fees. For the purpose of determining the amount of Franchise Fees due on a discounted Cable Service, Grantee shall use generally recognized and accepted accounting practices in applying the requirements of this Franchise.

SECTION 4. ADMINISTRATION AND REGULATION

4.1 Authority

(A) To the extent permitted under federal, State and local law, the City shall be vested with the power and right to reasonably regulate the exercise of the privileges permitted by this Franchise in the public interest, or to delegate that power and right, or any part thereof to any agent in its sole discretion. The City shall identify a single point of contact at the City to administer this Franchise.

(B) Nothing in this Franchise shall limit nor expand the City's right of eminent domain under State law.

4.2 Rates and Charges

The City reserves its rights to regulate Grantee's cable rates and charges to the full extent authorized by applicable federal, State and local laws.

4.3 Filing of Rates and Charges

(A) Throughout the term of this Franchise, Grantee shall provide written notification to the City of its complete schedule of applicable rates and charges for residential Cable Services provided under this Franchise. Nothing in this subsection shall be construed to require Grantee to provide written notice of its rates and charges under temporary reductions or waivers of rates and charges in conjunction with promotional campaigns.

(B) Grantee shall apply its rates in accordance with governing law without regard to race, color, ethnic or national origin, religion, age, sex, sexual orientation, marital, military, or physical or mental disability or geographic location within the City. Grantee may engage in reasonable review of creditworthiness and impose reasonable conditions (e.g., equipment deposits) based on that review and past payment history. Grantee shall permit Subscribers to make any lawful in-residence connections the Subscriber chooses. However, if any in-home connection requires service from Grantee due to signal quality, signal leakage or other factors, caused by improper installation of such in-home wiring or faulty materials of such in-home wiring, the Subscriber may be charged reasonable service charges by Grantee. Nothing herein shall be construed to prohibit the offering of reasonable discounts to senior citizens or economically disadvantaged citizens; or the Grantee from establishing different rates and charges and classes of service for Commercial Subscribers, as allowable by federal law and regulations.

(C) Upon request of the City, Grantee shall provide a complete schedule of current rates and charges for any and all Leased Access Channels, or portions of such Channels, provided by Grantee. The schedule shall include a description of the price, terms, and conditions established by Grantee for Leased Access Channels.

(D) A copy of Grantee's Cable Services, rates and charges shall be filed with the City prior to or simultaneously with the public filing of the rates and charges with Grantee's Subscribers.

4.4 Performance Evaluations

(A) The City may hold a performance evaluation session during Year six (6) of this Franchise.

(B) Special evaluation sessions may be held at any time by the City during the term of this Franchise.

(C) All evaluation sessions shall be open to the public. Grantee shall receive ninety (90) days prior written notice of an evaluation session.

(D) Topics which may be discussed at any evaluation session may include, but are not limited to, compliance with technical standards, construction standards, consumer protection standards, customer service standards and financial reporting.

(E) During evaluations under this subsection, Grantee shall comply with the City's request for information in a timely manner.

(F) Grantee shall, at City's request, conduct a broad survey of its current Subscribers to determine the degree to which it is meeting the needs and interests of its Subscribers. The survey will be conducted in Year 6, and the results of the survey will be provided to the City within three months of the conclusion of the survey.

4.5 Late Fees

(A) For purposes of this subsection, any assessment, charge, cost, fee or sum other than collection fees that the Grantee imposes upon a Subscriber solely for late payment of a bill is a late fee and shall be applied in accordance with applicable law.

(B) The Grantee's late fee and disconnection policies and practices shall be nondiscriminatory and such policies and practices, and any fees imposed pursuant to this subsection, shall apply equally in all parts of the City without regard to the neighborhood or income level of the Subscriber.

(C) Except as otherwise provided herein, nothing in this subsection shall be deemed to limit or affect the ability of the Grantee, if any, to impose other assessments, charges, fees or sums, for Grantee's other services or activities it performs in compliance with applicable law, including FCC rules and regulations.

4.6 Force Majeure

Notwithstanding any other provision of this Franchise, the Grantee shall not be liable for delay in performance of, or failure to perform, in whole or in part, its obligations pursuant to this Franchise due directly or indirectly to severe or unusual weather conditions, strike, labor disturbance, lock-out, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, act of the public enemy, acts of terrorism, accidents for which Grantee is not primarily responsible, fire, flood or other Acts of God, sabotage or other events to the extent that such causes or other events are beyond the reasonable control of the Grantee. In the event that any such delay in performance or failure to perform affects only a part of the Grantee's capacity to perform, the Grantee shall perform to the maximum extent it is able to perform and shall take all reasonable steps within its power to correct such causes in as expeditious a manner as possible.

SECTION 5. FINANCIAL AND INSURANCE REQUIREMENTS

5.1 Indemnification

(A) Grantee shall fully indemnify and hold harmless the City and its officers, agents, and employees from and against any and all losses, claims, damages, expenses, or liabilities, joint or several, to which they or any of them may become subject, and except as hereinafter provided, to reimburse each of them for any legal or other expenses reasonably incurred in connection with the investigating or defending of any action (whether or not resulting in any final and appealable adjudication or liability), arising directly or indirectly out of or from the actions of Grantee, or any of its employees, agents, or independent contractors in the establishment, construction, operation or maintenance of the Cable System or Cable System facilities or in the execution or performance of

any of their duties or functions contemplated under the provisions of this Franchise including without limitation damage to persons or property, both real and personal except for damage caused by the City, its officers, employees, or agents.

(B) Grantee shall be liable for the acts or omissions of its Affiliates while such Affiliates are involved directly or indirectly in the operation of the Cable System as if the acts or omissions of such Affiliates were the acts or omissions of Grantee.

(C) As promptly as practicable after receipt by the City of notice of the commencement of any action subject to indemnification under this Franchise, the City shall notify Grantee of the commencement thereof. In case any such action is brought against the City or any other indemnified party and notice thereof is given to Grantee, Grantee shall participate in and assume the defense thereof with counsel mutually approved by the City and Grantee. Grantee shall consult with the City regarding the development of available legal defenses, and the City shall cooperate in Grantee's defense of any indemnification action. Grantee may not settle without the advance written consent of the City, such consent not to be unreasonably withheld.

(D) The City shall, at its sole cost and expense, indemnify and hold harmless Grantee against any claims arising out of the City's use of the Cable System and the Government Access Channel. Other than to the extent provided by law, the City shall not be liable to Grantee for any damage or loss caused to any facility under the control of Grantee as a result of protecting, breaking through, moving, removing, altering or relocating any part of the Cable System by or on behalf of the City or Grantee in connection with any declared emergency, public work or public improvement. The City shall not be held liable for the interruption of Cable Service by lawful actions of City employees in performance of their duties nor shall the City be held liable for the failure of Grantee to perform due to Acts of God.

5.2 Insurance

(A) Grantee shall carry insurance throughout the term of this Franchise and any removal period. The City shall be named as an additional insured. Insurance companies shall carry an A rating and be licensed to do business in the State of Maryland. The policies shall indemnify Grantee and the City from and against any and all claims for injury or damage to persons and property, both real and personal, caused by the construction, installation, operation, maintenance and/or removal of Grantee's Cable System. If Grantee is self-insured, it must so notify the City of the level of risk, in terms of dollar coverage, the Grantee has assumed.

(B) The minimum coverage for Commercial General Liability insurance for Grantee pursuant to this Franchise shall be one million dollars (\$1,000,000) and excess liability shall be provided for in an umbrella policy of not less than five million dollars (\$5,000,000). Grantee shall be solely liable for payment of premiums due on each policy. The City may reasonably increase the minimum coverage standards to a level that the City reasonably believes in its best business judgment will adequately protect the City. The increase in coverage shall be affected at the Grantee's insurance policy renewal date except that to the extent that Grantee is self-insured, the new coverage rates shall be effective upon one hundred twenty (120) days written notice to the Grantee.

(C) Each policy shall contain a statement on its face that the insurer will not cancel the policy or fail to renew the policy, whether for non-payment of premium or otherwise, and whether at

the request of Grantee or for other reasons, except after thirty (30) days advance notice to the City with said notice to be sent certified mail to the attention of the City.

(D) Grantee shall file certificates of insurance with the City within five (5) days of the effective date of this Franchise, which certificates of insurance shall be on standard industry forms.

(E) In the event of cancellation of any insurance policy required herein or upon Grantee's failure to procure said insurance, the City shall have the right to terminate the Franchise, or alternatively, to procure such insurance and charge the cost thereof to Grantee. Such costs may be paid for from Grantee's letter of credit or by any means deemed appropriate by the City.

5.3 Letter of Credit

(A) Grantee shall provide a letter of credit from a financial institution in the amount of \$10,000. In the event of any transfer of this Franchise, the City may require the new franchisee to increase the amount of the letter of credit to \$50,000.

(B) The form of the letter of credit shall be subject to the approval of the City. The letter of credit shall be conditioned to be drawn upon by the City to compensate itself for any damages, costs or expenses consistent with this Franchise, and subject to providing Grantee with notice and a reasonable opportunity to cure. In particular, but without limitation, such letter of credit shall be drawn on in the case of any default or failure of Grantee to pay any fees, claims, damages, liens or taxes due under the Franchise. Upon drawing on the letter of credit for any reason, the City shall notify Grantee. Grantee shall, within three (3) business days, of receipt of such notification, take action required to restore the letter of credit to its original full amount.

5.4 Bonds

Grantee may be required to obtain bonds in accordance with the City's ordinary practices applicable to users of the Rights-of-Way. The bond(s) shall be with a surety or sureties and in a form or forms acceptable to the City. Grantee shall pay all premiums or costs associated with maintaining the bond(s), and shall keep the same in full force and effect at all times.

5.5 Rights Reserved to the City

The rights reserved to the City with respect to the letter of credit and bonds are in addition to all other rights of the City, whether reserved by this Franchise or authorized by law, and no action or proceeding or exercise of a right with respect to such letter of credit or bonds shall affect any other right the City may have.

5.6 No Limitation

Neither the provisions of this Franchise, or any bond accepted pursuant hereto, or any damages recovered hereunder shall be construed to excuse unfaithful performance by Grantee of the terms and conditions of this Franchise; or to limit the liability of Grantee under this Franchise. Any cancellation by the surety or sureties during the term of the Franchise, whether for failure to pay a premium or otherwise, without thirty (30) days advance written notice mailed by the surety or sureties, or Grantee, to the City shall be a violation of this Franchise.

SECTION 6. CUSTOMER SERVICE STANDARDS

6.1 Customer Service Standards

Grantee shall comply with the Customer Service Standards set forth in Exhibit A which is attached hereto and incorporated herein by reference. In the event that Subscribers experience recurrent customer service problems which are not adequately addressed by those standards, the City may, notwithstanding Section 17.9, on its own adopt additional standards to remedy the particular problems experienced, provided that the City does so in consultation with Grantee and that the resulting standards are consistent with industry standards and standards in other comparable size cities.

6.2 Subscriber Privacy

Grantee shall comply with all state, federal, and local laws regarding the privacy rights of Subscribers and of records and correspondence pertaining thereto, including, but not limited to, any information obtained through marketing efforts or Subscriber surveys.

6.3 Subscriber Contracts

Grantee shall not enter into a contract with any Subscriber which is in any way inconsistent with the terms of this Franchise, or the requirements of any applicable customer service standard. Upon request, Grantee will provide to the City a sample of the Subscriber contract or service agreement then in use.

6.4 Advance Notice to City

Grantee shall use reasonable efforts to furnish information to the City in advance which is to be provided to Subscribers regarding Grantee's payments to the City.

SECTION 7. REPORTS AND RECORDS

7.1 Recordkeeping

Grantee's books and records shall be maintained in accordance with all federal, state, and local laws, rules and regulations. Subject to applicable law, this Franchise and the City's regulatory powers, the City shall have the right to inspect and copy all books and records, including documents in whatever form maintained, including electronic media, to the extent that in the City's best judgment, such books and records are necessary for regulation of the Cable System or Cable Service franchised by the City. The inspection shall take place during normal business hours, upon reasonable notice by the City of not less than five (5) business days, and at Grantee's place of business unless at a location otherwise mutually agreed upon by the parties. The City shall take reasonable steps to protect the proprietary and confidential nature of any such documents to the extent that such documents are identified as such by Grantee or as may be covered under applicable state law. Grantee shall be responsible for marking any construction documents that it deems proprietary and confidential.

7.2 Records Required

(A) Upon request, Grantee shall provide during the term of this Franchise annual reports for activation of new types of service and Subscriber numbers for the system. Such information shall be in a format as reasonably required by the City.

(B) Reports shall be subject to the subscriber privacy provisions of the Cable Act.

(C) Grantee shall maintain all records required under federal law in addition to any records required under this Franchise. Records required under this Franchise shall be retained in a reasonable form, for three (3) years.

(D) During periods of initial construction or reconstruction of the Cable System or construction or reconstruction of a major residential subdivision of the City, Grantee shall furnish monthly construction reports. During all other periods of construction, quarterly reports shall be filed with the City. The type and form of the report shall be provided in a format reasonably acceptable to the City.

(E) Upon request, Grantee shall provide reports of line extension construction carried out during the term of this Franchise. The type and form of this report shall also be provided in a format reasonably acceptable to the City.

(F) Grantee may file reports required above on a computer disk, or in another electronic format convenient and available to the City and Grantee.

(G) Upon request, Grantee shall file with the City a list of all petitions, documents, applications, reports and communications submitted or filed by Grantee, or its parent, with the FCC or any governmental agency or entity having jurisdiction with respect to Grantee's Cable System that may affect or impact the Franchise with the City.

(H) Grantee shall provide a list of all franchises granted to the Grantee or its Affiliates in the State of Maryland and elsewhere as of the effective date of the City's Franchise and thereafter upon request by the City.

(I) From time to time, the City will review its record reporting and retention policies to ascertain their usefulness to the City.

(J) Upon request, copies of all current rules, regulations, terms, Subscriber contract forms, rates, and conditions established or imposed by Grantee in connection with the establishment, construction, operation and maintenance of the Cable System, including revised construction manuals, shall be provided to the City.

(K) Upon request, Grantee shall file, no more than annually, ownership information including, but not limited to, names of partners, directors, officers, and shareholders owning more than five percent (5%) of the voting stock of Grantee; and a copy of the current management agreement, if any.

(L) Grantee shall provide the City such other information as is reasonably requested by the City which is necessary for the enforcement of the Franchise and/or related ordinances, provided

that Grantee is given thirty (30) days prior written notice of such request. Additionally, upon notification to the Grantee, the City may elongate or accelerate the timeframes for provision of all reports required in this Section 7.2 to react to problems that have been experienced or to reasonably reduce administrative burdens.

(M) The failure or neglect of Grantee to file any of the reports or filings required under this Franchise or such other reports as the City may reasonably request (not including clerical errors or errors made in good faith), may, at the City's option, be deemed a violation of this Franchise.

7.3 False Statements

Any false or misleading statement or representation in any report required by this Franchise (not including clerical errors or errors made in good faith) may be deemed a material breach of this Franchise and may subject Grantee to all remedies, legal or equitable, which are available to the City under this Franchise or otherwise.

SECTION 8. PROGRAMMING

8.1 Broad Programming Categories

Grantee shall offer broad categories of programming services designed to meet the needs and interests of its Subscribers. Grantee shall provide at least the following initial broad categories of programming to the extent such categories are reasonably available:

- (A) Educational programming;
- (B) News, weather and information;
- (C) Sports;
- (D) General entertainment (including movies);
- (E) Children/family-oriented; and
- (F) Government affairs.

Additionally, narrowcast programming may be made available by Grantee.

8.2 Deletion or Reduction of Broad Programming Categories

(A) Grantee shall not delete or so limit as to effectively delete any broad category of programming within its control without the prior written consent of the City.

(B) In the event of a modification proceeding under federal law, the mix and quality of Cable Services provided by Grantee on the Effective Date of this Franchise shall be deemed the mix and quality of Cable Services required under this Franchise throughout its term.

8.3 Obscenity

Grantee shall not transmit, or permit to be transmitted over any Channel subject to its editorial control, any programming which is obscene under, or violates any provision of, applicable law relating to obscenity, and is not protected by the Constitution of the United States. Grantee shall be deemed to have transmitted or permitted a transmission of obscene programming if a court of competent jurisdiction has found that any of Grantee's officers or employees or agents have permitted programming which is obscene under, or violative of, any provision of applicable law relating to obscenity, and is otherwise not protected by the Constitution of the United States, to be transmitted over any Channel subject to Grantee's editorial control. Grantee shall comply with all relevant provisions of federal law relating to obscenity.

8.4 Parental Control Device

Upon request by any Subscriber, Grantee shall make available a parental control or lockout device, traps or filters to enable a Subscriber to control access to both the audio and video portions of any or all Channels. Grantee shall inform its Subscribers of the availability of the lockout device at the time of their initial subscription and periodically thereafter. Any device offered shall be at a rate, if any, in compliance with applicable law.

8.5 Continuity of Service Mandatory

(A) It shall be the right of all Subscribers to continue to receive Cable Service from Grantee insofar as their financial and other obligations to Grantee are honored. The Grantee shall act to the best of its ability so as to ensure that all Subscribers receive continuous, uninterrupted Cable Service. For the purposes of this subsection, "uninterrupted" does not include short-term outages of the Cable System for repair, maintenance or testing.

(B) In the event of a change of franchisee, or in the event a new Cable Operator acquires the Cable System in accordance with this Franchise, Grantee shall cooperate with the City, new franchisee or Cable Operator in maintaining continuity of Cable Service to all Subscribers. During any transition period, Grantee shall be entitled to the revenues for any period during which it operates the Cable System, and shall be entitled to its reasonable costs for services rendered (as requested by the City) when it no longer operates the Cable System.

(C) In the event Grantee willfully fails to operate the Cable System for three (3) consecutive days without just cause, the City may, at its option, operate the Cable System itself or designate another Cable Operator until such time as Grantee restores service under conditions acceptable to the City or a permanent Cable Operator is selected.

(D) For a reasonable time, in the period between expiration, revocation, termination or forfeiture of this Franchise and the transfer of the Cable System to a qualified Person approved by the City, the Grantee shall continue to provide technical and operational services including all programming services, including PEG Access services and other services, in accordance with the terms and conditions of this Franchise.

(E) In the event that the City must assume the operation of the Cable System due to Grantee's failure or refusal to continue operating the Cable System, the Grantee shall be liable for all costs of operating and maintaining the Cable System including the payments for a third party, hired

by the City, to manage and operate the Cable System to the degree necessary to assure continuous services to the Subscribers. Profit from operation of the Cable System shall be placed in an interest bearing account until such time as all proceedings by the City against the Grantee shall have been adjudicated. During this period, liquidated damages against the Grantee, which may be applicable, shall be enforced and collected.

8.6 Services for the Disabled

Grantee's facilities and services shall be functionally accessible and useable to individuals with disabilities as may be readily achievable. It is the Subscriber's responsibility to notify the Grantee that he/she is disabled and requires special accommodation and to provide a reasonable amount of time for the Grantee to comply.

SECTION 9. ACCESS

9.1 Capital Contribution

Unless the City notifies Grantee of a lesser amount, Grantee shall provide to the City \$.60 per month per Residential Subscriber (during Years 1 through 2 of this Franchise) and \$.70 per month per Residential Subscriber (during Years 3 through 12 of this Franchise) for Access or I-Net capital (the "Capital Contribution"). Grantee shall not be responsible for collecting or paying the Capital Contribution with respect to gratis or bad debt accounts. Within ninety (90) days after the end of each year, Grantee shall provide a report to the City regarding such gratis and bad debt accounts.

The Capital Contribution shall take effect on the Effective Date and payments hereunder shall be due and payable no later than thirty (30) days following the end of each quarter. The City shall have discretion to allocate the Capital Contribution in accordance with applicable law, provided that the City submits a summary of capital expenditures from the Capital Contribution to Grantee within ninety (90) days of the end of each calendar year. To the extent the City makes Access or I-Net capital investments using City funds prior to receiving necessary Capital Contribution funds, the City is entitled to credit such investments against subsequent Capital Contribution payments due from Grantee.

9.2 Management and Control of Access Channels

The City shall have the responsibility for identifying the Designated Access Providers and sole and exclusive responsibility for allocating the Access resources under this Section. The City may authorize Designated Access Providers to control and manage the use of any and all Access facilities provided by Grantee under this Franchise, including, without limitation, the operation of Access Channels. To the extent of such designation by the City, the Designated Access Provider shall have the responsibility for operating and managing such Access facilities. The City or its designee may formulate rules for the non-commercial operation of the Access Channels, consistent with this Franchise. Grantee shall cooperate with the City and Designated Access Providers in the use of the Cable System and Access facilities for the provision of Access. Nothing herein shall prohibit the City from authorizing itself to be a Designated Access Provider. Nothing herein shall prohibit the City from assigning several Designated Access Providers to share a single Access Channel. Nothing herein shall prohibit the City from reallocating the Access channel capacity established under Section 9.3 at its discretion in order to best meet community needs.

9.3 Access Channels

(A) Grantee shall, at its expense, provide at least two (2) Downstream Access Channels. As of the Effective Date, these Access Channels initially shall be allocated as follows: one (1) Governmental Access Channel for use by the City; and one (1) Educational Access Channel to be used primarily by the Washington County Board of Education ("BOE") and Hagerstown Community College ("HCC"). The two Access Channels shall be delivered in analog format to subscribers until such time as Grantee terminates all analog delivery. At such time, the two Access Channels shall be delivered in standard digital format, except as specified in Section 9.8.

(B) All Designated Access Providers and Access users shall cooperate in good faith to ensure the efficient use of Access Channels. In particular, all Designated Access Providers and Access users shall make reasonable accommodation for requests from other similar governmental, educational or public access entities served by the Cable System to share existing Access Channel time.

(C) To the extent the City designates all, or any portion, of an existing or future Access Channel as a Public Access Channel, such Public Access Channel shall be made available, for non-commercial purposes, to the residents, non-profit organizations and institutions of the City on a first come, first served, non-discriminatory basis without charge for the use of the Channel. The phrase "non-commercial purposes" shall not limit the ability of a Public Access user to secure funding, or grants, to produce a program and to name that funding source in the credits of the program. The City shall have the unfettered right to establish, review and modify any Public Access rules and regulations after consultation with the Grantee.

(D) The Educational Access Channel shall be made available to HCC and the BOE/Schools free of charge. Grantee, the City and representatives from HCC and the BOE/Schools may meet to determine the rules for use of the Channel and facilities.

(E) The Access Channels shall not be under the direction, control, supervision or management of Grantee except that Grantee can require that the signals meet applicable technical standards.

(F) All assigned Access Channels can be used to transmit signals in any format which is technically compatible with the Cable System.

9.4 Competitive Services

(A) Neither Government Access, Public Access or Educational Access users shall use the Access Channels, equipment, or facilities to provide programming, production or advertising services that are in competition with the programming, production or advertising services of Grantee.

(B) Educational programming produced by HCC or School personnel or staff or purchased by HCC or the Schools for educational purposes shall not be considered competitive services.

(C) A Public Access Channel or Educational Access Channel may not be leased to any third party for any type of service without the express written approval of the Grantee and City.

9.5 Change In Technology

In the event Grantee makes any change in the Cable System and related equipment and facilities or in Grantee's signal delivery technology, which directly or indirectly affects the signal quality or transmission of Access services or programming, Grantee shall at its own expense take necessary technical steps or provide necessary technical assistance, including the acquisition of all necessary equipment and training of Access personnel, to ensure that the capabilities of Access services are not diminished or adversely affected by such change. For example, this provision shall apply if the Cable System is converted from an analog to a solely digital format, such that the Access Channels must also be converted to digital in order to be received by Subscribers.

9.6 Underutilized Access Channels

(A) Grantee and the City agree that it is their mutual goal to fully and efficiently use the Channel capacity of the Cable System, which may include allowing the Grantee to use underutilized time on Access Channels. If Grantee believes that any Access Channel has underutilized time, Grantee may file a request with the City to use that time. In response to the request, the City will consider a combination of factors, including but not limited to, the community's needs and interests, and the source, quantity, type and schedule of the programming carried on the Access Channel. The City will also take into account the mission of the Access programming, whether it is feasible for the Designated Access Providers to cluster Access programming into blocks of time such that the Channel space can be compatibly shared between the Designated Access Provider and the Grantee and/or if several Designated Access Providers can combine their programming onto a single Access Channel. The City shall render its decision regarding the matter within sixty (60) days of receiving the request. Should the City find that the Access Channel or portion of the Access Channel may be used by the Grantee, then Grantee may begin using such time ninety (90) days after receipt of the decision. Any permission granted pursuant to this subsection for use of an Access Channel or a portion thereof shall be considered temporary.

(B) At such time as a Designated Access Provider believes that it has the resources and ability to utilize the Access Channel time currently used by the Grantee pursuant to this subsection, a Designated Access Provider may request that the City return such Channel or portion of the Channel for Access purposes. In response to the request, the City will consider a combination of factors, including but not limited to, the community's needs and interests, and the source, quantity, type and schedule of the programming proposed to be carried on the Access Channel as well the applicant's ability and resources to acquire or produce the proposed Access programming. The City will also consider, taking into account the mission of the Access programming, whether it is feasible for the Designated Access Providers to cluster Access programming into blocks of time such that the Channel space can be compatibly shared between the Designated Access Provider and the Grantee and/or if several Designated Access Providers can combine their programming onto a single Access Channel. The City shall render its decision regarding the matter within sixty (60) days of receiving the request. Should the City find that the evidence exists to support the return of the Access Channel or portion of the Access Channel to the Designated Access Provider, then Grantee shall surrender the requested time on the Access Channel within ninety (90) days of receiving the decision. The Designated Access Provider's request shall not be unreasonably denied.

9.7 Additional Access Channel

(A) Upon request of the City, Grantee shall provide and activate, at Grantee's expense, one (1) additional Downstream Access Channel, for a maximum of three (3) Access Channels. Such additional Access Channel shall be delivered in Standard Definition Digital format, even if the Cable System is still delivering some programming in analog format, and Grantee shall be required to deliver such additional Access Channel in High Definition Digital format only if it delivers all of its programming in High Definition Digital format. Any request for an additional Access Channel shall be governed under the procedures specified below.

(B) Regarding Public/Community Access, at any time a prospective Public/Community Access Provider may come to the City and provide a Channel Development Plan ("Plan"). Such Plan shall describe the nature and type of local and other programming of local interest such Provider would produce or facilitate, how channel operations would be developed and sustained over the long term and provide a business plan stating funding requirements and sources for supporting necessary Public/Community Access facilities, equipment, staffing and other pertinent operational elements. Such Plan shall also describe how the Provider will be able to produce and distribute over the channel an average of 5 hours per week of locally produced, original, non-repetitive, non-text generated video programming within the first six (6) months of operation, 10 hours per week within the next year and 15 hours per week within the next two years after that and sustained thereafter. The City shall review and approve or deny such Plan within 90 days of receipt. If the City approves the Plan and chooses a Designated Access Provider for Public/Community Access, under the procedures above and certifies to Grantee that necessary programming thresholds will be met, then the City may notify Grantee in writing that an additional Access Channel is needed to provide Public/Community Access and Grantee shall provide such Channel within ninety (90) days of receiving the written request. Grantee and the City may on an annual basis review the actual hours of programming and other content provided by the Public/Community Access Provider. If such hours fall below the thresholds described above in the Plan, the Grantee may request return of the Channel under the terms of Section 9.6 above.

(C) If any Designated Access Provider believes that additional Access Channel capacity is needed and one of the three Channels is not yet activated, the Designated Access Provider may file a request with the City. In its deliberations, the City will consider supply and demand, and, in particular, the ability and resources of the Designated Access Provider to produce additional Access programming, the interest of the community in the additional Access programming as measured through a survey methodology that is mutually acceptable between the City and the Grantee, consideration of the programming that would be displaced, how much programming is produced on the existing Access Channels in the Hagerstown area, how much programming on the existing Access Channels is repeated, how much programming on the existing Access Channels is character-generated, whether it is feasible for the Designated Access Providers to cluster Access programming into blocks of time such that the Channel space can be compatibly shared between multiple Designated Access Providers, and if several Designated Access Providers should combine their programming onto a single Access Channel. The City will not act arbitrarily or unreasonably in evaluating the justification for activating the Access Channel. Except for 9.7 B, an additional Access Channel shall not be required unless each existing Access Channel is already routinely cablecasting at least six (6) hours per day of non-character-generated, non-repeat programming, and a commitment exists to cablecast at least six (6) hours per day of non-character-generated, non-repeat programming on the additional Access Channel.

(D) Should the City find that the evidence exists to support the activation of an additional Access Channel, then the City shall provide its decision in writing and Grantee shall provide the activated Channel within ninety (90) days of receiving the request. Grantee may appeal the decision to the City Council.

9.8 HD Delivery of Access Channels

Grantee shall deliver up to two Access Channels in High Definition Digital format, within 90 days of a valid request by the City, if the following minimum conditions are satisfied:

- (1) For the first HD Access Channel requested by the City, the City certifies to Grantee that the channel consistently includes a minimum average of 25 hours per week of HD PEG programming, with not more than 50% of the access programming carried on the channel being character-generated only programming; and at least 20 hours per month of the HD programming shall be first run, locally-produced, non-character generated programming;
- (2) For the second HD Access Channel requested by the City, the City certifies to Grantee that the channel consistently includes a minimum average of 30 hours per week of HD PEG programming that is different than that provided over the first HD Access Channel, with not more than 50% of the Access programming carried on the channel being character generated only programming; and at least 25 hours per month of the HD programming that is different than that provided over the first HD Access Channel, shall be first run, locally-produced, non-character generated programming.

In the event an Access Channel does not consistently meet the minimum conditions specified above, Grantee may suspend HD carriage of that Access Channel and shall not be required to resume HD carriage until the City demonstrates that the minimum conditions have been satisfied for six consecutive months.

A City decision to delay an HD Delivery request shall not preclude it from making such a request in the future.

For each HD Access channel described above, Grantee shall also carry the Access programming simultaneously in an analog or SD format until both analog and SD digital channels are no longer provided over the cable system, and in the event that Grantee offers only HD formatted channels, it shall provide the Access Channels described above in HD format even if the Access Channels do not satisfy the minimum conditions specified above.

The City acknowledges that HD Access channels may require subscribers to buy or lease special equipment, available to all subscribers, and subscribe to those tiers of cable service upon which HD channels are made available. Grantee is not required to provide free HD equipment to subscribers.

9.9 Access Channels On Basic Service

All Access Channels provided to Subscribers under this Franchise shall be included by Grantee, without limitation, as a part of Basic Service.

9.10 Access Channel Assignments

Grantee will use reasonable efforts to minimize the movement of Access Channel assignments.

9.11 PEG Access Channel Identification

Anytime a PEG Access Channel is moved from its identified channel location, the Grantee shall provide ninety (90) days notice to the City and thirty (30) days to the Subscribers. The Grantee shall use reasonable means of notification, including Cable System messages and announcements in a video program guide or in a published program guide should there be one, so that Subscribers are made aware of the change in channel assignment. In the event that a PEG Access Channel has developed logos and identification with the prior channel assignment identified, the Grantee shall pay for the reasonable costs to recreate logos and identification materials that identify the PEG Access Channel with the new channel assignment and where necessary pay for the printing of replacement paper stock with the new channel information.

9.12 Interconnection

In order to make PEG Access, in any form, widely available, Grantee may be required to interconnect its Cable System with other City franchised cable systems. Grantee and any other franchisee shall assume their respective costs for the technical and physical interconnection of the systems as may be necessary to fulfill this requirement. If the Cable System retransmits the PEG Access programming of another City franchised cable system in lieu of providing its own programming, the Grantee shall reasonably and proportionately share in the associated transmission costs of the PEG Access programming.

9.13 Return Lines

Upon request, Grantee shall, at its expense, provide throughout the term of this Franchise fiber optic return lines to the headend from the following locations: City Hall, Hagerstown Community College, the Board of Education's interconnection point on Commonwealth Avenue (or a successor BOE location if their access channel playback facility is relocated within the City), and a Public/Community Access location within the City to be determined at the point at which the City chooses a Designated Access Provider for Public/Community Access, in order to enable the distribution of Access programming to Residential Subscribers on the Access Channels. Grantee shall continue to provide and, upon request, provide a new, digital, fiber optic signal transmitter and channel modulation equipment at each of the foregoing locations and companion fiber optic signal receiver, demodulation and processing or remodulation equipment at the headend for PEG Access purposes. Grantee shall also provide a cross-connect, video switch or other appropriate device at the Headend to allow the BOE to provide programming directly to HCC for insertion into the Educational Access channel. The provision of the equipment described in this Section 9.13 is subject to, at the City's election, either a credit against the Capital Contribution in Section 9.1 or

reimbursement from the City. Such channel transmission, reception and switching equipment shall be capable of transporting an HD signal for Access Channels provided under Section 9.8.

9.14 Repair and Replacement

The Grantee shall provide routine maintenance, and repair and replace all transmission equipment as necessary to carry a quality signal from the Access facilities to Subscribers, subject to, at the City's election, either a reasonable credit against the Capital Contribution in Section 9.1 or reasonable reimbursement from the City.

9.15 Technical Assistance

Grantee shall, at its expense, provide to the City one (1) hour per week of production assistance for PEG Access purposes.

9.16 PEG Video on Demand

Grantee shall reserve and provide Video on Demand (VOD) capacity of 3 hours per month for PEG programming during the Years 1-6 of the Franchise and 5 hours per month for the Years 7-12 of the Franchise. The City shall work cooperatively with Grantee to ensure efficient and technically effective input of such programming into Grantee's system, including detailed program listings. The City may change the programming provided through Grantee's VOD system no more often than once every 30 days. If Grantee stops doing local VOD insertion, it will be the City's responsibility, and at its cost, to work with a third party provider for PEG VOD insertion. Grantee will work with and cooperate with the third party provider and the City to ensure a smooth transition for PEG VOD into Grantee's VOD platform as long as Grantee is providing VOD services.

9.17 Access Program Listings in Subscriber Guides

(A) For purposes of this Section, "Electronic Program Guide" or "EPG" means the program guide, navigation system and search functions accessible on Grantee's analog and digital Cable Services through the Subscriber set-top unit and remote control, or their successor technology.

(B) Grantee shall include the Access Channels and programming information in all EPG menus that are available to Subscribers. Access Channels and programming shall be listed in a substantially similar manner as other channels, including individual program descriptions, in a non-discriminatory manner.

(C) The City and its Designated Access Providers shall be responsible for providing the Access Channel programming information through an RSS feed or equivalent format and within the appropriate timeframe for insertion into program guides to the third party guide providers. Grantee shall facilitate the relationship of the third party guide provider with the City and its Designated Access Providers.

(D) The City or the Designated Access Provider, whichever is applicable, shall bear reasonable capital, implementation and operating costs to include the Access Channel programming information into the EPG available to Subscribers.

9.18 Access Channel Signal Quality

Grantee shall transport and distribute all Access programming without material degradation. Consistent with this requirement, Grantee shall provide all necessary equipment outside the demarcation point at the Access Channel provider's origination point, at Grantee's headend and throughout its distribution system to deliver the Access Channels in SD and HD format to subscribers. Grantee shall not discriminate against PEG Access Channels with respect to functionality, signal quality and other features from those of the majority of other SD and HD channels carried on the cable system. With respect to signal quality, Grantee shall not be required to carry a PEG Access Channel at a higher quality format than that of the channel signal delivered to Grantee, but Grantee shall distribute the Access channel signal without material degradation. For purposes of this subsection, material degradation means where signal quality is noticeably degraded from that provided to Grantee at the demarcation point.

SECTION 10. INSTITUTIONAL NETWORK

10.1 Institutional Network

Grantee shall provide an Institutional Network ("I-Net") in accordance with the provisions of Exhibit B and Exhibit C which are attached hereto and incorporated herein by reference. With respect to the I-Net, the funds designated in Section 9.1 shall be used solely for those projects in which the City uses Grantee for construction.

SECTION 11. GENERAL RIGHT-OF-WAY USE AND CONSTRUCTION

11.1 Required Authorizations

No substantial construction or reconstruction can take place within the City without the City's knowledge and appropriate authorizations including authorizations from the FCC and State agencies, as may be required.

11.2 Use of the Rights-of-Way

Grantee's Cable System and facilities, including poles, lines, antennas, satellite dishes, microwave dishes, other equipment and all appurtenances shall be located and erected so as:

- (A) Not to endanger or interfere with the health, safety, or lives of Persons;
- (B) Not interfere with improvements the City may deem proper to make;
- (C) Not interfere with the free and proper use of the Rights-of-Way, places or property except to the minimal extent possible during actual construction and/or repair;
- (D) Not interfere with the rights and reasonable convenience of private property owners, except to the minimal extent possible during actual construction and/or repair; and
- (E) Not obstruct, hinder, or interfere with any gas, electric, water, or telephone facilities or other utilities located within the City.

11.3 Change in Right-of-Way

In the event that all or part of a Right-of-Way is eliminated, discontinued, modified or closed, all rights and privileges granted pursuant to this Franchise with respect to said Right-of-Way, or any part thereof so eliminated, discontinued, modified or closed, shall cease upon the date on which the Right-of-Way, or part thereof is affected. Nonetheless, the City shall provide Grantee with sixty (60) days prior written notice of said elimination, discontinuance, modification or closure.

11.4 Right-of-Way Meetings

Grantee will regularly attend and participate in meetings of the City, of which the Grantee is made aware, regarding Rights-of-Way, joint trenching and boring issues that may impact the Cable System.

11.5 Joint Trenching

Grantee shall endeavor to limit the cutting of streets, sidewalks and other Rights-of-Way through joint trenching. Grantee shall contact the Department of Engineering prior to any street cuts or disturbance of a sidewalk to determine if utilities or Telecommunications companies or other cable operators are scheduled to cut the same street or disturb the same sidewalk. Upon discovery of other like plans to disturb the Right-of-Way, Grantee shall contact the other users and, where practicable, plan for joint trenching.

11.6 General Standards

All work authorized and required hereunder shall be done in a safe, thorough and workmanlike manner. All installations of equipment shall be durable and installed in accordance with sound engineering practices. Grantee will take prompt corrective action if it finds that any facilities or equipment in the Cable System are not operating as expected, or if it finds that facilities and equipment do not comply with the requirements of this Franchise or applicable law.

11.7 Permits Required for Construction

No Cable System construction work shall take place without a City permit and the payment of the permit fee as required by the City Code. The City shall not be required to make inspections or approve Grantee's Cable System or construction plans and specifically disclaims such obligation. Grantee is also responsible for securing and paying for any and all State permits and is responsible for displaying the appropriate permits, upon request, at the work site. Any other related construction shall also be subject to the requirements of the City Code and the payment of all associated fees.

11.8 Emergency Permits

In the event that emergency repairs are necessary, Grantee shall immediately notify the City of the need for such repairs. Grantee may initiate such emergency repairs, and shall apply for appropriate permits with the City's Engineering Department-within eight (8) hours after the start of the next business day.

11.9 Maps

(A) Grantee shall provide maps of all constructed areas and proposed construction in sufficient detail as reasonably requested by the City.

(B) In the event that Grantee's maps are available on a computer, the Grantee shall allow the City "read only" access to its Cable System maps. Grantee will purchase and provide the software necessary to enable the City to read map diskettes.

(C) The City does not guarantee the accuracy of any of its maps showing the horizontal or vertical location of existing substructures.

11.10 Movement of Facilities During Emergencies

During emergencies, the City may move Grantee's facilities without prior notice.

11.11 Compliance with Construction Standards

(A) Grantee shall construct, maintain, operate and repair its Cable System in accordance in all material respects with applicable sections of the following most current editions and standards, to the extent that such standards and regulations remain in effect and are applicable to the Grantee's Cable System: Occupational Safety and Health Act, as amended; National Electrical Safety Code and National Electric Code, as amended; Federal Aviation Administration rules and regulations, as amended; FCC rules and regulations, as amended; County, State, and City environmental permits and procedures; and the City Code as amended from time to time. Grantee shall also comply in all material respects with any common joint trenching agreements to which Grantee is a party; any pole attachment agreements; and any federal, state or local laws and regulations that may apply to the operation, construction, maintenance or repair of the Cable System, including without limitation local zoning and construction codes and laws and accepted industry practices, all as hereafter may be amended or adopted.

(B) Grantee's Cable System, including drop cables, shall be grounded in accordance with the latest version of the National Electrical Safety Code, the National Electric Code, local codes and any additional requirements for grounding as may be required by the City or in a pole attachment agreement. The City's adoption of the latest NESC or NEC standards shall not be required to enforce these provisions.

11.12 Minimal Interference

Work in the Right-of-Way, on other public property, near public property, or on or near private property shall be done in a manner that causes the least interference with the rights and reasonable convenience of property owners and residents. Grantee's Cable System shall be constructed and maintained in such manner as not to interfere with sewers, water pipes, or any other property of the City, or with any other pipes, wires, conduits; pedestals, structures, or other facilities that may have been laid in the Rights-of-Way by, or under, the City's authority. The Grantee's Cable System shall be located, erected and maintained so as not to endanger or interfere with the lives of Persons, or to interfere with new improvements the City may deem proper to make or to unnecessarily hinder or obstruct the free use of the Rights-of-Way or other public property, and shall not unduly interfere with the travel and use of public places by the public during the construction,

repair, operation or removal thereof, and shall not unduly obstruct or impede traffic. In the event of such interference, the City may require the removal or relocation of Grantee's lines, cables, equipment and other appurtenances from the property in question at Grantee's expense.

11.13 Main Roads and Streets

Grantee shall not unduly create traffic congestion on main roads and streets due to construction or maintenance of the Cable System. Construction and maintenance shall be scheduled around morning and evening rush hours when practicable. In the event that construction or maintenance must be conducted during such times and at such places, the Grantee shall notify the City's Department of Engineering. The City may deny Grantee's use of said streets and roadways during said periods.

11.14 Prevent Injury/Safety

Grantee shall provide and use any equipment and facilities necessary to control and carry Grantee's signals so as to prevent injury to the City's property or property belonging to any Person. Grantee, at its own expense, shall repair, renew, change and improve its facilities to keep them in good repair, and safe and presentable condition.

11.15 Marking

Grantee will comply with and adhere to local procedures, customs and practices relating to the locating and marking of its underground facilities.

11.16 Notice Regarding Right-of-Way

Grantee shall give not less than seven (7) calendar days notice to private property owners of construction work in adjacent Rights-of-Way.

11.17 Underground Construction and Use of Poles

(A) The Grantee shall utilize existing poles and conduit wherever possible.

(B) In areas where either electric or telephone utility wiring is aerial, the Grantee may install aerial cable, except when a property owner or resident requests underground installation and agrees to bear the additional cost in excess of aerial installation.

(C) In areas where electric and telephone wires are installed underground at the time of Cable System construction, or when all such wiring is subsequently placed underground, all Cable System lines shall also be placed underground at no expense to the City unless funding is generally available for such relocation to all users of the Rights-of-Way. Related Cable System equipment, such as pedestals, must be placed in accordance with the City's applicable code requirements and rules.

(D) Upon the decision of the City to require the undergrounding of all aerial utility and Cable System facilities within an area, the City shall notify Grantee ninety (90) days prior to the requirement to place its facilities and cables underground.

(E) In the event Grantee cannot obtain the necessary poles and related facilities pursuant to a pole attachment agreement, and only in such event, then it shall be lawful for Grantee to make all needed excavations in the Rights-of-Way for the purpose of placing, erecting, laying, maintaining, repairing, and removing poles, supports for wires and conductors, and any other facility needed for the maintenance or extension of Grantee's Cable System. All poles of Grantee shall be located as designated by the proper City authorities.

(F) This Franchise does not grant, give or convey to the Grantee the right or privilege to install its facilities in any manner on specific utility poles or equipment of the City or any other Person.

(G) The Grantee and the City recognize that situations may occur in the future where the City may desire to place its own cable or conduit for fiber optic cable in trenches or bores opened by the Grantee. The Grantee agrees to cooperate with the City in any construction by the Grantee that involves trenching or boring, provided that the City has first notified the Grantee in some manner that it is interested in sharing the trenches or bores in the area where the Grantee's construction is occurring. The Grantee shall allow the City to lay its cables, conduits and fiber optics in the Grantee's trenches and bores, provided the City pro rata shares in the cost of the trenching and boring on the same terms and conditions as the Grantee. The City shall be responsible for maintaining its respective cables, conduits and fiber optic facilities buried in the Grantee's trenches and bores under this paragraph.

11.18 Installation In Public Buildings

All installations in public buildings and facilities must be approved by the Department of Engineering prior to installation. Additionally, Grantee shall secure, if required under applicable City building ordinances, a permit for such installation.

11.19 Poles, Towers, Satellite Dishes and Antennas

(A) In accordance with the City's Zoning Ordinance, and other applicable ordinances, no poles, towers, satellite dishes or antennas shall be erected by the Grantee without the prior approval of the City.

(B) No location of any pole, antenna or tower of Grantee shall be a vested right and such pole, antenna or tower shall be removed or modified by Grantee at its own expense whenever the City determines that the public convenience or public safety would be enhanced thereby.

(C) Grantee shall, to the extent technically feasible, utilize existing poles, towers and other structures in the construction of its Cable System. The City in its deliberations may consider economic considerations brought forward by Grantee which may impact Grantee's use of existing poles, towers and structures.

(D) At the reasonable request of the City, Grantee shall accommodate the needs of the City to locate its emergency/safety and utility communications facilities and equipment, free of charge, upon Grantee's owned poles and towers as long as such use by the City would not interfere with the operation of Grantee's Cable System.

(E) Nothing in this Franchise prohibits, restricts or seeks to regulate Grantee's contractual freedom to negotiate for colocation upon the towers or poles of Telecommunications providers, other cable systems or upon the City's towers and poles; or from seeking to rent to Telecommunications providers and other cable operators space upon Grantee's poles and towers.

11.20 Restoration of Public and Private Property

(A) Grantee shall be responsible for restoring, replacing or repairing public and private property disturbed by Grantee's construction, reconstruction, maintenance or other activity that causes a disturbance to property. Property shall be restored, replaced or repaired at Grantee's sole cost and expense to a condition substantially like that prior to the conditions which caused the disturbance, injury or damage. Absent unusual or extraordinary circumstances, Grantee shall use its best efforts to repair, restore or replace property within three (3) working days from the date of the damage. In the event Grantee fails to perform replacement, restoration or repair in a satisfactory manner, as determined by the City, the City shall have the right to make the correction at the sole expense of Grantee and may demand payment from Grantee, which payment shall be made within thirty (30) days after completion of the work. In the event a private property owner claims that his property has not been fully restored or restored in accordance with the conditions described herein, that owner shall file a written complaint with the Grantee with a copy to the City stating the damage to the property and request that the restoration be completed. If the restoration is not satisfactorily completed within thirty (30) days of notice from the owner to the Grantee, the owner shall notify the City. The City may then request that the owner restore the property and bill the Grantee, and the City shall, within three (3) business days, mail a copy of its request to the Grantee. Failure to restore property in accordance with the terms and conditions of this Section shall be considered a violation of this Franchise.

(B) Grantee shall not cut or trim any tree, shrub or vegetation on public property without first obtaining written authorization from the City. Any such work shall be done at Grantee's expense and shall be subject to supervision by the City. Likewise, Grantee shall not perform any such work on private property without first securing the written permission of the property owner.

11.21 Inside Wiring

Grantee shall comply with the federal inside wiring rules and regulations, as amended from time to time.

11.22 Use of Conduits by the City

The City may install or affix and maintain wires and equipment owned by the City for City purposes in or upon any and all of Grantee's ducts, conduits, manholes or equipment in the Rights-of-Way and other public places, without charge to the City, to the extent space therein or thereon is reasonably available. For the purposes of this subsection, "City purposes" includes, but is not limited to, the use of the structures and installations for City fire, police, traffic, water, electric, internal telephone and/or signal systems, but not for Cable Service or other commercial communications service in competition with Grantee. Grantee shall not deduct the value of such use of its facilities from its franchise fee payments or from other fees payable to the City.

11.23 Discontinuing Use/Abandonment of Cable System Facilities

Whenever Grantee intends to discontinue using any facility within the Rights-of-Way, Grantee shall notify the City of its intent regarding such discontinuance. Grantee may remove the facility or request that the City permit it to remain in place. Notwithstanding Grantee's request that any such facility remain in place, the City may require Grantee to remove the facility from the Right-of-Way or modify the facility to protect the public health, welfare, safety, and convenience, or otherwise serve the public interest. The City may require Grantee to perform a combination of modification and removal of the facility. Grantee shall use its best efforts to complete such removal or modification in accordance with a schedule set by the City. Until such time as Grantee removes or modifies the facility as directed by the City, or until the rights to and responsibility for the facility are accepted by another Person having authority to construct and maintain such facility, Grantee shall be responsible for all necessary repairs and relocations of the facility, as well as maintenance of the Right-of-Way, in the same manner and degree as if the facility were in active use, and Grantee shall retain all liability for such facility. If Grantee abandons its facilities, the City may choose to use such facilities for any purpose whatsoever including, but not limited to, Access purposes.

11.24 Movement of Cable System Facilities For City Purposes

(A) The City has the right to require Grantee to relocate, remove, replace, modify or disconnect Grantee's facilities and equipment located in the Rights-of-Way or on any other property of the City when reasonable public convenience requires such change (for example, without limitation, by reason of traffic conditions, public safety, Right-of-Way vacation, Right-of-Way construction, change or establishment of Right-of-Way grade, installation of sewers, drains, gas or water pipes, or any other types of structures or improvements by the City for public purposes). Such work shall be performed at the Grantee's expense. The City shall provide reasonable notice to Grantee, not to be less than five (5) business days, and allow Grantee the opportunity to perform such action. In the event of any capital improvement project exceeding \$500,000 in expenditures by the City which requires the removal, replacement, modification or disconnection of Grantee's facilities or equipment, the City shall provide at least thirty (30) days' written notice to Grantee. Following notice by the City, Grantee shall relocate, remove, replace, modify or disconnect any of its facilities or equipment within any Right-of-Way, or on any other property of the City. If the City requires Grantee to relocate its facilities located within the Rights-of-Way, the City shall make a reasonable effort to provide Grantee with an alternate location within the Rights-of-Way. If funds are generally made available to users of the Rights-of-Way for such relocation, Grantee shall be entitled to its pro rata share of such funds.

(B) If the Grantee fails to complete this work within the time prescribed and to the City's satisfaction, the City may cause such work to be done and bill the cost of the work to the Grantee, including all costs and expenses incurred by the City due to Grantee's delay. In such event, the City shall not be liable for any damage to any portion of Grantee's Cable System. Within thirty (30) days of receipt of an itemized list of those costs, the Grantee shall pay the City.

11.25 Emergencies

In the event of an emergency, or where the Cable System has been determined by the City to be constituting an imminent danger to health, safety, life or property, Grantee shall remove or relocate any or all parts of the Cable System at the request of the City. If Grantee refuses or fails to comply with the City's request, the City may remove or relocate any or all parts of the Cable System

upon reasonable notice to Grantee. The City shall bill the Grantee, or deduct the costs from the bonds or letter of credit, for the City's actual costs and expenses in performing the work. The City shall not be liable to Grantee for any real or consequential damages sustained by Grantee or its Subscribers or any other users of the Cable System.

11.26 Movement of Cable System Facilities for Other Franchise or Permit Holders

If any removal, replacement, modification or disconnection of the Cable System is required to accommodate the construction, operation or repair of the facilities or equipment of another City franchise or permit holder, Grantee shall, after at least thirty (30) days' advance written notice, take action to effect the necessary changes requested by the responsible entity. Grantee may require that the expense of such removal, replacement, modification or disconnection of the Cable System be paid by the benefitted party, and Grantee may require a reasonable deposit of the estimated payment in advance.

11.27 Temporary Movement of Cable

Upon not less than forty-eight (48) hours written notice, Grantee shall temporarily raise and lower its aerial cable and associated structures upon a request by a person holding a valid permit from the City. The requesting party shall be responsible for all costs and expenses associated with the movement of the cables and structures. Grantee may require prepayment of the fees and expenses. A statement of fees for such temporary raising and lowering of cables and structures shall be provided to the requesting party at the time of the request, and the requesting party shall sign a document agreeing to the charge and the payment thereof or the Grantee shall not be required to move its cable plant and structures.

11.28 Reservation of City Use of Right-of-Way

Nothing in this Franchise shall prevent the City or public utilities owned, maintained or operated by public entities other than the City from constructing sewers; grading, paving, repairing or altering any Right-of-Way; repairing or removing water mains; or constructing or establishing any other public work or improvement. All such work shall be done, insofar as practicable, so as not to obstruct, injure or prevent the use and operation of Grantee's Cable System.

11.29 Inspection of Construction and Facilities

The City may inspect any of Grantee's facilities, equipment or construction at any time during normal business hours upon at least twenty-four (24) hours notice, or, in case of an emergency, at any time, upon demand without prior notice. The City shall have the right to charge generally applicable inspection fees therefor. If an unsafe condition is found to exist, the City, in addition to taking any other action permitted under applicable law, may order Grantee, in writing, to make the necessary repairs and alterations specified therein forthwith to correct the unsafe condition by a time the City establishes. The City has the right to correct, inspect, administer and repair the unsafe condition if Grantee fails to do so, and to charge Grantee therefor.

11.30 Stop Work

(A) On notice from the City that any work is being performed contrary to the provisions of this Franchise, or in an unsafe or dangerous manner as determined by the City, or in violation of

the terms of any applicable permit, laws, regulations, ordinances, or standards, the work may immediately be stopped by the City.

(B) The stop work order shall:

- (1) Be in writing;
- (2) Be given to the Person doing the work, or posted on the work site;
- (3) Be sent to Grantee by overnight delivery;
- (4) Indicate the nature of the alleged violation or unsafe condition; and
- (5) Establish conditions under which work may be resumed.

11.31 Contractors and Subcontractors

Any contractor or subcontractor used for work or construction, installation, operation, maintenance or repair of Grantee's Cable System must be properly licensed under the laws of the State of Maryland and in accordance with all applicable local ordinances. Each contractor or subcontractor shall have the same obligations with respect to its work as Grantee would have if the work were performed by Grantee. Grantee shall employ contractors, subcontractors and employees to perform work for it who are trained and experienced in their duties. Grantee shall be responsible for ensuring that the work performed is consistent with the obligations of this Franchise and applicable laws, regulations, policies and procedures, and shall be responsible for promptly correcting acts, as necessary, or omissions by any contractor or subcontractor. A contractor or subcontractor shall be required to carry the same insurance coverage as may be required of the Grantee.

11.32 Single Point of Contact

The City shall designate a single point of contact at the City for the administration of Right-of-Way matters.

SECTION 12. CABLE SYSTEM CONFIGURATION, TECHNICAL STANDARDS AND TESTING

12.1 Subscriber Network

(A) Grantee shall maintain and operate an activated hybrid fiber coaxial Cable System with a minimum bandwidth of 750 MHz and provide two-way capability throughout the Franchise Area. Grantee has deployed fiber optics to nodes which serve an average of five hundred (500) homes per node. The Cable System shall be capable of supporting digital video in both SD and HD formats.

(B) Sixty (60) days prior to Grantee's change in the designation of its principal headend, it shall notify the City in writing of the proposed change.

(C) Equipment must be installed so that all closed captioned programming received by the Cable System shall include the closed caption signal so long as the closed caption signal is

provided consistent with FCC standards. Equipment must be installed so that all signals received in stereo are retransmitted in stereo.

(D) Grantee's construction decisions shall be based solely upon legitimate engineering decisions and shall not take into consideration the income level of any particular community within the Franchise Area.

(E) Grantee shall not assert or otherwise raise any claim before any court or administrative agency that, as of the effective date of this Franchise, the minimum Cable System design and performance requirements set forth in this Franchise are unenforceable under, or inconsistent with, then current applicable laws or regulations, or any orders or decisions of the FCC.

12.2 Standby Power

Grantee shall provide standby power generating capacity at the Headend capable of providing at least twelve (12) hours of emergency operation. Grantee shall maintain standby power system supplies, rated for at least two (2) hours duration, throughout the trunk and distribution networks. In addition, throughout the term of this Franchise, Grantee shall have a plan in place, along with all resources necessary for implementing such a plan, for dealing with outages of more than two (2) hours. This outage plan and evidence of requisite implementation resources shall be presented to the City no later than thirty (30) days following receipt of a request therefor.

12.3 Emergency Broadcasts

Grantee shall install and maintain as part of its Cable System an Emergency Alert System (EAS) consistent with federal requirements. The City and the Grantee shall work cooperatively to achieve an effective EAS utilization policy.

12.4 FCC Technical Standards

Grantee shall comply in all material respects with applicable FCC Technical Standards, as amended from time to time, including CLI reporting. Grantee shall provide uniformly strong video and audio signals, including signals utilized in the delivery-of data and Cable Internet Service. In the event that technical standards for Cable Internet Service now or in the future fall within the legal jurisdiction of the City, the City reserves the right to impose reasonable standards.

12.5 Cable System Performance Testing

(A) Grantee shall, at its expense, perform all tests on its Cable System required by the FCC and shall maintain written records of its test results in its public file as required by the FCC. Copies of such test results will be provided to the City upon request.

(B) The FCC proof-of-performance tests may be observed by representatives of the City. Grantee will notify the City at least ninety (90) days before the scheduled testing date(s), and the City will then notify Grantee at least sixty (60) days before such testing is scheduled to occur if it desires to observe such test(s).

(C) Grantee shall promptly take such corrective measures as are necessary to correct any performance deficiencies fully and to prevent their recurrence as far as possible. Grantee's failure to

correct deficiencies identified through this testing process shall be a violation of this Franchise. Sites shall be re-tested following correction.

12.6 Additional Tests

Where there exists other evidence which in the judgment of the City casts doubt upon the reliability or technical quality of Cable Service, the City shall have the right and authority, upon thirty (30) days prior written notice to require Grantee to test, analyze and report on the performance of the Cable System. Grantee shall fully cooperate with the City in performing such testing and shall prepare a report, if requested, within thirty (30) days after testing. Such report shall include the following information:

- (A) the nature of the complaint or problem which precipitated the special tests;
- (B) the Cable System component tested;
- (C) the equipment used and procedures employed in testing;
- (D) the method, if any, in which such complaint or problem was resolved; and
- (E) any other information pertinent to said tests and analysis which may be required by the City.

SECTION 13. SERVICE EXTENSION AND SERVICE TO PUBLIC BUILDINGS

13.1 Service Availability

(A) In General. Grantee shall provide Cable Service within seven (7) days of a request by any potential residential subscriber within the City, except that the time deadline shall not apply where line extension construction or extensive internal wiring is required to provide such service. For purposes of this subsection, a request shall be deemed made on the date of signing a service agreement, receipt of funds by Grantee, receipt of a written request by Grantee or receipt by Grantee of a verified verbal request. Grantee shall provide such service:

- (1) With no line extension charge except as specifically authorized elsewhere in this Franchise.
- (2) At a non-discriminatory installation charge for a standard installation, consisting of a one hundred twenty-five (125) foot aerial drop connecting to the exterior demarcation point for Residential Subscribers, with additional charges for non-standard installations computed according to a non-discriminatory methodology for such installations, adopted by Grantee and provided in writing, upon request, to the City;
- (3) At non-discriminatory monthly rates for Residential Subscribers.

(B) Non-discriminatory Service. Grantee shall not arbitrarily refuse to provide Cable Services to any Person within its Franchise Area. All Dwelling Units passed by the Cable System in the Franchise Area shall have the same availability of Cable Services from Grantee's Cable System. Notwithstanding the foregoing, Grantee may impose reasonable requirements (e.g., equipment

deposits) based on creditworthiness and past payment history and introduce new or expanded Cable Services on a geographically phased basis, where such services require an upgrade of the Cable System.

(C) Service to Multiple Dwelling Units. The Grantee shall offer the individual units of a Multiple Dwelling Unit all Cable Services offered to other Dwelling Units in the City and shall individually wire units upon request of the property owner or renter who has been given written authorization by the owner; provided, however, that any such offering is conditioned upon the Grantee having legal access to said unit. Grantee may charge installation fees in connection therewith.

(D) Customer Charges for Extensions of Service. For unusual circumstances, such as the existence of more than one hundred twenty-five (125) feet of distance from distribution cable to connection of service to customers, or a density of less than ten (10) single homes, Multiple Dwelling Units or commercial units, or a mix thereof, per 5280 cable-bearing strand feet of trunk or distribution cable, service may be made available on the basis of a capital contribution in aid of construction, including cost of material, labor and easements. For the purpose of determining the amount of capital contribution in aid of construction to be borne by the Grantee and customers in the area in which service may be expanded, the Grantee will contribute an amount equal to the construction and other costs per mile, multiplied by a fraction whose numerator equals the actual number of single homes, Multiple Dwelling Units or commercial units, or a mix thereof, per 5280 cable-bearing strand feet of its trunk or distribution cable and whose denominator equals ten (10). Customers who request service hereunder will bear the remainder of the construction and other costs on a pro rata basis. The Grantee may require that the payment of the capital contribution in aid of construction borne by such potential customers be paid in advance.

Exceptions to the above density computation and line extension requirements are businesses located in IR, IG, CL, CG, CC-MU, CR, POM and I-MU zoning districts, as amended from time to time, as it is the intent of this subsection to exclude industrial parks and shopping centers.

13.2 Connection of Public Facilities

For all City owned and occupied buildings (including the community centers), fire stations, police stations, and public libraries in the City passed by the Cable System, Grantee shall, continue or, upon request, begin to provide to those facilities listed in Exhibit D, and without charge, a drop and one outlet of Basic Service and Expanded Basic Service. Regarding the Schools within the City, Grantee shall provide without charge one drop and outlet of Basic Service and Expanded Basic Service to a location designated by the BOE within the City, so that it may further distribute such service to its Schools, until such time that the BOE indicates to the City that it wants Grantee to instead provide service individually to each School within the City. In addition, upon request, Grantee shall provide, at no cost to the City or other entity, a drop and one outlet of Basic and Expanded Basic Service to future owned and occupied City buildings (including the community centers), fire stations, police stations, and public libraries which are in the City and passed by the Cable System. Such future service shall be provided as long as the drop line from the feeder cable to such building(s) does not exceed two hundred (200) feet or present extraordinary connection costs or if the City or other entity agrees to pay the incremental cost, including the cost of excess labor and materials. Such obligation to provide free Cable Service shall not extend to areas of City buildings where the Grantee would normally enter into a contract to provide such Cable Service (e.g.,

contiguous residential units). Outlets of Basic and Expanded Basic Service provided in accordance with this subsection may be used to distribute Cable Services throughout such buildings, provided such distribution can be accomplished without causing Cable System disruption and general technical standards are maintained. Such outlets may only be used for lawful purposes. The City shall designate a City representative to monitor the above complimentary video service and cable drop requirements.

SECTION 14. FRANCHISE VIOLATIONS

14.1 Notice of Noncompliance

(A) The City may initiate notification to Grantee of an alleged violation of this Franchise through a written letter or other written instrument, or telephone call to Grantee's identified management person or Grantee's agent designated for receipt of complaints or notices and with the authority to respond to said communication. Noncompliance reported by telephone shall be followed by written correspondence to Grantee and that written correspondence shall constitute notice for the purposes of this Franchise.

(B) Grantee shall return to compliance with the terms and conditions of this Franchise after notification by the City, or upon its own discovery, as promptly as can be reasonably accomplished given the nature of the violation and steps necessary to achieve compliance.

The City shall notify Grantee in writing of the alleged noncompliance; state the nature of the noncompliance; reference the sections of the Franchise for which Grantee is alleged to be out of compliance; provide the Grantee with a reasonable cure period, given the nature of the alleged violation, and state actions that may be taken by the City if Grantee fails to cure the noncompliance. Upon receipt of notice, Grantee shall: (i) come into compliance as provided for; or (ii) propose an alternative remedy which the City may deem acceptable that would have the effect of placing the Grantee in compliance; or Grantee may, within five (5) days from the date of the City's notice of noncompliance, make a written request of the City Administrator for an administrative review of the alleged noncompliant activity or action. Noncompliant action may lead to revocation of the Franchise as provided for in this Franchise or for certain violations the imposition of liquidated damages.

(C) Grantee may contest a noncompliance action by the City by applying to the City Administrator for administrative review as provided for herein. A request for an administrative review shall automatically trigger the stay provisions contained herein, subject to the exceptions below.

(D) The City Administrator, City Attorney and a City staff person appointed by the City Administrator shall conduct an administrative review.

(E) An administrative review stays all proceedings in furtherance of the action appealed from unless the City Administrator certifies that by reason of facts stated in the record that a stay would, in his opinion, cause imminent peril to life or property, or would materially degrade the Cable Service to Subscribers. In addition, a stay may be denied if the request for administrative review constitutes an abuse of process intended to evade damages rather than to resolve a bona fide dispute. A stay prohibits the accumulation of liquidated damages only until a final decision is rendered pursuant to the administrative review process.

(F) The officials conducting the review shall have the authority to establish such rules as may be deemed reasonably necessary and appropriate relative to the conduct of the review. A reasonable date shall be fixed for the matter to be heard and a written decision shall be rendered within fifteen (15) business days after the conclusion of the administrative review. A party to the hearing may appear in person, or by agent, or by attorney or a combination thereof. The parties may provide written testimony, witnesses and exhibits to defend their positions.

(G) A final decision of the City Administrator, City Attorney and City Staff person shall, at either party's request, as applicable, be subject to a review by the City Council, after the decision has been made known.

14.2 Franchise Forfeiture, Revocation and Termination

(A) In addition to all other rights and powers retained by the City under this Franchise, or otherwise, the City reserves the right to forfeit, revoke and terminate the Franchise and all rights and privileges of the Grantee in the event of a substantial breach of the material terms and conditions of the Franchise.

(B) If Grantee practices any intentional fraud or deceit upon the City or its Subscribers, or if Grantee becomes insolvent or bankrupt, as adjudged by a court of competent jurisdiction, then this Franchise may be revoked.

(C) Grantee shall be given a written notice from the City and an opportunity to cure prior to revocation, termination or forfeiture of this Franchise. Accordingly, in the event that the City believes that grounds for revocation, termination or forfeiture exist or have existed, the City shall notify Grantee in writing, setting forth the nature and facts of such noncompliance. If, within thirty (30) days following such written notification, Grantee has not furnished reasonably sufficient and satisfactory evidence that corrective action has been taken or is being actively and expeditiously pursued, or that the alleged violation did not occur, or that the alleged violation was beyond the Grantee's control, the City Council shall be notified of the pending revocation. The City may, in its discretion, provide for a return to compliance for actions that the City believes, as of the time of notice of a violation, do not yet constitute grounds for revocation.

(D) The City may, following written notice of its intent to revoke the Franchise and following a hearing before the City Council which gives Grantee the opportunity to be heard, revoke this Franchise.

(E) In the event that the City has revoked this Franchise for cause, the City shall comply with Section 627 of the Cable Act as to the disposition of the Cable System, or the City may require removal of the System in accordance with this Franchise. Upon a decision to acquire the Cable System, the City shall exercise its option to acquire the Cable System within four (4) months from the date of revocation of this Franchise or the entry of a final order of Grantee's judicial appeal of the City's revocation order, whichever is later.

14.3 Judicial Relief

No provision of this Franchise shall be deemed to bar the right of the City to seek judicial relief for a violation of any provision of the Franchise or any rule, regulation, requirement or

directive promulgated hereunder. Neither the existence of other remedies identified in the Franchise nor exercise thereof shall be deemed to bar or otherwise limit the right of the City to recover monetary damages for a violation by Grantee, or to seek judicial enforcement of Grantee's obligations by means of specific performance, injunctive relief or mandate, or pursue any other judicial remedy available at law or in equity. No provision of this Franchise shall be deemed to bar the right of Grantee to seek judicial relief for a violation by the City of any provision of this Franchise or any rule, regulation, requirement or directive promulgated hereunder or the reasonableness of any City administrative decision hereunder provided that Grantee shall first exhaust all administrative relief provided to it in this Franchise.

14.4 Sale or Acquisition of Cable System

The sale or acquisition of the Cable System due to non-renewal of the Franchise shall be governed by the Cable Act.

14.5 Receivership and Foreclosure

(A) At the option of the City, subject to applicable law, this Franchise may be revoked one hundred twenty (120) days after the appointment of a receiver or trustee to take over and conduct the business of Grantee whether in a receivership, reorganization, bankruptcy or other action or proceeding, unless:

(1) The receivership or trusteeship is vacated within one hundred twenty (120) days of appointment; or

(2) The receiver or trustee has, within one hundred twenty (120) days after his election or appointment, fully complied with all the terms and provisions of this Franchise and remedied all defaults under the Franchise. Additionally, the receiver or trustee shall have executed an agreement duly approved by the court having jurisdiction, by which the receiver or trustee assumes and agrees to be bound by each and every term, provision and condition of this Franchise.

(B) If there is a foreclosure or other involuntary sale of the whole or any part of the plant, property and equipment of Grantee, the City may serve notice of revocation on Grantee and to the purchaser at the sale, and the rights and privileges of Grantee under this Franchise shall be revoked thirty (30) days after service of such notice, subject to applicable law, unless:

(1) The City has approved the transfer of the Franchise, in accordance with the procedures set forth in this Franchise and as provided by law; and

(2) The purchaser has covenanted and agreed with the City to assume and be bound by all of the terms and conditions of this Franchise.

14.6 City Immunity.

This Franchise shall not be read to limit any immunities the City may enjoy under federal, State or local law.

14.7 Liquidated Damages

(A) Prior to the imposition of any liquidated damages by the City, the Grantee shall be given notice and an opportunity to cure (namely, thirty [30] days) and, if requested by the Grantee, an administrative review. Grantee shall not attempt to manipulate or thwart the City's duties to rightfully and reasonably enforce the provisions of this Franchise through frivolous requests for administrative review. A repeated pattern of frivolous requests for administrative reviews shall be considered a material violation of this Franchise.

(B) In the event of a violation of this Franchise, the City may pursue actual or liquidated damages. If the City pursues liquidated damages, such action shall be in lieu of pursuing actual damages on behalf of the City. The City in its sole discretion may assess Grantee or charge to and collect from the letter of credit or bonds provided for in this Franchise, the following liquidated damages for:

(1) Failure to construct and activate the Cable System in accordance with the terms of this Franchise, unless the delay is authorized by the City, two hundred fifty dollars (\$250) per day for each day, or part thereof, such failure occurs or continues.

(2) Failure to construct, activate and operate the I-Net in accordance with the terms of this Franchise, unless the delay is authorized by the City, two hundred fifty dollars (\$250) per day for each day, or part thereof, such failure occurs or continues.

(3) Failure to provide data, documents, reports or information, one hundred dollars (\$100) per day for each day, or part thereof, such failure occurs or continues.

(4) Failure to cooperate with the City during any performance evaluation, technical audit or financial audit, two hundred fifty dollars (\$250) per day for each day, or part thereof, such failure occurs or continues.

(5) Failure to comply with FCC technical standards, five hundred dollars (\$500) per day for each day, or part thereof such failure occurs or continues.

(6) Failure to comply with customer service standards, two hundred fifty dollars (\$250) per day for each day, or part thereof, such failure occurs or continues.

(7) Failure to notify the City of a transfer, five hundred dollars (\$500) per day for each day, or part thereof, such failure occurs or continues.

(8) Failure to provide the Emergency Alert System or failure of the EAS system to work properly due to fault of the Grantee, five hundred dollars (\$500) per day for each day, or part thereof, such failure occurs or continues.

(9) Failure to restore City property or Rights-of-Way in accordance with this Franchise, two hundred fifty dollars (\$250) per day for each day, or part thereof, such failure occurs or continues.

(10) Failure to operate the Cable System or provide Cable Service over a substantial portion of the Franchise Area for three (3) consecutive days, two hundred fifty dollars (\$250) per day for each day, or part thereof, such failure occurs or continues.

In calculating the potential forfeitures under this provision, such forfeitures shall be assessed only on a category-by-category basis, without simultaneous assessments within the same category. For example, a failure to provide multiple reports shall be assessed as a single per day forfeiture of \$100. Liquidated damages awarded under this Franchise shall be limited to no more than \$25,000 per year.

(C) The City may, in its discretion, waive in full or in part any or all liquidated damages.

(D) Subject to the provisions of Section 14.7 (A) above, liquidated damages shall be paid by the Grantee to the City. If the liquidated damages are not paid in full and in a timely manner, the City may draw upon the letter of credit or bonds to satisfy the obligations as provided herein.

14.8 Effect of Abandonment

(A) If the Grantee abandons its Cable System during the Franchise term, the City, at its option, may operate the Cable System; designate another entity to operate the Cable System temporarily until the Grantee restores service under conditions acceptable to the City, or until the Franchise is revoked and a new franchisee is selected by the City; or obtain an injunction requiring the Grantee to continue operations. If the City is required to operate or designate another entity to operate the Cable System, the Grantee shall reimburse the City or its designee for all reasonable costs, expenses and damages incurred.

(B) The City shall be entitled to exercise its options herein if the Grantee willfully fails to provide Cable Service over a substantial portion of the Franchise Area for three (3) consecutive days.

(C) If Grantee arbitrarily and capriciously discontinues Cable Service to Subscribers, this Franchise may be revoked or terminated by the City Council following notice to the Grantee and an opportunity to be heard.

(D) Due to the serious nature of any action under this Section, written notice shall be given to the Grantee by the City within three (3) business days of the Grantee's action and the Grantee shall have one (1) business day, after the receipt of the City's notice, to provide a written response to the City or restore Cable Service to its Subscribers. The City may hold a special session of the City Council to discuss the Grantee's actions, and the Grantee shall be required to attend the session and fully explain its actions. Grantee may be represented by legal counsel at the session, but it shall be a company spokesperson, other than legal counsel, who provides statements to the City Council unless the City Council otherwise directs. In addition to, and concurrent with these actions, the City may seek appropriate judicial or other relief and/or may proceed to exercise its rights and powers as provided for in this Franchise and/or under Federal or state law.

SECTION 15. FRANCHISE RENEWAL AND TRANSFER

15.1 Renewal

(A) The City and Grantee agree that any proceedings undertaken by the City that relate to the renewal of the Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, unless the procedures and substantive protections set forth therein shall be deemed to be preempted and superseded by the provisions of any subsequent provision of federal or State law. In the event that Section 626 of the Cable Act is repealed in its entirety and new federal franchise renewal provisions are not enacted, or if Section 626 of the Cable Act is modified in relevant part, then the City agrees, with respect to a Franchise renewal request of Grantee, that it will afford Grantee due process and not unreasonably deny a request for Franchise renewal. The City agrees in such event that, in connection with evaluating a Franchise renewal request, the City will consider, among other things: 1) whether the Grantee has substantially complied with the material terms of this Franchise and with applicable law; 2) whether the quality of the Grantee's service, including signal quality, response to consumer complaints, and billing practices has been reasonable in light of community needs, but without regard to the mix or quality of Cable Services or other services provided over the Cable System; 3) whether the Grantee has the financial, legal, and technical ability to provide the services, facilities, and equipment as set forth in Grantee's renewal proposal; and 4) whether the Grantee's renewal proposal is reasonable to meet the future cable-related community needs and interests, taking into account the cost of meeting such needs and interests.

(B) In addition to the procedures set forth in said Section 626(a), the City agrees to notify Grantee of the completion of its assessments regarding the identification of future cable-related community needs and interests, as well as the past performance of Grantee under the then current Franchise term. Notwithstanding anything to the contrary set forth herein, Grantee and City agree that at any time during the term of the then current Franchise, while affording the public adequate notice and opportunity for comment, the City and Grantee may agree to undertake and finalize negotiations regarding renewal of the then current Franchise and the City may grant a renewal thereof. Grantee and the City consider the terms set forth in this paragraph to be consistent with the express provisions of Section 626 of the Cable Act.

(C) In the event that this Franchise is not renewed, the Grantee shall, within thirty (30) days of such notice from the City, meet with the City to provide for an orderly transition of the Grantee's Cable System. The Grantee and the City shall also determine a schedule for payment of any monies due and owing the City.

15.2 Transfers

(A) This Franchise is a privilege and benefit to be held by Grantee. This Franchise and the Cable System shall not be assigned, transferred, sold, or disposed of in whole, or in part, by voluntary sale, sale and leaseback, merger, consolidation, exchange of stock, by provision of a management agreement, or otherwise, or by forced or involuntary sale, without the prior written consent of the City.

(B) Prior approval of the City shall be required where a controlling interest in Grantee is to be acquired during the term of this Franchise in any transaction, or series of transactions, by a person or group of persons acting in concert, none of whom owned or controlled Grantee, singularly or collectively on the Effective Date of the Franchise. The term "controlling interest" as used herein

is not limited to majority stock ownership but includes actual working control in whatever manner exercised.

(C) The approval of a transfer in one instance shall not render unnecessary approval of any subsequent transfer.

(D) Approval of a transfer by the City does not constitute a waiver or release by the City of its rights under this Franchise (unless otherwise stated in writing), whether arising before or after the date of the transfer, nor does such approval constitute a waiver or release of the rights of the City and the public in and to the Rights-of-Way or public land, or release of any police powers.

(E) A transfer of this Franchise shall be conducted in accordance with the Cable Act and applicable FCC rules and regulations, and the requirements set forth in this Franchise. The City may request any information it deems reasonable to evaluate the financial, technical, and legal qualifications of the transferee. Grantee and the transferee shall provide the information requested by the City in a timely manner. Any questions raised by the City, and any decision made by the City, regarding a transfer request shall be directly related to *bona fide* concerns regarding the qualifications of the transferee and the ability of the transferee to comply with the existing Franchise terms.

(F) A transferee and the Grantee requesting a transfer of this Franchise shall be responsible for the City's reasonable direct and indirect costs, consultant and attorneys' fees and other fees and expenses of the transfer process in an amount up to \$10,000 (which amount shall increase annually in accordance with increases in the Consumer Price Index, provided that such total amount shall not exceed \$15,000).

(G) The City's consent to a transfer shall not be unreasonably withheld.

SECTION 16. REMOVAL OF CABLE SYSTEM

Grantee shall apply for and obtain encroachment permits, licenses, authorizations or approvals as may be necessary for removal of the Cable System. Grantee shall pay any and all fees, costs and expenses associated with the removal of its Cable System and shall deposit with the City an acceptable security deposit, if required, prior to the removal of any part of its Cable System. Grantee shall be responsible for the restoration of all affected public and private property, public buildings and Rights-of-Way that may be damaged during the removal of its Cable System or due to the removal of its Cable System. The removal shall be completed within six (6) months following the date of this Franchise's expiration, termination, forfeiture or revocation unless the City and Grantee agree in writing to a different length of time. In the event the Grantee fails to remove all of its Cable System, the City may remove same and charge the cost of removal to the letter of credit and bonds. The City also has the right, in accordance with applicable law, to condemn any remaining part of the Cable System and take ownership accordingly.

SECTION 17. MISCELLANEOUS PROVISIONS

17.1 Equal Employment and Non-discrimination

Throughout the term of this Franchise, Grantee shall fully comply with all equal employment and non-discrimination provisions and requirements of federal, State and local laws, and in particular, FCC rules and regulations relating thereto.

17.2 Localism

(A) Whenever practicable, Grantee shall employ residents of the City to provide, install, sell, market and deliver its Cable Services. Additionally, Grantee shall make a determined effort to hire qualified persons who are registered with the State of Maryland's Job Services Department or other identified State or County Employment or Social Service Agency responsible for securing employment for its registrants.

(B) Wherever practicable, Grantee shall make a reasonable effort to buy goods and secure services from City businesses. Grantee shall be required to maintain a business banking account at a bank within the City.

17.3 Grantee May Promulgate Rules

Grantee shall have the authority to promulgate such rules, regulations, terms and conditions of its business as shall be reasonably necessary to enable it to exercise its rights and perform its services under this Franchise and rules of the FCC, and to assure uninterrupted Cable Service to each and all of its Subscribers. Such rules and regulations shall not be deemed to have the force of law. Such rules and regulations shall be filed with the City upon request.

17.4 Notices

(A) The agents for the receipt of notice shall be the City Administrator for the City and the President for the Grantee. Grantee shall notify the City of a change in agent within five (5) business days of the change and, where practicable, prior to the change of agent.

(B) All notices or other written communications required to be given to the City under any provision of this Franchise shall be deemed served upon receipt by the City. All notices or written communications required to be given to the Grantee under this Franchise shall be deemed served upon receipt by the Grantee at the Grantee's last known address.

17.5 Captions and Headings

The captions and headings of the sections and subsections set forth herein are intended solely to facilitate the reading hereof. Such captions and headings shall not affect the meaning or interpretation of this Franchise.

17.6 Costs to be Borne by Grantee

Costs to be borne by the Grantee shall include all costs of publication of this Franchise and any and all notices prior to any public hearing in connection with this Franchise.

17.7 Attorneys' Fees

If any action or suit arises in connection with this Franchise, the prevailing party (either the City or Grantee, as the case may be) shall be entitled to recover all of its reasonable attorneys' fees, consultants' costs and expenses and other costs and expenses in connection therewith in addition to such other relief as the court may deem proper.

17.8 Binding Effect

This Franchise shall be binding upon the parties hereto, their permitted successors and assigns.

17.9 Authority to Amend

This Franchise may be amended at any time by written agreement between the parties.

17.10 Venue

Venue for any judicial dispute between the City and Grantee arising under or out of this Franchise shall be in Circuit Court in Washington County, Maryland, or federal court in Baltimore, Maryland.

17.11 No Joint Venture

Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties, and neither party is authorized to, nor shall either party act toward third Persons or the public in any manner which would indicate any such relationship with the other.

17.12 Waiver

The failure of the City at any time to require performance by Grantee of any provision hereof shall in no way affect the right of the City hereafter to enforce the same. Nor shall the waiver by the City of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself or any other provision.

17.13 Cumulative Rights

The rights and remedies reserved to the City by this Franchise are cumulative and shall be in addition to and not in derogation of any other rights or remedies which the City may have with respect to the subject matter of this Franchise. Further, either the City or Grantee may seek any legal or equitable relief allowed by law provided that, if both parties agree, the City and Grantee may seek methods of alternative dispute resolution.

17.14 Construction of Agreement

This Franchise shall be governed, construed and enforced in accordance with the laws of the State of Maryland (as amended), the Cable Act as amended, any applicable rules, regulations and orders of the FCC, and any other applicable local, State and federal laws, rules regulations, legislation or orders (as such now exist, are later amended or subsequently adopted).

17.15 Actions of the City or Grantee

In any action by the City or Grantee mandated or permitted under the terms hereof, it 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.

17.16 Entire Agreement

This Franchise and the Exhibits represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersede all prior oral and written negotiations between the parties.

17.17 Grantee's Compliance with Applicable Laws

The Grantee shall comply with all applicable federal, state and local laws and regulations.

17.18 Time Is of the Essence

In determining whether a party has complied with this Franchise, the parties agree that time is of the essence.

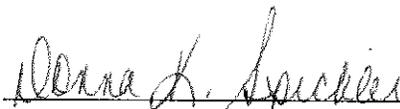
17.19 Severability

If any Section, subsection, paragraph or provision of this Franchise is determined to be illegal, invalid or unconstitutional by any court or agency of competent jurisdiction, such determination shall have no effect on the validity of any other Section, subsection, paragraph or provision of this Franchise, all of which will remain in full force and effect for the term of the Franchise.

IN WITNESS WHEREOF, this Franchise is signed by the parties hereto as of the day and year first above written.

ATTEST:

CITY OF HAGERSTOWN:



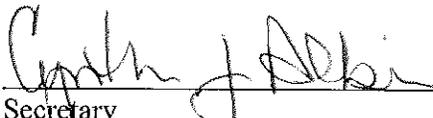
City Clerk



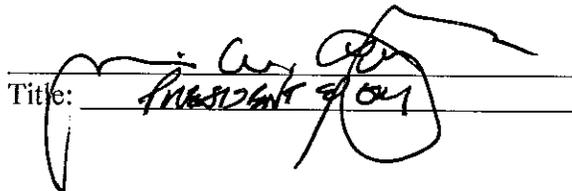
Mayor

ATTEST:

ANTIETAM CABLE TELEVISION, INC.



Secretary



Title: President of CATV

EXHIBIT A - CUSTOMER SERVICE STANDARDS

I. POLICY

The Grantee shall be permitted the option and autonomy to first resolve citizen Complaints without delay and interference from the City.

Where a given Complaint is not addressed by the Grantee to the citizen's satisfaction, the City may intervene. In addition, where a pattern of, or unremedied, noncompliance with the Standards is identified, the City may prescribe a cure and establish a 30 day deadline for implementation of the cure. If the noncompliance is not cured within 30 days, monetary sanctions may be imposed to encourage compliance.

These Standards are intended to be of general application; however, the Grantee shall be relieved of any obligations hereunder if it is unable to perform due to force majeure. The Grantee is free to exceed these Standards for the benefit of its Customers and such shall be considered performance for the purposes of these Standards.

II. DEFINITIONS

When used in these Customer Service Standards (the "Standards"), the following words, phrases, and terms shall have the meanings given below.

"Complaint" shall mean a Customer expression of dissatisfaction, whether written or oral, that is directed to Grantee's system office or to the City for resolution. This does not include routine inquiries and service requests.

"Customer" shall mean any person who lawfully receives cable service from the Grantee.

"Customer Service Representative" (or "CSR") shall mean any person employed by the Grantee to assist, or provide service to Customers, whether by answering public telephone lines, answering Customers' questions, or performing other customer service related tasks.

"Normal Business Hours" shall mean those hours during which most similar businesses in the City are open to serve customers. These hours shall generally be 8:30 a.m. to 5:00 p.m. Monday through Friday.

"Normal Operating Conditions" shall mean those service conditions that are within the control of the Grantee. Those conditions that are not within the control of the Grantee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the Grantee 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.

"Service Interruption" shall mean the loss of picture or sound on one or more cable channels.

III. CUSTOMER SERVICE

A. **Courtesy**

All employees of the Grantee shall be courteous, knowledgeable and helpful and shall provide effective and satisfactory service in all contacts with Customers.

B. **Accessibility**

1. The Grantee shall provide a Customer service center/business office ("service center") in the City. The service center shall be open Monday through Friday from 8:30 a.m. to 5:00 p.m., and from 9:00 a.m. to 12:00 p.m. Saturdays, and shall be fully staffed with Customer Service Representatives offering the following services to Customers who come to the service center: bill payment, equipment exchange, processing of change of service requests, and response to Customer inquiries and requests. The Grantee shall post a sign at the service center advising Customers of its hours of operation. The Grantee shall provide free exchanges of faulty converters at the Customer's address.
2. The Grantee shall maintain local telephone access lines or a toll free telephone number that shall be available 24 hours a day, seven days a week for service/repair requests.
3. The Grantee shall have technicians on call 24 hours a day, seven days a week, including legal holidays.
4. During normal business hours and under Normal Operating Conditions, the Grantee shall retain trained Customer Service Representatives and have telephone line capacity available to ensure that telephone calls to service/repair and billing inquiries are answered by a Customer Service Representative within 30 seconds or less, and that any transfers are made within 30 seconds. These standards shall be met no less than 90 percent of the time, under Normal Operating Conditions, measured quarterly.
5. After normal business hours, the telephone lines may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained Customer Service Representative on the next business day.
6. Under Normal Operating Conditions, the total number of calls receiving busy signals shall not exceed 3% of the total telephone calls. This standard shall be met 90 percent or more of the time measured monthly.

7. Grantee shall not be required to acquire equipment or perform surveys to measure compliance with any of the telephone answering standards above unless and until the City requests such action(s) based on a historical record of complaints indicating a clear failure to comply.

C. Responsiveness

1. Residential Installation

- a. The Grantee shall complete all standard residential installations requested by Customers within seven (7) business days after the order is placed, under Normal Operating Conditions 95% of the time measured on a quarterly basis, unless the Customer requests a later date for installation. "Standard" residential installations are those located within 125 feet from the existing distribution system. If the Customer requests a nonstandard residential installation, or the Grantee determines that a nonstandard residential installation is required, the Grantee shall provide the Customer in advance with a total installation cost estimate and an estimated date of completion.
- b. Absent unusual circumstances, all new underground cable drops from the curb to the home shall be buried at a depth of no less than twelve inches (12"), and within a reasonable period of time (but no later than fourteen [14] days, weather permitting) from the initial installation, or at a time mutually agreed upon between the Grantee and the Customer.

2. Service Appointments

- a. Customers requesting installation of cable service or service to an existing installation may choose a specific time or a four-hour block of time for the installation appointment between 8:00 a.m. and 6:00 p.m.; or another four-hour block of time mutually agreed upon by the Customer and the Grantee. Absent unusual circumstances, the Grantee may not cancel an appointment with a Customer after 5:00 p.m. on the day before the scheduled appointment.
- b. If Grantee's representative is running late for an appointment with a Customer and will not be able to keep the appointment as scheduled, the Customer will be contacted. The appointment will be rescheduled, as necessary, at a time, consistent with Grantee's standard service hours, which is convenient for the Customer.
- c. The Grantee shall be deemed to have responded to a request for service under the provisions of this section when a technician arrives within the agreed upon time, provided that the technician has all necessary parts and equipment to complete the specified work order. If the Customer is absent when the technician arrives, the technician shall leave written notification of timely arrival. A copy of the notice shall be kept by the Grantee.

3. Outages and Service Interruptions

- a. In the event of a system outage (loss of reception on all channels) resulting from Grantee equipment failure affecting five (5) or more Customers, the Grantee shall respond promptly and shall remedy the problem as quickly as is feasible.
- b. Under Normal Operating Conditions, the Grantee shall use its best efforts to correct service interruptions resulting from Grantee equipment failure within twenty-four (24) hours.
- c. The Grantee shall keep an accurate and comprehensive file of any and all Complaints received during the existing and preceding calendar year regarding the cable system or its operation of the cable system, in a manner consistent with the privacy rights of Customers, and the Grantee's actions in response to those Complaints. The Grantee shall provide the City an executive summary upon fifteen (15) days' request which shall include information concerning Complaints.
- d. Absent unusual circumstances, the Grantee shall use its best efforts to correct all outages and service interruptions for any cause beyond the control of the Grantee within thirty-six (36) hours, after the conditions beyond its control have subsided but not later than forty-eight (48) hours.

4. TV Reception

- a. The Grantee shall render efficient service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. Scheduled interruptions shall be preceded by notice and shall occur during periods of minimum use of the system, preferably between midnight and six a.m. (6:00 a.m.).
- b. If a Customer experiences poor signal quality attributable to the Grantee's equipment, the Grantee shall respond and repair the problem within the next business day or twenty-four (24) hours, whichever is later, following the Customer call provided that the Customer is available and the repair can be made within the allotted time. If an appointment is necessary, the Customer may choose the blocks of time described in Section III.C.2.a. At the Customer's request, the Grantee shall repair the problem at a time within Grantee's standard service hours, which is convenient to the Customer.

5. Problem Resolution

A Customer Service Representative shall have the authority to provide credit for interrupted service, to waive fees, to schedule service appointments and to change billing cycles, where appropriate. Any difficulties that cannot be resolved by the Customer Service Representative shall be referred to the appropriate supervisor who shall contact the Customer within twenty-four (24) hours and

resolve the problem within forty-eight (48) hours or within such other timeframe as is acceptable to the Customer and the Grantee.

6. Billing, Credits, and Refunds

- a. The Grantee shall allow at least fifteen (15) days for payment of a Customer's service bill. If the Customer's service bill is not paid within forty-five (45) days, the Grantee may perform a "soft" disconnect of the Customer's service. If a Customer's service bill is not paid within fifty-two (52) days, the Grantee may disconnect the Customer's service, provided it has provided two (2) weeks notice to the Customer that such disconnection may result.
- b. The Grantee shall issue refund checks promptly but no later than either the Customer's next billing cycle following resolution of the request or within thirty (30) days, whichever is earlier, or the return of the equipment supplied by the Grantee if service is terminated.
- c. Credits for service will be issued no later than the Customer's next billing cycle following the determination that a credit is warranted.

7. Notice/Work

Except in the case of an emergency involving public safety or service interruption to a large number of subscribers, the Grantee shall give reasonable notice to property owners or legal tenants prior to entering upon private premises, and the notice shall specify the work to be performed. Nothing herein shall be construed as authorizing access or entry to private property, or any other property, where such right to access or entry is not otherwise provided by law. Any work on private property shall be conducted in accordance with an agreement between the Grantee and property owner. If damage is caused by any Grantee activity, the Grantee shall reimburse the property owner for the cost of the damage or replace or repair the damaged property to as good a condition as before the Grantee's activity commenced. Adjacent or affected property owners shall be reasonably notified in advance of the installation of pedestals or other major construction or installation projects in the Rights-of-Way or on private property. In the case of an emergency, the Grantee shall attempt to contact the property owner or legal tenant in person, and shall leave a door hanger notice in the event personal contact is not made.

D. Customer Information

1. Upon installation, and at any time the Customer may request, the Grantee shall provide the following information, in clear, concise written form:
 - a. Products and services offered by the Grantee, including its channel lineup;
 - b. The Grantee's complete range of service options and the prices for those services;
 - c. Instruction on the use of cable TV service and standard DVR hookups;
 - d. The Grantee's billing, collection and disconnection policies;
 - e. Customer privacy requirements;

- f. All applicable Complaint procedures, including Complaint forms and the telephone numbers and mailing addresses of the Grantee and the contact at the City;
 - g. Use and availability of parental control/lock out devices;
 - h. Special services for Customers with disabilities;
 - i. Days, times of operation, and location of the service center.
2. Customers will be notified of any changes in rates, programming services or channel positions as soon as possible in writing. Notice must be given to Customers a minimum of thirty (30) days in advance of such changes if the change is within the control of Grantee. Grantee shall not be required to provide prior notice of any rate change that is the result of a regulatory fee, franchise fee, or any other fee, tax, assessment or charge of any kind imposed by any federal agency, State or the City on the transaction between Grantee and the Customer.
 3. All officers, agents, and employees of the Grantee or its contractors or subcontractors who are in personal contact with cable Customers shall be issued identification cards bearing their name and photograph. The Grantee shall account for all identification cards at all times. Every vehicle of the Grantee shall be visually identified to the public as working for the Grantee. Every vehicle of a subcontractor or contractor shall be labeled with the name of the contractor or subcontractor, and shall be further identified as contracting or subcontracting for the Grantee.
 4. Each CSR, technician or employee of the Grantee in each contact with a Customer shall state the estimated cost of the service, repair, or installation prior to delivery of the service or before any work is performed, and shall provide the Customer with an oral statement of the total charges before terminating the telephone call or before leaving the location at which the work is to be performed.

E. Safety

The Grantee shall install and locate its facilities, cable system, and equipment in compliance with all federal, state, local and company safety standards, and in such manner as shall not unduly interfere with or endanger persons or property. Whenever the Grantee receives notice that an unsafe condition exists with respect to its equipment, the Grantee shall investigate such condition immediately, and shall take such measures as are necessary to remove or eliminate any unsafe condition.

IV. COMPLAINT PROCEDURE

A. Complaints to the Grantee

1. The Grantee shall establish written procedures for receiving, acting upon, and resolving Complaints without intervention by the City (except where necessary) and shall publicize such procedures through printed documents at the Grantee's sole expense.

2. Said written procedures shall prescribe a simple process by which any Customer may submit a Complaint by telephone or in writing to the Grantee regarding a disputed matter, or an alleged violation of any provision of these Customer Service Standards, any terms or conditions of the Customer's contract with the Grantee, or reasonable business practices.
3. Within fifteen (15) calendar days after receiving a Complaint, the Grantee shall notify the Customer of the results of its investigation and its proposed action or credit.
4. The Grantee shall also notify the Customer of the Customer's right to file a Complaint with the City in the event the Customer is dissatisfied with the Grantee's decision, and shall explain the necessary procedures for filing such Complaint with the City.
5. The Grantee's Complaint procedures shall be filed with the City.

B. Complaints to the City

1. Any Customer who is dissatisfied with any proposed disposition of a Complaint by the Grantee or who has not received a decision within the fifteen (15) calendar day period shall be entitled to have the Complaint reviewed by the City.
2. The Customer may initiate the review either by calling the City or by filing a written request together with the Grantee's written decision, if any, with the City.
3. The Customer shall make such filing and notification within twenty (20) days of receipt of the Grantee's decision or, if no decision has been provided, within thirty (30) days after filing the original Complaint with the Grantee.
4. If the City decides that further evidence is warranted, the City shall require the Grantee and the Customer to submit, within ten (10) days of notice thereof, a written statement of the facts and arguments in support of their respective positions.
5. The Grantee and the Customer shall produce any additional evidence, including any reports from the Grantee, which the City may deem necessary to an understanding and determination of the Complaint.
6. The City shall issue its determination within thirty (30) days after examining the materials submitted, setting forth its basis for the determination.
7. The City may extend this thirty (30) day time limit for reasonable cause and may intercede and attempt to negotiate an informal resolution.
8. If the City determines that the Complaint is valid and that the Grantee did not provide the complaining Customer with the proper solution and/or credit, the City may reverse any decision of the Grantee in the matter and/or require the Grantee

to grant a solution in accordance with the Grantee's credit/refund policy for the alleged violation, or as otherwise mutually agreed upon by the Grantee and the City.

C. Verification of Compliance

Upon a reasonable request by the City, the Grantee shall thereafter document its compliance with all of these Standards.

D. Overall Quality of Service

The City may evaluate the overall quality of Customer service provided by the Grantee to Customers:

1. In conjunction with any performance review provided for in the Franchise; or
2. At any other time, in its sole discretion, based on the number of Complaints received by the Grantee or the City, and the Grantee's response to those Complaints.

E. Noncompliance with Customer Service Standards

Noncompliance with any provision of these Standards is a violation of these Standards.

F. Procedures for Remediating Violations

If the City has reason to believe that the Grantee has failed to comply with any of these Standards, or has failed to perform in a timely manner, the City may require in writing that the Grantee remedy the alleged noncompliance. If the alleged noncompliance is denied or not remedied to the satisfaction of the City, the City may opt to follow the liquidated damages procedures, revocation procedures or seek other remedies set forth in the Franchise, or pursue any other remedies at law or in equity.

EXHIBIT B - INSTITUTIONAL NETWORK

1. Institutional Network.

Grantee will support institutional network (I-Net) infrastructure and services as provided herein. Construction required for the institutional infrastructure and services, wherever feasible, will be colocated with Grantee's Cable System. Responsibility for the cost of the construction of the facilities required to deliver the institutional services will be as further described herein.

The institutional network facilities will be integrated with, or overlay, the Grantee's Cable System to the extent appropriate and feasible to facilitate the institutional infrastructure and services most cost-effectively to the City and other Qualified Users, and as more particularly described below.

For purposes of this Exhibit B and Franchise, "Qualified User" shall mean the City, any institution or location referenced in Exhibit C concerning use of the DFOI I-Net or WAN I-Net and any institution or location that may make Qualified Use of the DFOI I-Net or WAN I-Net as defined in Sections 6 (B) and 7 (B) of this Exhibit B, as well as other public entities or locations that Grantee and City agree in the future may use the I-Net.

Except where otherwise provided, Grantee's efforts in connection with the Institutional Network shall be subject to reasonable compensation by the City or other Qualified Users, ("City's or Qualified User's expense") either through the Capital Contribution established in Section 9 of the Franchise or through such other means as determined by the City. Grantee shall report to the City all deductions and allocations from the Capital Contribution on a monthly basis. Grantee and City shall work in good faith to reconcile all amounts allocated, deducted, paid and owed on an annual basis. Grantee's responsibilities are as described herein concerning Hybrid Fiber Coaxial ("HFC") and fiber optic construction, infrastructure and service support. Grantee shall not be responsible for facilities, equipment, and personnel necessary to utilize the Institutional Network, that are physically situated on the "customer" side of the designated demarcation points.

In each instance where Grantee provides support at the City's expense, such expense shall be reasonable and calculated on an "actual cost" basis. With regard to the use of Grantee personnel directly involved in I-Net support, actual cost means the personnel's hourly rate, based on proportional salary, benefits, and overhead. For these purposes, benefits and overhead shall be presumed to equal 40% of the personnel's hourly rate.

All Institutional Network components on the Grantee side of the designated demarcation points owned by Grantee shall remain the sole property of Grantee, subject to the use established herein by the City and other Qualified Users during the term of the Franchise.

2. Institutional Network Components.

The Institutional Network aspect of this Franchise will include the components described below.

(A) Dedicated Fiber Optic Infrastructure (DFOI).

1. Upon request of the City, dedicated fiber optic links containing two (2) to six (6) single mode fiber optic strands shall be installed between designated locations (found in Exhibit C). The Grantee shall provide, at City's or other Qualified User's expense, the amount of fiber specified in a design and cost estimate approved by the City prior to construction up to an interior point of demarcation at each DFOI site. The demarcation point shall be the patch panel, termination block or other termination device located within each DFOI site. The construction costs of such connections shall be developed utilizing incremental cost of fiber optic strands at \$.05 per fiber optic strand per foot where existing fiber optic infrastructure is used, and actual cost for materials and labor for new, pull-through or overlash construction, as verified by the City. The designated user sites may be directed by the City to be constructed at any time during the course of the Franchise. The connection architecture and specific fiber counts for DFOI locations shall be approved by the City prior to construction by Grantee. Efforts will be made by Grantee and the City to ensure that these dedicated links share common paths with Grantee's network, to minimize costs wherever feasible.

2. Fiber Optic Equipment for Dedicated Links.

(a) The City and other Qualified Users will be responsible for procurement and installation of user premise equipment, and all costs associated therewith, except as provided for in this Franchise. Additionally, any other equipment that is useful for and compatible with the operation of the DFOI, and does not compromise the integrity of the signal quality or security of the DFOI or any network or system of Grantee, may be selected by the City or other Qualified User and installed at appropriate points on the DFOI.

(B) Residential Subscriber System-Based Services or Wide Area Network (WAN).

A number of Qualified Users (as denoted in Exhibit C) shall be served by HFC connections utilizing existing residential or standard business class cable modem service on the residential subscriber System ("WAN"). Qualified WAN Users are the users identified in Exhibit C to this Franchise, which is attached hereto and incorporated herein by reference. Grantee shall provide these connections at no charge at existing service levels.

The following provisions shall also apply:

1. The Grantee shall be responsible for the continued maintenance and operation of the WAN.

2. Qualified Users shall be responsible for procurement or lease of, at standard Grantee equipment rates, cable modems for use in connection with the services provided under this Section. The Grantee shall assist, at City's or other Qualified User's expense, with procurement and installation activities where required by the City to promote effective implementation and operation of the WAN. Only cable modems certified by DOCSIS or any successor data-over-cable standard and approved for use by the Grantee, which approval shall not be unreasonably withheld, may be placed on the network.

3. The City shall be responsible for any VPN or other equipment needed to secure transmissions over the WAN.

4. Each WAN User may elect to use higher levels of service than provided to them under the Franchise. If so, Grantee shall only charge a service rate that represents the incremental difference between the Franchise required level of service and the requested higher level of service.

3. Dedicated Fiber Optic Infrastructure (DFOI) Design, Construction and Maintenance.

(A) Grantee agrees to cooperate with the City regarding the initial and final design of each DFOI site and to ensure that DFOI users may be reached in a cost effective manner. All DFOI users shall be able to utilize the DFOI without cost, except as specified herein.

(B) City shall designate in writing the location and fiber counts for each facility to be served by the DFOI. Within 90 days of a request by the City, Grantee will produce and provide a copy of the requested DFOI design with cost estimates to the City. If such design is consistent with the City's and Qualified User's requirements, then the City will, within 30 working days of receiving the design, give written approval thereof to Grantee (excluding permits and approvals required under applicable codes and ordinances), or City may require Grantee to make such changes as are necessary to the design, as may be required to ensure that the design is consistent with the City's and Qualified User's requirements.

(C) The initial construction of the DFOI to a requested site within the City shall be completed within six (6) months from the date the City provides final written approval of the design, subject to *force majeure* as set forth in Section 4.6 of the Franchise.

(D) Nothing in this Franchise shall be read to prevent the parties from agreeing to different procedures for DFOI construction as long as those procedures permit the DFOI to be constructed efficiently and cost effectively. Consistent with this goal, it is the intent of the parties to cooperate to minimize any delay in construction while providing sufficient time to permit the City to review and approve design plans, and any associated costs.

(E) The City may request Grantee to construct additional DFOI plant at any time pursuant to the terms set forth in the Franchise. After receiving a request for additional DFOI plant or DFOI modification work, Grantee promptly will provide the City an estimate of any costs associated with the additional work. After the completion of the initial DFOI construction, any such construction work shall be performed and completed within six months after the City approves the estimate of the cost of the work to be performed, unless the parties agree to a different completion date.

(F) Grantee shall maintain at its expense during the term of the Franchise and extension thereof (if any) the Grantee constructed portion of the DFOI. Grantee's maintenance of the DFOI is intended to include repair of fiber cuts, replacement of damaged fiber, and routine reliability testing as performed on other fiber optic plant utilized by the Grantee and other such maintenance functions mutually agreeable between the Grantee and City.

(G) Regarding the Dedicated Fiber Optic Infrastructure (DFOI), the City or Qualified User may utilize any appropriate transmission and reception equipment to facilitate necessary services, as long as there is no adverse affect on any other user or service.

4. Wide Area Network (WAN) Construction and Maintenance.

(A) Pursuant to this Section, City and every Qualified User included in Exhibit C shall have the option to use institutional services over the residential cable system, at no cost for the service, except as otherwise noted in this Franchise. Any necessary drop installation and other site installation activity required of the Grantee for additional WAN sites shall be performed at the City's or other Qualified User's expense within three (3) months of the date a WAN option is chosen by the City or at a later date if determined by the City. Additionally, the cost of cable modems and other premise equipment beyond the demarcation point of the coaxial cable shall be borne by the City or Qualified Users respectively.

(B) Grantee will adhere to the performance specifications listed herein, and the requirements of other pertinent provisions described in this Exhibit B. Accordingly, Grantee will be responsible, in all instances, for maintaining the HFC portion of the WAN to the demarcation points at WAN locations, so that the WAN has a high level of reliability, comparable to the reliability of well maintained HFC, cable communications systems used for functions similar to those for which the WAN will be used. Grantee will respond to any service problems at any WAN locations in accordance with the terms of the service response provisions contained herein, in order to minimize service outage time.

(C) The HFC network supporting the WAN will be maintained and repaired during the term of the Franchise and extension thereof (if any) in a manner consistent with good engineering practices, using qualified personnel.

(D) Concerning the WAN, the demarcation point at the user site is the interface between the service drop and internal wiring system of the building.

5. Initial Performance Specifications and Service Levels.

(A) Data-Over-Cable Communications - For institutions utilizing the HFC-based, data-over- cable (cable-modem) WAN, the following shall apply:

1. Noise and Distortion Performance - Under worst-case channel loading (including both analog and digital signals), the downstream performance of the HFC I-Net shall meet or exceed FCC performance specifications as contained in 47 CFR, Part 76, for noise, distortion and all other applicable parameters. Regarding upstream performance, the HFC I-Net shall meet or exceed manufacturer-required minimums for acceptable performance of all data-over-cable system components.

2. Signal Levels - The minimum signal level received at any institution shall meet or exceed FCC requirements for downstream cable system operation. Notwithstanding this

provision, the minimum input signal level shall not fall below, nor shall the maximum exceed, manufacturers' recommended specifications. Concerning signal level variation, the performance of the downstream cable system shall meet or exceed FCC requirements. Notwithstanding this provision, the input signal level shall not vary more than the tolerance described by manufacturers' specifications for cable modems and other applicable terminal devices.

3. Network Availability - Evaluated on an individual WAN user basis, network availability from the headend to the user site and vice versa shall be equal to or better than 99.0% as measured on an annual basis. For any given instance, this network availability standard shall be applied after either the Grantee receives a call from the City or another Qualified User related to, or after the Grantee notices, a network problem (whichever occurs first). The HFC I-Net shall be defined as "unavailable" or as experiencing an "outage" under the following standards for any WAN user when such user:

(a) cannot, because of a WAN problem resulting from the failure of any Grantee-provided HFC network component or through the failure of a Grantee-provided interconnect, transmit data communications to, from and/or on the I-Net;

(b) experiences, due to a failure of the HFC portion of the WAN as described above, data transmissions that are below the standards set forth herein; or

(c) experiences, due to a failure of the HFC portion of the WAN, a data communications packet loss of greater than ten percent (10%).

(d) "Unavailable" or "outage" conditions shall not include:

- infrequent scheduled preventive maintenance as long as WAN users are notified at least 5 business days in advance; or
- problems caused by *force majeure* (as *force majeure* is described in the Franchise).

(B) Dedicated Fiber Optic Infrastructure - For the DFOI, the following shall apply:

1. Optical Signal Loss - Maximum signal loss will not exceed the manufacturer's passive cable attenuation specifications, adjusted for cable lengths, splice loss and connector loss. The nominal signal loss at 1310 nm should not exceed .35 dB per kilometer, and at 1550 nm should not exceed .25 dB per kilometer. The maximum connector pair loss shall not exceed .5 dB. In no event shall the signal loss of any given DFOI link exceed that required to facilitate satisfactory operation of the City's or other Qualified User's optical transport systems.

2. Fiber Optic Link Availability - For each fiber optic link on the network, network availability from the headend to the user site and vice versa, and user site to user site, shall be equal to or better than 99.9% (no more than 530 minutes of network downtime per user) as measured on an annual basis. For any given instance, this network availability standard shall be applied after either the Grantee receives a call from the City or another Qualified User related to, or after the Grantee notices, a network problem (whichever occurs first). The fiber I-Net shall

be defined as "unavailable" or as experiencing an "outage" under the following standards for any fiber optic user when such user:

(a) cannot, because of a problem resulting from the failure of any Grantee-provided fiber optic network component or through the failure of a Grantee-provided interconnect, transmit video, voice and/or data communications to, from and/or on the I-Net.

(b) "Unavailable" or "outage" conditions shall not include:

- infrequent scheduled preventive maintenance as long as fiber optic link users are notified at least five (5) business days in advance; or
- problems caused by *force majeure* (as *force majeure* is described in the Franchise).

(C) Service Response

1. Grantee and City will establish mechanisms and procedures for all DFOI and WAN users to quickly and easily report System problems. Grantee will respond to service calls generated by the City or other Qualified Users. Service calls generated by the City and other Qualified Users related to the HFC or DFOI plant will be documented, processed and completed in an expedient manner. Specifically, response to network problems shall occur at all hours (24 x 7). Appropriate technical support shall respond as described below:

(a) For all critical circuits, as designated by the City, response shall be within 30 minutes between 7:30 a.m. and 5:00 p.m. on weekday business days and within two (2) hours at all other times after receiving a call from the City or a Qualified User related to, or after the Grantee notices, a network problem (whichever occurs first). The Grantee's service and maintenance personnel shall then work continuously until the problem is resolved. When working on multiple circuits, critical circuits shall be restored first.

(b) Response for all other circuits shall occur no later than the same day (if a problem occurs during a weekday business day, between 7:30 a.m. and 5:00 p.m.) and otherwise within twenty-four (24) hours, after the Grantee receives a call from the City or another Qualified User related to, or notices, a network problem (whichever occurs first). The Grantee's service and maintenance personnel shall then work continuously until the problem is resolved.

(c) Notwithstanding the response times and repair times described above, network availability standards for each type of circuit shall be met at all times.

2. Network Support - The Grantee shall provide an appropriate complement of administrative, engineering, headend and field personnel to meet the performance criteria detailed herein, including one or more individuals to serve as key contacts on I-Net matters. The Grantee shall also have on-hand all necessary test equipment, maintenance gear, and spare and

back-up headend, distribution and other applicable equipment to ensure that the performance and service response standards herein can be met.

3. If the service call is determined to be a result of faulty equipment or procedures beyond the demarcation points of the DFOI or WAN, Grantee may bill the City or Qualified Users, as applicable, for the service call based on Grantee's actual cost.

(D) Network Performance Testing

1. Acceptance Testing DFOI - Construction of the DFOI shall be deemed completed upon satisfactory completion of the following:

(a) The Grantee shall notify the City, or its designee, in writing at least ten (10) days in advance of completion of construction and installation of each DFOI link and connections to each DFOI site. The notice shall include the date the Grantee is prepared to conduct an OTDR test at 1550 nm and 1310 nm end-to-end (only on the link installed by the Grantee; this does not include any existing network infrastructure owned by the City or Qualified User). Grantee will provide standard industry fiber loss budgets including fusion splice losses as well as OTDR test traces. The City or its designee shall have the option of attending any test conducted pursuant to this paragraph. The fiber optic tests shall be deemed successfully completed if the optical performance standards described herein are met or bettered.

(b) The City, or its designee, shall also have the option of conducting a physical inspection of the construction and connections for each DFOI link and to each DFOI site. This inspection shall be conducted no later than the date of the test described above.

(c) If the connections to a DFOI site pass the performance test(s) required herein and the City, or its designee, does not inform the Grantee in writing within thirty (30) days that the physical inspection discloses errors in construction or installation or nonconformities with the DFOI design, the site shall be deemed accepted.

(d) After completing installation to each DFOI site or of each DFOI link, the Grantee shall provide the following documentation to the City or its designee: splice locations, panel numbers, cable numbering schemes, location of splitters, OTDR test results and any other pertinent documentation.

2. WAN Performance Testing - All applicable network performance specifications shall be met at each WAN user location, and the network shall enable WAN user data communications to be successfully transmitted in accordance with the reliability, availability and other standards incorporated herein. The Grantee shall schedule with each user such testing as required to ensure successful network performance at each WAN user location. All tests and checks will utilize standard test methodologies as mutually agreed to by the City and the Grantee and will be documented and, upon request, filed with the City. At the City's request, all testing processes may be conducted under the observation of a representative of the City.

6. DFOI Use.

(A) Subject to the limitations set forth in this Exhibit B and Grantee's inability to control facilities applicable to the I-Net subsequent to a Franchise termination (if such termination occurs), the City is hereby granted the right of continued use of the DFOI portion of the facilities described in this Franchise, which grant shall survive the termination of this Franchise for one (1) year. The Grantee's maintenance and performance requirements pertinent to the DFOI shall continue for one (1) year after the Franchise is set to terminate, provided that the Grantee is granted and accepts a one (1) year Franchise extension. Nothing herein obligates either party to agree to a Franchise extension pursuant to this paragraph, but such agreement shall not be unreasonably withheld.

(B) Qualified Uses

1. The DFOI may not be used by the City and/or any Qualified Users to compete with Grantee or Grantee's Affiliates or for any for profit application including, but not limited to, the provision of Cable Service, or sale or resale of any service or capacity to any third party. The City agrees to require all Qualified Users to stipulate and agree to this limitation. Without limitation, it is understood that the connections to City or other public institutions and transmissions to and among these institutions fall within the permitted uses. Notwithstanding any other provision of the Franchise, Grantee understands that the libraries, schools and City sites may provide Internet services or access to Internet services to the public, schools and governmental entities, and agrees that this use is not a prohibited use and is allowed.

2. Appropriate uses of the DFOI include, by way of example and not limitation:

(a) High speed transmission of GIS and other data communications among, to and from City departments and other organizations and to and from the public;

(b) Transmitting live and stored instructional materials (whether in the form of data, video or otherwise) for distance learning and staff training purposes to and from City departments, educational and other institutions;

(c) Providing videoconferencing and other video communications between and among municipal and educational locations and to other locations for municipal and educational purposes.

(d) Providing for remote origination of video programming for Access television and other purposes.

(e) Facilitating connections for internal telephone and other voice systems, security systems and other critical public entity communications applications.

(C) DFOI Description. The City and Grantee will create and continually update a working document describing the DFOI, which will include, but not be limited to, DFOI addresses, infrastructure and equipment information.)

(D) Opportunities. The parties recognize that changes in technology or user needs may present the opportunity to extend or enhance the capacity of the DFOI beyond that described in this Exhibit B and Exhibit C. Grantee and the City shall cooperate in investigating, considering and negotiating payment for such enhancements.

7. WAN Use.

(A) The use of the WAN shall, at a minimum, continue throughout the term of the Franchise. If Grantee and the City are not able to successfully negotiate similar, additional or different WAN provisions acceptable to the City as part of franchise renewal proceedings, then the City shall be provided one (1) year after the Franchise is set to terminate to migrate all WAN users to alternative networks, provided that the Grantee is granted and accepts a one (1) year Franchise extension. Nothing herein obligates either party to agree to a Franchise extension pursuant to this paragraph, but such agreement shall not be unreasonably withheld.

(B) Qualified Uses.

1. The WAN may not be used by the City or any Qualified User to compete with Grantee or Grantee's Affiliates or for any commercial application including, but not limited to, the provision of Cable Service, or sale or resale of any service or capacity to any third party. The City agrees to require all Qualified Users to stipulate and agree to this limitation. Without limitation, it is understood that the connections to City or other public institutions and transmissions to and among these institutions fall within the permitted uses. Notwithstanding any other provision of the Franchise, Grantee understands that the libraries, schools and City sites may provide Internet services or access to Internet services to the public, schools and governmental entities, and agrees that this use is not a prohibited use and is allowed.

2. Appropriate uses of the WAN include, by way of example and not limitation:

(a) High speed transmission of data communications among, to and from City departments, public safety locations, schools and libraries;

(b) Transmitting instructional materials in the form of data for distance learning and staff training purposes to and from city agencies, schools and other institutions;

(c) Linking Community Centers and providing terminals at Community Center locations that allow members of the public to access the Internet and other remote databases;

(d) Work at home or other telecommuting activity;

(e) Facilitating Voice over Internet Protocol (VoIP) and IP-based video communications (this application may require the Qualified User to provide additional software and hardware to that provided under this Exhibit B).

(C) WAN Description. The City and Grantee will create and continually update a working document describing the WAN, which will include, but not be limited to, WAN addresses, infrastructure and equipment information.)

(D) Opportunities. The parties recognize that changes in technology or user needs may present the opportunity to extend or enhance the capacity of the WAN beyond that described in this Exhibit B and Exhibit C. Grantee and the City shall cooperate in investigating, considering and negotiating payment for such enhancements.

EXHIBIT C – HAGERSTOWN I-NET LOCATIONS/CONNECTIONS¹

DFOI I-Net

Continuation of Current PEG Access Origination locations

LOCATIONS
City Hall to Antietam Headend (HE)
WCPS/BOE to Antietam HE
HCC Learning Resource Center to Antietam HE

New PEG Access Origination Connections

LOCATIONS
BOE to HCC Learning Resource Center - For direct provision of programming to the master Channel 99 server. Could be an additional fiber from both current BOE and HCC connections, cross connected at the HE, or utilizing an additional color of light
Future Public Access Origination Location (TBD) to Antietam HE

Other Additional Facility DFOI Connections

LOCATIONS
The Fairgrounds to City Hall
Hager House to City Hall
Golf Course Clubhouse to City Hall
Mansion House in City Park to City Hall
Additional City facilities that may arise based on annexation
West City/Hagers Crossing Elementary to the BOE
New Schools that may be built
Connection from the Kepler Theater to the Learning Resource Center at HCC
Connection from the ARC to the Learning Resource Center at HCC

¹ Notwithstanding anything to the contrary, Grantee shall not be required to provide any DFOI or WAN connections outside of the City's boundaries, except for the existing EG Access origination connection provided to HCC and the HCC campus connections described in Exhibit C.

WAN/Cable Modem System Connections

Current WAN Locations

LOCATIONS
All City Fire Department Locations
Fire Department Headquarters 25 West Church Street Hagerstown, MD 21740
First Hagerstown Hose Company 33 South Potomac Street Hagerstown, MD 21740
Antietam Fire Company 113 Summit Avenue Hagerstown, MD 21740
Independent Junior Fire Engine Company 100 Eastern Boulevard North Hagerstown, MD 21741
Western Enterprise Fire Company 526 Washington Square Hagerstown, MD 21740
South Hagerstown Fire Company 409 West First Street Hagerstown, MD 21740
Pioneer Hook and Ladder Company 21 West Franklin Street Hagerstown, MD 21740
Noland Village Community Building 1048 Noland Drive Hagerstown, MD 21740
Douglass Court Community Building 419 Park Place Hagerstown, MD 21740
Frederick Manor Community Building 639 Hayes Avenue Hagerstown, MD 21740
Parkside Community Building 416 Sumans Avenue Hagerstown, MD 21740

<p>Potomac Towers Community Room 11 West Baltimore Street Hagerstown, MD 21740</p> <p>Walnut Towers Community Room 12 South Walnut Street Hagerstown, MD 21740</p> <p>Elgin Station Community Building 40 Elgin Boulevard Hagerstown, MD 21740</p> <p>HHH Administration Building 35 West Baltimore Street Hagerstown, MD 21740</p>
<p>Water Department Pump Station Numbers 2, 3 and 4</p> <p>Pump Station #2 751 Northern Avenue Hagerstown, MD 21742</p> <p>Future Pump Station #2 Eastern Boulevard & Potomac Avenue</p> <p>Pump Station #3 18628 Orchard Hills Parkway Hagerstown, MD 21742</p> <p>Pump Station #4 151 Park Avenue Hagerstown, MD 21740</p>

Future WAN Locations

LOCATIONS
Future Fire Department Facilities
Future Community Centers
Future Water Department Pump Stations

Exhibit D

City of Hagerstown Complimentary Cable Drop/Services Locations

<u>Customer Name</u>	<u>Location</u>
Fire Department Headquarters	25 W Church St
1st Hagerstown Hose Company	33 S Potomac St
Antietam Fire Company	790 Potomac Ave
Independent Junior Fire Engine Co	100 Eastern Blvd N
Western Enterprise Fire Co	526 Washington Sq
South Hagerstown Fire Co	409 W First St
Pioneer Hook and Ladder Co	21 W Franklin St
Water Department	51 W Memorial Blvd
Hagerstown Fire Police	309 Valley Rd
Hagerstown Girls Club	626 Washington Ave
Circuit Court	95 W Washington St
Police Station	50 N Burhans Blvd
Special Operations	638 Frederick St
City Light Department	425 E Baltimore St
City Hall	1 E Franklin St
Hagerstown Police	81 Murph Ave
Police Athletic League	520 N Cannon Ave
Human Resources/COB	33 W Washington St
BOE Central Office	820 Commonwealth Blvd.
Hagerstown Community College	11400 Robinwood Drive
Elizabeth Hager Center	14 N. Potomac Street
WCFPL (Library)	100 S. Potomac Street
Potomac Towers	35 W. Baltimore Street
Walnut Towers	11-12 S. Walnut Street
Elgin Station	40 Elgin Blvd.
Briechner Water Plant	Smithsburg
RC Willson	Williamsport
USM - Hagerstown Center	32 W. Washington Street
Municipal Stadium	274 E. Memorial Blvd.
Hager House Admin Bldg.	110 Key Street
Museum of Fine Arts	401 Museum Drive
Mansion House	501 Highland Way
Hagerstown Ice Rink	580 Security Road
Municipal Golf Course Pro Shop	2 South Cleveland Ave.
District Court	36 W. Antietam Street