

**TOWNSHIP OF BENNER
PENNSYLVANIA**

**CABLE SYSTEM
REGULATORY ORDINANCE**

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ORDINANCE 101

AN ORDINANCE FOR THE TOWNSHIP OF BENNER (“GRANTOR”), INCLUDING CABLE SYSTEM AND CABLE SERVICE REQUIREMENTS AND PROCEDURES RELATING TO THE GRANTING OF FRANCHISES FOR USE OF RIGHTS-OF-WAY WITHIN THE GRANTOR, INCLUDING THE DEFINITION OF TERMS, APPLICABILITY OF THIS ORDINANCE, REQUIREMENTS FOR COMMUNITY SERVICE CHANNELS, REQUIREMENTS REGARDING THE CHARGING OF FEES FOR USE OF RIGHT-OF-WAY, CUSTOMER SERVICE STANDARDS, TECHNICAL STANDARDS, AND OTHER PROVISIONS RELATING TO FRANCHISES, AND TO SUPERCEDE ORDINANCES INCONSISTENT WITH THIS ORDINANCE.

WHEREAS, the Grantor does find that it is in the public interest to permit the use of Rights-of-Way for the construction, maintenance and operation of Cable Systems under the terms of this Ordinance and a Franchise; and

WHEREAS, the Grantor is authorized to grant one or more non-exclusive Franchises to construct, operate, maintain and reconstruct Cable Systems to provide Cable Service within the Grantor jurisdictional area; and

WHEREAS, this Ordinance is intended to include requirements and provisions consistent with the guidelines, rules and authority applicable to Grantee under Applicable Law; and

WHEREAS, it is in the public interest to ensure that Cable Operators do not discriminate in whom they serve based on race, ethnic status, income, area in which they live or other inappropriate basis; and

WHEREAS, Cable Systems use the Rights-of-Way to provide Cable Service, and Rights-of-Way may not be used in a discriminatory manner; and

WHEREAS, in order to meet community needs, Cable Systems need to be constructed with lines in appropriate places to enable the use of Public, Educational, and Governmental Access Channels and to provide Cable Service to schools and government buildings; and

WHEREAS, requiring Cable Operators to obtain a Franchise prior to constructing Cable Systems, while requiring the Grantor to act expeditiously on any Franchise request, allows the Grantor to ensure that the preceding objectives and others which are in the public interest are met, while allowing the prompt provision of Cable Service.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE GOVERNING BODY OF THE TOWNSHIP OF BENNER, PENNSYLVANIA, as follows:

SECTION 1. STATEMENT OF INTENT AND PURPOSE.

1.01 Statement of Intent and Purpose. The Grantor intends, by the adoption of this Ordinance, to facilitate the development and operation of Cable Systems to provide Cable Service. This development can contribute significantly to meeting the cable-related needs and desires of many individuals, associations, and institutions. Therefore, the following are statements of the Grantor's intent when granting or renewing a Franchise:

A. Provide for the installation and operation of Cable Systems with features meeting the current and future cable-related needs and interests of the community considering the costs to Subscribers and to any operator of Cable Systems.

B. To act expeditiously on any requests for a Franchise so as to allow the prompt provision of Cable Service while ensuring that the public interest is met and that residents are not discriminated against based on race, ethnicity, income, or other unfair basis.

C. Encourage the offering of the widest feasible scope and diversity of programming and other services to all Grantor residents that are consistent with community needs and interests and as measured against the cost of providing such programming and other services.

D. Encourage implementation of technical advances in Cable Programming technology, and to make available to residents Cable Services of all kinds in the Grantor.

E. Provide the use of Channel capacity for Government, Educational, and Public service access programming consistent with the needs and interests of the community and federal law.

F. Ensure that rates and charges for Basic Service programming, equipment, and service are fair, reasonable and consistent with federal standards.

G. Require that a Grantee of a Franchise provide customer service consistent with industry standards, this Ordinance and the standards of the FCC.

H. Ensure that the installation and maintenance of Cable Systems comply with all generally-applicable Grantor ordinances and regulations, and do not interfere with the Grantor's legitimate use of Rights-of-Way of its own facilities and property.

I. That the occupation of the Grantor's Rights-of-Way does not endanger the health, safety and welfare of its citizenry, public property or other uses of the Rights-of-Way.

J. Ensure the widest availability of Cable Services within Grantor on a non-discriminatory basis.

K. Provide for compliance with the emergency alert provisions set forth by the FCC, set forth under 47 C.F.R. Part 11, FCC Rules and Regulations, Emergency Alert System (EAS). To the extent required by federal and state law, Grantee of a Franchise shall assist the Grantor in working with the Centre County Office of Emergency Services and the Centre Region Emergency Management Council in the establishment of an emergency response plan.

L. Provide for the payment of Franchise Fees in accordance with federal law.

1.02 Franchise Fee and Franchising Costs. Costs incurred by Grantor for the granting or renewing of a Franchise and for Rights-of-Way use shall be reimbursed by the collection of Franchise Fees.

SECTION 2. GENERAL PROVISIONS

2.01 Short Title. This Ordinance shall be known and cited as the "Township of Benner Cable System Regulatory Ordinance." Within this document it shall also be referred to as "this Ordinance" or "the Ordinance."

2.02 Applicability. The requirements of this Ordinance shall supersede any existing ordinance(s) of Grantor inconsistent with this Ordinance and apply to the full extent of the terms herein and shall be limited in scope or application only to the extent as may be required by applicable federal or state law, including such changes in Applicable Law as may be hereinafter enacted. No provisions of this Ordinance shall be disregarded pursuant to this subsection except on express application to and determination by the Grantor to such effect based on the specific factual circumstances demonstrated. When not in conflict with a Franchise Agreement, each Grantee shall be subject to all the terms and conditions of this Ordinance. Any Franchise existing at the time of adoption of this Ordinance shall be subject to it at the time a renewed Franchise is granted by the Grantor. Nothing in this Ordinance or amendments thereto shall be interpreted to unilaterally deprive any Person of any rights or obligations imposed by any binding and existing valid Franchise Agreement during the term thereof, whether entered into before or after enactment of this Ordinance, and shall impose obligations on any such Person additional to those included in such Franchise Agreement only to the extent permitted by law and to the extent not inconsistent with such Franchise Agreement; provided that the failure of the Grantor to enforce any provision herein or in a Franchise Agreement or the failure of any Person to comply with any provision herein or in a Franchise Agreement shall not be a waiver of the Grantor's right to enforce such provisions nor shall it in any way constitute evidence or agreement by the Grantor that such Person has a valid existing Franchise Agreement. The provisions of this Ordinance shall apply irrespective of whether a Grantee is determined to be operating pursuant to a valid Franchise Agreement.

2.03 Participation in CACC Authorized. The Grantor may negotiate Franchise language jointly with other local Grantors in order to develop a coordinated Franchise document with common elements shared among participating municipalities in the Centre Area Cable Consortium (“CACC”).

2.04 Preservation of Police Power Authority. Any rights granted pursuant to this Ordinance and pursuant to any Franchise Agreement authorized hereunder are subject to the police power authority of the Grantor to adopt and enforce ordinances necessary to the health, safety, and welfare of the public. Grantees shall be subject to and comply with all valid generally Applicable Laws enacted by the Grantor.

2.05 Public Inspection of Records. Certain information required to be filed with the Grantor pursuant to this Ordinance or a Franchise is subject to inspection and copying by the public pursuant to the provisions of Pennsylvania Open Records Law, Chapter 65 P.S. 271, as amended [“Sunshine Law”]. Notwithstanding anything to the contrary set forth herein, a Grantee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. The Grantor agrees to treat any information disclosed by a Grantee as confidential and only to disclose it to those employees, representatives, and agents of the Grantor that have a need to know in order to enforce a Franchise and who agree to maintain the confidentiality of all such information. Grantee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act or any other Applicable Law. For purposes of this Section, the terms “proprietary or confidential” include, but are not limited to, information relating to a Cable System design, customer lists, marketing plans, financial information unrelated to the calculation of Franchise Fees or rates pursuant to FCC rules, or other information that is reasonably determined by a Grantee to be competitively sensitive. In the event that the Grantor receives a request under the state’s Sunshine Law, public records or similar law for the disclosure of information the Grantee has designated as confidential, trade secret or proprietary, the Grantor shall promptly notify Grantee of such request and cooperate with Grantee in its efforts to protect its rights.

2.06 Enforcement. The Grantor shall be entitled to enforce this Ordinance and any Franchise Agreement through all remedies lawfully available.

2.07 Relationship of the Parties. Under no circumstances shall any Franchise Agreement authorized by this Ordinance be construed to create any relationship of agency, partnership, joint venture, or employment between the parties.

2.08 Indemnification. As a condition of use of the Rights-of-Way, every Grantee at its sole cost and expense, shall indemnify, protect, defend and hold harmless the Grantor, its elected officials, officers, employees, and agents acting in their official capacities, from and against any and all claims, demands, losses, damages, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, remedial actions of any kind, and all costs and expenses of any kind, including, without limitation, reasonable attorney's fees, directly or indirectly, in whole or in part, resulting from the granting of a Franchise, property damage or bodily injury (including accidental death) that arise out of Grantee’s construction, operation,

maintenance or removal of a Cable System, except to the extent arising from or caused by the sole or gross negligence or willful misconduct of the Grantor, its elected officials, officers, employees, agents or contractors. The Grantor shall give Grantee written notice of its obligation to indemnify and defend the Grantor within ten (10) business days of receipt of a claim or action pursuant to this Section. If the Grantor determines that it is necessary for it to employ separate counsel, the costs for such separate counsel shall be the responsibility of the Grantor.

SECTION 3. DEFINED TERMS

For purposes of this Ordinance, the following terms, phrases, words, and their derivatives shall have the meanings set forth in this Ordinance and any Franchise granted by Grantor, unless the context clearly indicates that another meaning is intended or unless otherwise more specifically defined in another Chapter or Code of the Grantor. Words used in the present tense include the future tense, words in the single number include the plural number, words in the masculine gender include the feminine, and words in the plural number include the singular. The words "shall" and "will" are mandatory, and "may" is permissive. Words not defined shall be given their common and ordinary meaning.

3.01 "Acceptance" means filing a written acceptance of a Franchise on a form approved by the Grantor's Solicitor with the Grantor's Secretary notifying the Grantee of such acceptance.

3.02 "Access Channels" means Channels as designated in a Franchise to be used for Public Access, Educational Access, or Government Access or any combination thereof.

3.03 "Access Facilities" means:

- A. Channel positions designated in a Franchise Agreement for Public, Educational, or Governmental Access ("PEG") use; and
- B. The facilities and equipment for the use of such Access Channel positions.
- C. Grantee does not relinquish its ultimate ownership of Access Facilities when designated for PEG use.

3.04 "Affiliate" means each person, directly or indirectly, controlling, controlled by, or under common control with the Grantee; provided that Affiliate shall in no event mean any limited partner or shareholder holding an interest of less than twenty-five percent (25%) of such Grantee, or any creditor of such Grantee solely by virtue of its status as a creditor and which is not otherwise an Affiliate by reason of owning a controlling interest in, being owned by, or being under common ownership, common management, or common control with, such Grantee.

3.05 "Applicable Law" means the Cable Act, all applicable FCC rules, this Ordinance, all generally applicable ordinances, and state statutes and rules and regulations, any amendments

thereto, and any of the applicable federal and/or state laws that are now existing or hereafter adopted or amended.

3.06 "Applicant" means any Person that applies for a Franchise pursuant to this Ordinance.

3.07 "Application" means the process by which an Applicant submits a request and indicates a desire to be granted an initial Franchise to utilize the Rights-of-Way of all, or a part, of Grantor jurisdictional area. An Application includes all written documentation, statements and representations, in whatever form or forum, made by an Applicant to Grantor concerning: the construction of a System over, under, on or through the Rights-of-Way; the area proposed to be served within Grantor by an Applicant; the portion of the Rights-of-Way proposed to be used by an Applicant; and any other matter pertaining to a proposed System, which is necessary for a determination as to whether or not Applicant meets the terms and conditions established by this Ordinance.

3.08 "Basic Service" means, to the extent required by federal law, any Service tier that includes the lawful retransmission of: (1.) all commercial television broadcast signals carried in fulfillment of the requirements of Section 614 of the Cable Act; (2.) qualified local non-commercial educational television broadcast signals carried in fulfillment of the requirements of Section 615 of the Cable Act; and (3.) any Public, Educational, and Governmental Access programming if required by a Franchise Agreement. Basic Service as defined herein shall be consistent with the Cable Act and federal law. A Franchise Agreement may include a more expanded definition based upon mutual agreement between Grantor and a Cable Operator.

3.09 "Cable Act" means the Cable Communications Policy Act of 1984, Pub. L. No. 98-549, (codified at 47 U.S.C. §§ 521-611 (1982 & Supp. V. 1987) as amended by the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, and the Telecommunications Act of 1996, Pub. L. No. 104-104 (1996) as it may, from time to time, be amended.

3.10 "Cable Operator" means any Person or group of Persons (a) who provides Cable Service over a Cable System and directly or through one (1) or more Affiliates owns a significant interest in such Cable System, or (b) who otherwise controls or is responsible for, through any arrangement, the management and operation of such a Cable System.

3.11 "Cable Programming" or "Video Programming" means programming provided by or generally considered comparable to programming provided by a television broadcast station.

3.12 "Cable Services" means the one-way transmission to Subscribers of (i) Video Programming or other programming service; and (ii) Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming service, as such term is defined in the Cable Act.

3.13 "Cable System" or "System" means a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed or used to provide Cable Services and which is capable of being provided to multiple Subscribers within the Grantor, but such term does not include:

- A. A facility that serves only to retransmit the television signals of one (1) or more television broadcast stations.
- B. A facility that serves Subscribers without using any Rights-of-Way.
- C. A facility of a common carrier which is subject, in whole or in part, to the provisions of 47 U.S.C. §§ 201-226, except that such facility shall be considered a Cable System (other than for purposes of 47 U.S.C. § 541(c)) to the extent such facility is used in the transmission of Cable Services directly to Subscribers.
- D. Any facility of any electric utility used solely for operating its electric utility system.

3.14 "Capital Costs" means costs associated with the purchase of video production assets, products or other resources that will provide service and support for Access Channels for more than one (1) year, but shall not have any meaning inconsistent with generally accepted accounting principles.

3.15 "Centre Area Cable Consortium" or "CACC" means the combined eight (8) communities, including Benner, College, Ferguson, Halfmoon, Harris and Patton Townships and the Boroughs of Bellefonte and State College.

3.16 "Channel" means a portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television Channel (as television Channel is defined by the FCC by regulation).

3.17 "Converter" means an electronic device that converts signals to a frequency not susceptible to interference within the television receiver of a Subscriber and, through the use of an appropriate Channel selector, permits a Cable Subscriber to view all authorized Cable Subscriber signals delivered at designated converter dial locations.

3.18 "Direct Incremental Costs" or "External Costs" means costs in the following categories: (i) state and local taxes and franchise fees applicable to the provision of Cable service; (ii) incidental costs of complying with franchise requirements, including bond premiums and other security payments, insurance and indemnification costs, penalties and liquidated damages, and the capital costs of providing Public, Educational, and Government Access Channels as required by the local franchising authority; (iii) retransmission consent fees or copyright fees incurred for the carriage broadcast signals; (iv) FCC regulatory fees pursuant to 47 U.S.C. §159; headend equipment costs necessary for the carriage of digital broadcast signals; and (v) other programming costs. Notwithstanding, in accordance with the FCC regulations, certain other charges are not incidental and they are to be considered part of the franchise fee

assessment subject to the five percent (5%) cap: attorney fees, consultant fees, application or processing fees that exceed the reasonable cost of processing such submissions, and complimentary or discounted services provided to Grantors.

3.19 "Drop" means the cable or cables or other hardwire technologies that connect the Cable System to the Subscriber's dwelling or residence to the nearest feasible point on the System in order to receive Cable Service.

3.20 "Educational Access" or "Government Access" shall mean the availability of Channel positions on the Cable System for non-commercial educational or government use by agencies, institutions, organizations, groups and individuals in the community, including the Grantor or their designees for the distribution of non-commercial programming not under the Grantee's editorial control and consistent with Applicable Law, including:

A. Educational Access shall mean access where local schools or education institutions, public or private, K-12, technical and community colleges, as well as other accredited institutions of higher learning, as the designated programmers having editorial control over their programming which shall concern their educational functions;

B. Government Access shall mean access where the Grantor, County, or other governmental entities, agencies or institutions, or their designees, as designated by the Grantor are the primary or designated programmer having editorial control over its programming which shall concern governmental meetings, activities, services, or community affairs; and

C. "EG" Access or "EG Access Channel" shall mean Educational Access and Government Access Channels, collectively.

3.21 "Federal Communications Commission" or "FCC" shall mean the Federal Communications Commission of the United States Government.

3.22 "Franchise or Franchise Agreement" means the initial authorization or renewal of the rights and obligations extended by the Grantor to a Person to own, lease, construct, maintain, or operate a Cable System in the Rights-of-Way within the Grantor for the purpose of providing Cable Services. It shall not mean or include: (i) any other permit or authorization required for the privilege of transacting and carrying on a business within the Grantor required by the ordinances and laws of the Grantor, including the provision of Telecommunications Services; (ii) any generally applicable permit, agreement, or authorization required in connection with construction and operations in the Rights-of-Way including, without limitation, permits and agreements for placing devices on poles, conduits, or other structures, whether owned by the Grantor or a private entity, or for excavating or performing other such work in or along the Rights-of-Way. Cable Operators shall be responsible for obtaining all generally applicable permits, licenses, or other forms of approval or authorization necessary prior to the commencement of any such construction activity. Notwithstanding, standard service installations, routine maintenance, or repair or replacement of parts on any part of the Cable System or its appurtenances (e.g., system passive devices, amplifiers, power supplies, pedestals,

or other related equipment) shall not require an Operator to obtain prior approval, authorization, permits, or licenses to perform such activities from the Grantor.

3.23 "Franchise Fee" means any tax, fee, or assessment of any kind imposed by the Grantor on a Cable Operator or its Subscribers, or both, solely because of their status and activities as such in accordance with Section 622(g) of the Cable Act. The term "Franchise Fee" does not include: (i) any tax, fee, or assessment of general applicability (including any such tax, fee, or assessment imposed on both utilities and Cable Operators or their Cable Services but not including a tax, fee, or assessment that is unduly discriminatory against Cable Operators or Subscribers); (ii) Capital Costs that are required by a Franchise to be incurred by a Grantee for Public, Educational or Governmental ("PEG") Access facilities; (iii) requirements or charges incidental to the award or enforcement of a Franchise, including payments for bonds, security funds, letters of credit, insurance, indemnification, penalties, or liquidated damages; or (iv) any permit fee or other such fee imposed under any valid ordinance; (v) any fee imposed under Title 17 of the United States Code; or (vi) Grantor utility pole fees.

3.24 "Grantee" means a Person, including a Cable Operator, who has been granted a Franchise to provide Cable Service by Grantor or is required to have a Franchise and that Person or Cable Operator's agents, employees, lawful successors, transferees, or assignees.

3.25 "Grantor" means the Township of Benner, Centre County, Pennsylvania.

3.26 "Gross Revenues" means any revenue actually received by a Grantee, or by any other entity that is a Cable Service on a Grantee's Cable System, including the Grantee's Affiliates, from the operation of the Grantee's Cable System to provide Cable Services in accordance with General Accounting Principals ("GAAP"). By way of illustration and not limitation, this definition would include, without limitation, revenue derived from Basic Service and other tiers of service, Franchise Fees paid by Subscribers, pay-per-view cable fees, installation and reconnection fees, leased access channel fees; Converter rentals; locally-derived revenue from home shopping to the extent conducted through a Cable Service; all lease access payments from the Cable System; locally-derived advertising revenues; revenues from two-way transmissions to the extent these transmissions are considered Cable Services under federal law; payments or other consideration received by the Grantee for the use of the Cable System to provide Cable Service or other Cable Service and accounted for as revenue under GAAP. Gross Revenues shall include revenue received by any entity other than the Grantee where necessary to prevent evasion or avoidance of the obligations under this Code or a Franchise to pay the applicable Franchise Fees. Revenues which are not directly attributable to specific Subscribers, including, but not limited to, leased access fees, advertising revenues, and home shopping commissions, shall be allocated among the franchising jurisdictions served by the Grantee's Cable System on a per Subscriber or other equitable basis measured in a consistent manner from period to period. Gross Revenues shall not include (i) to the extent consistent with GAAP, bad debt; provided, however, that all or part of any such bad debt that is written off but subsequently collected shall be included in Gross Revenues in the period collected; (ii) amounts collected from Subscribers for Public, Educational and Governmental Access, provided, however, this exclusion does not limit a Grantee's ability to pass through Franchise related costs to the extent allowed by valid Applicable Law; (iii) any taxes on Cable Services furnished by Grantee which are imposed

directly upon any Subscriber or user by the State, Grantor or other governmental unit and which are collected by Grantee on behalf of said governmental unit.

3.27 "Institutional Network" or "I-Net" means a communication network which is constructed or operated by Grantee and which is generally available only for educational or governmental use. The I-Net shall consist of capacity, fibers or both, from both within the primary cable network and/or separately constructed networks that may be dedicated to governmental, educational and other publicly funded users for two-way, broadband communications. The I-Net includes all equipment and maintenance of equipment required to make the capacity available, including, but not limited to, fiber and coaxial cable, cable modems, switching, routing, transmitting and receiving necessary for the use of the network as set out in the individual Franchise.

3.28 "Institutional Network Services" or "I-Net Services" means the provision of capacity in a Cable System made available by a Cable Operator to governmental and educational buildings as determined by the Grantor, pursuant to the specific terms of the applicable Franchise, for non-commercial applications including, but not limited to, two-way dedicated voice, video, data and telephony Channels connecting and interconnecting user facilities.

3.29 "Normal Business Hours" means those hours during which most similar businesses in the community are open to serve customers, e.g. Monday through Friday, 9:00 a.m. to 5:00 p.m. In all cases, Normal Business Hours must include some evening hours, at least one (1) night per week, and/or some weekend hours.

3.30 "Normal Operating Conditions" means those conditions that are within the control of Grantee. Those conditions that are not within the control of Grantee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, vandalism, public works projects for which no advanced notice is given, and severe or unusual weather conditions.

3.31 "Open Video System" or "OVS" means any video programming services provided to any person by a grantee certified by the FCC to operate an open video system pursuant to Section 653 of the Cable Act, as may be amended, regardless of the facilities used.

3.32 "Person" means any corporation, partnership, proprietorship, individual, organization, governmental entity or any natural person.

3.33 "Public Access" shall mean the availability of Channel positions on the System for non-commercial public use by Grantor for the distribution of non-commercial programming not under the Grantee's editorial control and consistent with Applicable Law. Further, Public Access shall mean access where organizations, groups, or individual members of the general public are the designated programmers having editorial control over their programming pursuant to rules which may be promulgated by the Grantor.

3.34 "Public Building" means any building or part thereof owned or leased or for the greater part occupied by the Grantor or other governmental unit for government administrative

purposes, but shall not include buildings owned by Grantor and leased to third parties or buildings such as storage facilities at which government employees are not regularly stationed.

3.35 "Renewal" means the re-authorization of a Franchise granted to an existing Cable Operator as provided under Applicable Law and this Ordinance.

3.36 "Reports" means any and all non-trade secret documents and information required to be completed and/or kept or filed by a Grantee on order of the Federal Communications Commission, State, or Franchise. In accordance with valid Applicable Law and Section 2.04 hereinabove, the Grantor shall maintain such information as confidential to the extent that the Cable Operator identifies specific information as such.

3.37 "Rights-of-Way" means the surface of and the space above and below any public street, public road, public highway, public freeway, public lane, public path, public way, public alley, public court, public sidewalk, public boulevard, public parkway, public drive or any public easement or Rights-of-Way now or hereafter held by the Grantor which shall, within its proper use and meaning, entitle Grantee to the use thereof for the purpose of installing or transmitting over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments and other property as may be ordinarily necessary and pertinent to a Cable System.

3.38 "Service Interruption" means the loss of picture or sound on one (1) or more Channels on a Cable System.

3.39 "Standard Installation" or "Normal Installation" means any Cable Service installation that can be completed using a Drop of one hundred twenty-five (125) feet or less.

3.40 "Subscriber" means any Person, who or which lawfully elects to subscribe for any purpose to Cable Service provided by a Grantee by means of, or in connection with, the Cable System, and whose premises or facilities are physically wired lawfully activated to receive Cable Service from Grantee's Cable System, including Persons who receive Cable Service without charge according to the terms of the Franchise.

3.41 "Telecommunications" means the transmission of electromagnetic signals 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 regardless of the technology used. This term does not include Cable Service.

3.42 "Telecommunications Act" means the Telecommunications Act of 1996 codified at Title 47 of the United States Code.

3.43 "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. This term does not include Cable Service, which is instead subject to separate Cable Service franchising requirements under this Ordinance.

3.44 "Trained Representative" means employees of a Grantee who have the authority and capability while speaking with a Subscriber to, among other things, answer billing questions, adjust bills, and schedule service and installation calls.

SECTION 4. FRANCHISE GENERAL PROVISIONS.

4.01 Franchise Required. It shall be unlawful for any Person to construct, operate or maintain a Cable System or other competing Cable services, including OVS, in the Grantor without a Franchise in the form of a Franchise Agreement authorizing the same, unless valid applicable federal or State law prohibits the Grantor's enforcement of such a requirement. Such Franchise Agreement shall comply with all of the specifications of this Ordinance unless otherwise specified by the Grantor.

4.02 Franchise Not Exclusive. Any Franchise granted by the Grantor shall be non-exclusive. The Grantor specifically reserves the right to grant, at any time, such additional Franchises for a Cable System or any component thereof, to any other Person including itself, as it deems appropriate, subject to this Ordinance and valid applicable State and Federal Law.

The terms and conditions of any Franchise granted or renewed after the effective date of this Ordinance shall be, when taken as a whole, no less burdensome or more beneficial than any other Franchise granted or renewed subject to this Ordinance when taking into consideration, where reasonably warranted, the situation that existed at the time in which the earlier terms were adopted; provided, however, that nothing herein shall be construed as requiring the use of identical terms or conditions, or limit the enforceability of conditions that are freely negotiated.

4.03 Authority for Use of Rights-of-Way. For the purpose of constructing, operating, and maintaining a Cable System in the Grantor, Grantee may erect, install, construct, repair, replace, relocate, reconstruct and retain in, on, over, under, upon, across and along the Rights-of-Way accessible for construction of a Cable System within the Grantor such lines, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, pedestals, attachments and other property and equipment as are necessary and appurtenant to the operation of the Cable System, subject to the requirements of this Ordinance and all other applicable Grantor codes. Nothing in this Ordinance shall be construed to require the Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

4.04 Franchise Term. A Franchise shall commence upon acceptance by Grantee as defined in Section 15 herein and as may continue for up to fifteen (15) years from the date of acceptance, unless renewed, revoked or terminated sooner as herein provided.

4.05 Area of Cable Service. Every Franchise shall apply to the area designated by the Franchise Agreement approved by the Grantor.

4.06 Application for Grant of Initial Franchise. In conformance with the Cable Act and FCC rules, an Application for an initial Franchise for a Cable System to provide Cable

Service shall at a minimum be subject to additional information needed by the Grantor, to understand the Application, including the following:

1. The Applicant's name.
2. The names of the Applicant's officers and directors.
3. The business address of the Applicant.
4. The name and contact information of a designated contact for the Applicant.
5. A description of a geographic area of the Grantor that the Applicant proposes to serve.
6. The Public Access or EG Access Channel capacity and capital support proposed by the Applicant.
7. The term of the agreement proposed by the Applicant.
8. Whether the Applicant holds an existing authorization to access the public Rights-of-Way in the Grantor Franchise.
9. The amount of Franchise Fee the Applicant offers to pay.
10. Information necessary for Grantor to evaluate a Grantee's legal, technical, and financial qualifications to construct, own, and operate a Cable System.
11. Any additional information required by applicable state laws or Grantor Ordinances.

4.07 Consideration of Initial Franchise Application. Applicants may be evaluated according to the information included in an Application as required by Section 4.06, and within a maximum time, after ninety (90) days for Persons with existing authority to access Rights-of-Way and one hundred eighty (180) days for Persons that do not have authority to access Rights-of-Way. The times start on the date an Applicant files an Application or other writing including certain minimum information which is set forth in Section 4.06 of this Ordinance and deemed complete by the Grantor. The Grantor and an Applicant may agree, in writing, to extend the ninety (90)/one hundred eighty (180)-day time period for negotiations. It may then be adopted at the date as permitted by this Section 4.07. If the ninety (90)/one hundred eighty (180)-day time elapses without action by the Grantor, the Applicant is automatically granted an interim Franchise based on the Application submitted. Thereafter, the Grantor and applicant may continue to negotiate the terms of a franchise in an attempt to reach a negotiated Franchise. The ninety (90)/one hundred eighty (180)-day time may be tolled by the Grantor if it has requested and not received information from the Applicant.

4.08 Grant of Additional Franchise and Competing Service.

A. Since competing or overlapping Franchises may encourage the introduction of better Cable Services and quality at lower prices, the Grantor will at all times attempt to accommodate additional entrants. At the same time it is recognized that the introduction of overlapping Cable Systems could have a potential adverse impact on the Rights-of-Way, and on the quality and availability of existing Cable Services to the public. Accordingly, the Grantor shall issue a Franchise in an area where another Grantee is operating only following a public hearing to consider the potential impact which the grant of an additional Franchise may have on the community and the

Rights-of-Way. In considering whether to grant one or more additional Franchises, the Grantor shall specifically consider, and address in a written report, the following issues:

1. Whether or not Applicant has provided, at a minimum, information with its Application as required by Section 4.06, and consideration described in Section 4.07.
2. The legal, technical, and financial qualifications of Applicant and agreement by a Grantee to comply with such requirements of the Grantor as may be determined by it to be applicable to a Grantee in conformance with Applicable Law.
3. Acceptance of a Franchise and the terms therein.
4. The capacity of the Rights-of-Way to accommodate one or more additional Cable Systems and the potential disruption of Rights-of-Way and private property that may occur if one or more additional Franchises are granted.
5. Such other information as the Grantor may deem appropriate to be considered prior to granting any competing or overlapping Franchise.

4.09 Application for Franchise Renewal. Renewals will be according to valid Applicable Law, as amended. A Grantor and a Grantee, by mutual consent, may enter into Renewal negotiations at any time during the Franchise term of a Franchise Agreement. According to Applicable Law, Grantor will review and evaluate the past performance of a Grantee, including compliance with an existing Franchise. Also, review and determination by Grantor of current and future community needs and the technical, financial, and legal capabilities of a Grantee to meet the current and future cable service-related needs in a new Franchise considering the reasonable cost to do so.

4.10 Permits for Non-Franchised Entities. The Grantor may issue a license, easement, or other permit to a Person other than the Grantee to permit that person to traverse any portion of the Rights-of-Way for purposes other than providing Cable Service. Such license or easement, absent a grant of a Franchise in accordance with this Ordinance, shall not authorize nor permit said Person to provide Cable Service of any type to any home or place of business within the Grantor nor render any other service within the Grantor except as specifically authorized by Grantee.

4.11 Franchise Provisions.

A. All Franchises granted pursuant to this Ordinance are subject to this Ordinance, including at least the following provisions:

1. The continuing authority of Grantor to impose such other regulations of general applicability through lawful exercises of the Grantor's

police powers as may be determined by the Grantor to be conducive to the health, safety, and welfare of the public.

2. The continuing authority of Grantor to control and regulate the use of Rights-of-Way.

3. The authority of Grantor or its designees upon reasonable notice to inspect all construction or installation work performed by a Grantee in Grantor subject to the provisions of the Franchise and this Ordinance, and to make such inspections as it will find necessary during regular business hours to insure compliance with the terms of the Franchise, this Ordinance, and Applicable Law.

4. The authority of Grantor or its designees to inspect the financial records related to Franchise Fees, maps, plans, and other like materials of the Grantee upon reasonable notice to insure compliance with the terms of the Franchise, this Ordinance, and Applicable Law.

5. The authority of a Grantor, upon the revocation or denial of renewal as provided therein, to require a Grantee to remove at Grantee's own expense any and all portions of a Cable System from the Rights-of-Way within the Grantor; provided, however, Grantee shall not be required to remove its Cable System, or to relocate the System, or to sell the System, or any portion thereof as a result of revocation, denial of renewal, or any other action to forbid or disallow Grantee from providing Cable Services if the System is actively being used to provide non-cable services or other services not regulated under the Cable Act.

6. The authority of a Grantor to require a Franchise Fee.

B. Federal, State, and Grantor Jurisdiction.

1. This Ordinance and any Franchise Agreement will be construed in a manner consistent with all Applicable Law.

2. In the event that the state or federal government discontinue preemption in any area of Cable Service over which it currently exercises jurisdiction in such a manner as to expand rather than limit municipal regulatory authority, the Grantor and a Grantee shall in good faith negotiate applicable change to modify a Franchise Agreement to comply with the changed law to ensure competitive equity between a Grantee and other Cable Operators, taking into account the conditions under which other Cable Operators are permitted to provide Cable Services to Subscribers in the Grantor.

3. This Ordinance will apply to all Franchises granted or renewed from and after the effective date of this Ordinance.

4. Grantee will not be relieved of Grantee's obligation to comply with any of the provisions of this Ordinance or any Franchise Agreement granted pursuant to this Ordinance by reason of any failure of the Grantor to enforce prompt compliance.

5. In the event of a change in Applicable Law affecting this Ordinance, the Grantor may amend this Ordinance to comply with such change in Applicable Law.

C. Franchise Agreement.

1. By acceptance of a Franchise, a Grantee acknowledges and agrees, unless otherwise provided in the Franchise, that this Ordinance in whole and its Exhibits are incorporated and made part of a Franchise Agreement and shall be a binding contract. In addition, the Franchise Agreement accepted by a Grantee is deemed to include the following representations:

a. Grantee accepts and agrees to all of the provisions of this Ordinance, as to construction, operation, or maintenance of the Cable System, which the Grantor may include in the Franchise Agreement subject to Applicable Law.

b. Grantee has examined all of the provisions of this Ordinance and agrees that the provisions thereof are valid and binding and enforceable as of the effective date of the Franchise Agreement.

c. Grantee recognizes the right of the Grantor to adopt such additional regulations of general applicability as it will find necessary in the exercise of the Grantor's police power. Any amendment to the Grantor Code binding on Grantee shall be confined to changes which do not materially alter the rights and obligations of Grantee granted under a Franchise Agreement.

2. The Franchise Agreement will contain such further conditions or provisions as may be included in the proposal of a Grantee and negotiated between the Grantor and a Grantee. In case of such conflict or ambiguity between any terms or provisions of a Franchise Agreement and this Ordinance, the Franchise Agreement will control.

SECTION 5. DESIGN, SERVICES, AND CAPABILITIES.

5.01 Cable System Design. Every Grantee shall offer Cable Service that meets the cable-related needs of the Grantor in accordance with Applicable Law. The Franchise shall include a description of the Grantee's Cable System including the general design and capabilities of the Cable System to identify how the Cable System will meet the current and future Cable

needs of the Grantor and the schedule for commencement and completion of construction. Every Grantee shall have responsibility for the design and maintenance of a Cable System including subscriber premises equipment, unless the equipment is owned by the Subscriber. Every Grantee will provide notices regarding the use and operation of any equipment to be operated by Subscribers in accordance with federal law.

5.02 System Description and Maps. A Grantee shall provide the Grantor, upon written request, a complete set of Cable System location maps of the service area, on which will be shown those areas within the Grantor which its Cable System exists and the description and location of all Rights-of-Way within which the Cable System has been constructed. These maps shall be provided to the Grantor in hardcopy and, if available, electronic format. Updated maps shall be delivered to the Grantor within thirty (30) days after a request is made.

5.03 Bi-Annual Technology Review. It is recognized that technology is rapidly changing and that subsequent to its initial construction, further modifications to incorporate increased Channel capacity with compression technology, fiber optics and other unidentified technologies which materially affect the capability of the System to offer new and additional services such as interactive television, video on demand and similar services, will be desirable. No more than once every two (2) years, the Grantor or its representatives, with the cooperation and assistance of a Grantee, may conduct a full compliance review, including possible public hearing, with respect to whether Grantee has complied with the material terms of the Franchise Agreement, so long as it provides Grantee with ninety (90) days written notice in advance of the commencement of any such review or public hearing.

5.04 Grantor, Installation and General Line Extension Policy.

A. A Grantee providing initial Cable Service within a Grantor shall serve all residential areas as described in the Franchise Agreement and shall extend Cable System and Cable Service to contiguous areas upon request of the Grantor when a density of thirty (30) homes per cable mile is reached. In a Renewed Franchise, the Franchise Agreement will provide a description of the Grantee's current service area. Grantee will extend Cable Service to contiguous areas which have thirty (30) homes per cable mile. Nothing herein shall be construed to prevent a Grantee from serving areas not covered under this Section upon agreement with developers, property owners, commercial and business establishments, or residents.

B. Subscribers who request Installation or maintenance or repairs shall be given an "appointment window" for installations, service calls, and other installation activities at a specific time or, at a maximum, a four (4)-hour time block during Normal Business Hours. (The Grantee may schedule service calls and other installation activities outside of Normal Business Hours for the convenience of the customer). Persons requesting Installation of residential cable service shall be afforded a right of rescission between the time Cable Service is requested and the time service is actually installed. All Standard Installations, reconnects, service upgrades or downgrades shall be performed within seven (7) working days of the date the order was placed by the Subscriber unless a line extension is required, in which event Cable Service shall be extended in accordance

with Section 5.04.D of this Ordinance. Standard Installations are those that are located up to one hundred twenty-five (125) feet from the existing distribution system or the distribution system to be built in compliance with this Section 5.04.

C. Only those homes which require Drops in excess of one hundred twenty-five (125) feet shall be required to pay for Grantee's materials and labor costs, at the rate per foot. All other installations shall be performed at no more than the advertised normal installation rate.

D. Grantee shall extend Cable Service to any residence(s) upon the written request of one (1) or more residents who shall reside within the requested extension area and who shall agree to subscribe to Grantee's Cable Service where the number of occupied homes, and homes for which certificates of occupancy have been issued, which would be served by the requested extension equals seven (7) homes per one-quarter (1/4) cable mile or more with the measurement starting from the closest existing usable point of connection to the System. Unless additional time has been agreed to by the Grantor, such extensions shall be completed within ninety (90) days of submittal of a request (weather permitting) where the above density standard is met and all additional utility permits or other Right-of-Way permits have been obtained. The Grantor and Grantee may agree to a different time for extension in particular instances.

E. If the number of homes per one-quarter (1/4) cable mile is less than seven (7), the requesting subscriber(s) may obtain service by paying a share of the incremental cost of the extension as follows:

Grantee shall pay a share of costs calculated as the fraction derived from the existing density as calculated above divided by seven (7) homes per one-quarter (1/4) mile; requesting subscriber(s) share shall equal the remainder. For example, if the existing density is three (3) homes per one-quarter (1/4) mile, Grantee shall pay forty percent (40%) of the extension cost and the requesting subscriber(s) shall pay the remaining sixty percent (60%).

When Grantee receives a request for an extension, the Grantee shall, within thirty (30) days, respond in writing with its calculation of the density and such other terms as may be needed to fully inform subscriber(s), including cost sharing and reimbursement procedures. If the density is less than seven (7) homes per one-quarter (1/4) mile, Grantee shall also provide a firm price good for ninety (90) days reflecting the proportional share which the requesting Subscriber(s) must pay on a cost sharing basis to obtain Cable Service. Within ninety (90) days from payment of the cost share by prospective Subscriber(s) and receipt of all necessary utility permits or other Right-of-Way permits, Grantee shall complete the extension of service. A Franchise may include a description of the cost sharing policy in place if different than what is described in this Section.

F. Nothing in this Section 5.04 shall prohibit the Grantor, the Grantee, or real estate developers from entering into an agreement whereby entire new housing

developments in the Grantor shall be pre-wired for efficient future expansion of Cable Service.

5.05 Interconnection. In accordance with Applicable Law, including FCC rules, and the purposes of allowing for Public Access and EG Access Programming telecasts on Cable Systems serving Subscribers in the Grantor and adjoining communities, a Grantee will not interfere with additional connections by other Cable Operators at studio or transmission source for Public Access and/or EG Access Programming telecasts in the Grantor. Such connections shall be made by direct return line connection or other appropriate methods independent of a Grantee's Cable System.

5.06 Provision of Service.

A. After Cable Service has been established by activating trunk and distribution cable for any area, Grantee shall make a standard installation to any requesting Subscriber within that area seven (7) days from the date of request.

B. A Grantee, upon written request of Grantor, shall install and provide Basic Service as described in a Franchise Agreement, (excluding Pay-Per-View Television and non-video services) to all Public Buildings designated by Grantor in a Franchise at no charge for either the initial Normal Installation or for monthly service provided at each location. Each of these installations should include one (1) signal Drop, one (1) outlet, and one (1) Converter (or such other terminal equipment as may be necessary to provide an electronic interface with a television receiver). The Public Buildings to be provided this complimentary service shall include Public Buildings currently connected to and receiving complimentary Basic Service; Public Buildings as described in a Franchise; or any such newly-constructed Public Buildings.

C. If more than one (1) outlet is required at any Public Building as described in a Franchise, Grantee shall install such other outlets at the cost charged to other institutional facilities for installation and ongoing service. The distribution of the Cable System inside such buildings shall be the responsibility of the user.

D. If required by Grantor under the Franchise, Grantee will make available, without charge, one (1) free cable modem service outlet to all School buildings and Public Libraries. The specific locations shall be identified in the Franchise Agreement. For the purposes of this Section, the term "School" means an educational institution that receives funding pursuant to Title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C. § 6301 et seq., as amended and does not mean "home schools."

5.07 Technical Standards. A Cable System of a Grantee shall be designed, constructed and operated so as to meet those technical standards promulgated by the Federal Communications Commission relating to Cable Systems contained in part 76 of the Federal Communications Commission's rules and regulations relating to Cable Systems and found in Code of Federal Regulations, Title 47, Sections 76.601 to 76.617, as amended, or as may, from time to time, be amended. The results of tests required by the Federal Communications

Commission must be filed with the Grantor within ten (10) business days of written request.

5.08 Special Testing.

A. At any time after commencement of service to Subscribers upon thirty (30) days' written notice, and in the presence of a representative of the Grantee, the Grantor may require or may retain an independent engineer to perform additional tests, full or partial repeat tests, or tests involving a specific Subscriber's Drop. Such additional tests will be made on the basis of Complaints received or other evidence indicating an unresolved controversy or significant noncompliance, and such tests will be limited to the particular matter in controversy.

B. The Grantor shall endeavor to so arrange its requests for such special tests during regular business hours so as to minimize hardship or inconvenience to Grantee or to the Subscriber. The rights and obligations of the Grantor and Grantee under this Section shall at all times be subject to Applicable Law and FCC regulation.

SECTION 6. CONDITIONS FOR USE OF RIGHTS-OF-WAY AND CONSTRUCTION.

6.01 Construction. Grantee shall comply with all generally applicable codes and ordinances with respect to construction within Rights-of-Way, and shall obtain all necessary permits and licenses required by federal, state and local law, ordinances and rules as required of other like users of the Rights-of-Way, before commencing construction in Grantor Rights-of-Way. A Grantee shall furnish to Grantor a written description of its System, including the size, appearance, and location of aboveground facilities, boxes, pedestals, and equipment being installed under their permit. The Grantor may review the submittal for compliance with the Grantor ordinances and include this as an Exhibit in a Franchise. This requirement shall not be interpreted or construed in any way to require a Grantee to obtain from Grantor prior approval, authorization, permits, or licenses to repair above-ground appurtenances, pedestals, and similar equipment or replace with facilities of the same or comparable size, or to perform maintenance or repairs on any part of the System where the Right-of-Way is not being disturbed.

6.02 Compliance with Laws. As a minimum, and without limitation, Grantee shall adhere to the Grantor's generally-applicable ordinances relating to Rights-of-Way construction and use safety standards and all building and zoning codes currently or hereafter in force in the Grantor. The construction, installation, and maintenance of the Cable System shall be effectuated by Grantee in a manner that is consistent with the laws, ordinances and construction standards of the Commonwealth of Pennsylvania, all applicable industry standards, the Occupational Safety and Health Administration, FCC, and the Standards of Good Engineering Practices for Measurement of Cable Systems of the National Cable Television Association to the extent applicable, as well as all other valid generally Applicable Laws, rules, regulations and ordinances, federal, state and local, as the same may be modified or amended from time to time, pursuant to the Grantor's legitimate exercise of its police powers.

6.03 Minimum Interference. A Grantee shall construct and maintain its Cable System

so as to minimize any adverse impact on public improvements or facilities of others in a Rights-of-Way and which will not unnecessarily interfere with the usual and customary uses in the Rights-of-Way.

6.04 Erection of Poles Prohibited Without Approval.

A. A Grantee shall not erect, for any reason, any pole on or along any Rights-of-Way or in an existing aerial utility system without the prior approval of the Grantor or owner of the facilities proposed to be attached to. A Grantee shall negotiate with the Grantor or, as applicable, any private utility and furnish Grantor with a copy of a current pole attachment agreement or agreement for conduit use, or both, before commencement of construction.

B. Above-ground location of Cable System and related facilities shall generally be located where reasonable and safe and in a manner that will not adversely affect the Grantor or other public or private property.

6.05 Reservations of Rights-of-Way. Nothing herein or in a Franchise shall be construed to prevent the Grantor from constructing sewers, grading, paving, repairing or altering any Rights-of-Way, or laying down, repairing or removing water mains or constructing or establishing any other public work. All such work shall be done, insofar as practicable, in such manner as not to obstruct, injure or prevent the free use and operation of poles, wires, conduits, conductors, pipes or appurtenances of Grantee. If any such facilities of Grantee shall interfere with the construction or repair of any Rights-of-Way or public improvement, then upon thirty (30) days written notice all such property of the Grantee shall be removed or replaced in such manner as shall be directed by the Grantor so that the same shall not interfere with the public works of the Grantor. Such removal or replacement shall be at the expense of Grantee. The Grantee shall at all times have the right to abandon its property. However, any such abandonment shall be in accordance with pole attachment agreements, a Franchise, and valid applicable state, federal and local law.

6.06 Underground Installation. In those areas within the Grantor where Cable System facilities and other utilities are currently placed underground, all Cable System facilities shall remain or be placed underground. In areas where telephone and electric utility facilities are above ground at the time of a Grantee's installation, Grantee may install its Cable System facilities above ground, provided that at such time as both electric and telephone utility facilities are placed underground, Grantee shall likewise place its Cable System facilities underground without cost to the Grantor. Nothing contained in this Section shall require Grantee to construct, operate and maintain underground any ground-mounted appurtenances.

6.07 New Subdivision. A Grantee shall offer cable services to residential development constructed or erected after the date of this Ordinance; provided the dwelling units meet the Density Requirement, specified herein. The developer or subdivider developing any residential development within the Grantor shall give advance written notice to Grantee of the beginning of excavation for or construction of off-site improvements in any residential development to enable installation of such conduit, pedestals, substructures and other equipment as may be necessary to

provide Cable Service to the residential units in such a development so as to provide minimal interference with surface improvements. The same density requirements shall apply as defined in this Ordinance. If the developer gives the Grantee adequate notice (as defined below), then Grantee shall be obligated to install all cable lines underground at the time the subdivision is constructed rather than when the individual lots are actually occupied.

In cases of new construction or property development where utilities are to be placed underground, the developer or property owner shall give the Grantee at least ten (10) days' written notice of such construction or development, and of the particular date on which open trenching will be available for the Grantee's installation of conduit and/or cable. The Grantee shall provide specifications as needed for trenching.

Cost of trenching and easements required to bring Cable Service to the development shall be borne by the developer or property owner; provided, however, if the Grantee fails to install its conduit and/or cable within ten (10) working days of the date the trenches are available, as designed in the notice given by the developer or property owner, and the trenches are closed after the five (5) day period, the cost of new trenching shall be borne by the Grantee.

6.08 Property Damage and Repair.

A. Grantee shall endeavor to minimize the occurrence of damage to improvements in the Rights-of-Way and all public and private property. If damage occurs, Grantee shall promptly notify the property owner within seven (7) days in writing. Whenever the Grantee disturbs or damages any Rights-of-Way, other public property or any private property, the Grantee shall promptly restore the property to a condition reasonably comparable to that existing immediately prior to the disturbance. In addition, if Grantee is restoring Rights-of-Way, it shall do so in accordance with all applicable requirements. If restoration is not satisfactorily performed by the Grantee within a reasonable time, the Grantor may, after prior written notice to the Grantee, or without notice where the disturbance or damage may create a risk to public health or safety, cause the repairs to be made and recover the costs of those repairs from Grantee. Within thirty (30) days of receipt of an itemized proof of payment of those costs, including the cost of labor, materials and equipment, the Grantee shall pay the Grantor.

B. Upon completion of work which caused any disturbance or damage to private property, Grantee shall promptly commence restoration and will use its best efforts to commence the restoration within seventy-two (72) hours of written notice from Grantor, weather permitting and considering the nature of the work that must be performed. Grantee shall also perform such restoration in accordance with any customer service standards required by a Franchise.

C. When Grantee excavates the surface of any Rights-of-Way, Grantee shall be responsible for restoration of such excavation in accordance with all Grantor general ordinances, rules, regulations and standards. Throughout the term of its Franchise, Grantee's Cable System and related facilities including above-ground pedestals, vaults,

boxes, generators, power supplies or structures of any kind, shall be maintained in proper order and repair.

D. Upon completion of restoration in any area, Grantee will notify the Grantor.

E. If Grantee enters private property for the purposes of construction where there is no dedicated public easement, Grantee shall first secure the private property owner's consent.

6.09 Permit Requirements.

A. Subject to the generally applicable ordinances of Grantor, a Franchise and this Ordinance establishes the general rules and scope of authority for Grantee to construct and maintain and operate its Cable System within the Rights-of-Way of the Grantor. Grantee shall designate a responsible contact person including a telephone number available seven (7) days a week, twenty-four (24) hours a day, with whom representatives of the Grantor can communicate with on all matters relating to Cable System installation, construction, operation, and maintenance.

B. Prior to any excavation within the Rights-of-Way, a Grantee shall obtain a permit, pay all applicable fees, and perform such work in accordance with applicable provisions of a Franchise, and/or other applicable ordinances or regulations with respect to excavation work. Notwithstanding the above, no permit shall be required for Cable Service drops for individual Subscribers, servicing of pedestals, or other routine maintenance of the Cable System that does not result in surface disturbance of the public right of way as outlined in Section 6.01.

C. A Grantee must be current with all requirements of this Ordinance and all Franchise requirements, including payment of required fees and charges and insurance before a permit is issued by Grantor.

6.10 Cable System Drawings. Grantee shall keep and maintain accurate records and as-built drawings of its Cable System constructed, reconstructed, or relocated within the Grantor's Rights-of-Way in accordance with Section 5.02 of this Ordinance. Grantee shall cooperate promptly and fully with the Grantor and take all reasonable measures necessary to provide accurate and complete information regarding the nature and location of its Cable System located within the Rights-of-Way when requested by the Grantor to facilitate public improvements. Such location maps and information shall be at the sole expense of Grantee without expense to a Grantor, its employees, agents, or authorized contractors.

6.11 Grantee Responsible for Costs. All earth, materials, sidewalks, pavings, crossings, utilities, public improvements, or improvements of any kind disturbed or removed by a Grantee in its activities under its Franchise shall be fully repaired or replaced promptly by a Grantee and as required elsewhere in this Ordinance and the Franchise Agreement and as may be required in accordance with applicable Grantor's streets and sidewalks design standards and state

law. Any such repair or replacement shall be at Grantee's sole expense and to the reasonable satisfaction of the Grantor or owner thereof.

6.12 Procedure for Enforcement and Administration Relating to Construction. The Grantor has the responsibility to manage and control use of the Rights-of-Way or utility easements within the Grantor's jurisdictional boundaries. In accordance with Applicable Law, including ordinances of general application, the Grantor has the authority to administer and enforce Rights-of-Way construction standards for Grantee's Cable System on a non-discriminatory basis, including the authority to collect permit fees, review plans, and enforce the provisions of a Franchise, and, may utilize the assistance of qualified independent third parties.

A. Upon reasonable notice, the Grantor has the right to inspect all construction or installation work performed subject to the provisions of this ordinance and applicable Franchises of the Grantor; and to make such tests as they it shall find necessary to ensure compliance with the terms of a Franchise and applicable requirements of the Grantor; provided, however, a representative of Grantee is present for all such testing, which shall occur during normal business hours (generally between the hours of 9:00 a.m. and 5:00 p.m.).

B. Nothing in this Ordinance or a Franchise granted pursuant to it gives permission to use the poles, conduit or other facilities of the Grantor or others. A separate agreement for such use or connection shall be the responsibility of Grantee.

6.13 Work Performed by Others.

A. A Grantee shall make available, upon request, to the Grantor the names and addresses of any Person, contractor, subcontractor, agent, representative or entity other than the Grantee, which performs services pursuant to a Franchise; provided however, that all provisions of this Ordinance and a Franchise remain the responsibility of a Grantee.

B. All provisions of a Franchise shall apply to any of a Grantee's subcontractors or others performing any work or services pursuant to the provisions of a Franchise.

SECTION 7. SERVICE PROVISIONS.

7.01 Parental Control Device. Upon request by any Subscriber, Grantee shall make available at Grantee's actual cost a parental control or lockout device compatible with the Subscriber's equipment that will enable the Subscriber to block access to any or all Channels in accordance with Sections 640 and 641 of the Cable Act.

7.02 Leased Access Channels. Leased access channels shall be provided in accordance with Section 612 of the Cable Act. A leased access channel need not be activated or otherwise

made available for any particular user until such time as an agreement with respect to charges for said Channel has been reached between Grantee and said user. Grantee shall charge no more for said Channel use than that amount allowed under Federal or State law.

7.03 Emergency Use and Safety Alert. The Grantee shall comply with all emergency or disaster notification requirements in accordance with and at the time required by the provisions of the then applicable valid law, including FCC Regulations [47 C.F.R. Part 11, FCC Rules and Regulations, Emergency Alert System (EAS)] and provisions relating to the Grantor's Emergency Operations Plan [35 Pa. C.S. §§ 7101 – 7707] and the Pennsylvania Amber Alert System [35 P.S. § 7025.1 et seq.].

7.04 Institutional Network.

A. A Grantee shall -- if required in the Franchise Agreement -- construct, activate, and thereafter maintain an Institutional Network capable of transmitting two-way voice, data and video signals. A specific plan shall be made part of a Franchise Agreement.

B. The Institutional Network shall be designed and constructed so as to interconnect Public Buildings including educational institutions, Grantor facilities, libraries, police and fire departments and other institutions as designated by Grantor.

7.05 Access Channels.

A. If required in the Franchise Agreement, the Grantee shall make bandwidth on its Cable System available for up to two (2) downstream Channels for non-commercial Access programming use. Channel capacity for Public Access shall be provided if required in a Franchise and approved unanimously by the CACC. Additional PEG Channel capacity shall be made available when, over a period of six (6) consecutive months, sixty percent (60%) of the prime time (7:00 p.m. to 11:00 p.m. each evening) on the existing Access Channel(s) on average are fully occupied with locally-produced Access Channel programming. Such additional Channel availability will be provided within one hundred eighty (180) days of the Grantor's certification of such use and written request for additional Channel(s). Grantee shall offer to each of its Subscribers who receive all or any part of the Cable Services offered on the System, reception of the Access Channels. No charges shall be made for Channel time or playback of prerecorded programming. Management of the Access Channels programming shall be the responsibility of the Grantor, and not the responsibility of the Grantee.

B. It shall be the Grantee's sole responsibility to provide the cable, wire, lines and/or other necessary signal distribution equipment such that live or playbacks of Access Channel programming can be received from the selected production location and be distributed via the Cable System to Subscribers in the Grantor. These cables, wires, lines and other signal distribution equipment shall be collectively known as the "Return Line."

C. Access Channels may also be used by Grantee, when such Channel or Channels are not being used by Grantor for Access programming and provided that such Channel usage is subject to Grantor approval and displacement by Grantor upon one hundred eighty (180) days prior written notice to the Grantee if there is demand to use the Access Channel.

D. The Grantee shall be responsible for the technical maintenance and, signal quality of such Channels. Signal quality on such Channels shall be commensurate with those which apply to the Grantee's regular commercial Channels and the Grantee shall, upon request, provide copies of FCC signal quality proofs of performance with respect to those Channels.

7.06 Access Channel Funding, Facilities, and Equipment.

A. The Grantee shall provide financial support permissible under Applicable Law as an equipment replacement and facilities capital grant payable by Grantee to Grantor to support the cost of facilities and equipment for development of programming for playback on Access Channels in the amount and payable in a manner described in a Franchise, and may be itemized and passed through to the Subscribers. The Grantor shall own and maintain all equipment purchased with equipment funding.

B. The Grantee will provide Access Channel support as specifically agreed to in the Franchise Agreement; and to periodically inspect and maintain the Return Line to ensure that the technical quality of the retransmitted access programming signal meets FCC regulations. The Grantee will not engage in any editorial control of the content of programming on an Access Channel on the Cable System, except as otherwise required or permitted by law. The Grantor shall be solely responsible for the use of the Access Channels and shall indemnify and hold harmless the Grantee from any and all claims, demands, actions and damages (including attorney's fees) arising from the use or operation of the Access Channels.

C. Use of a Channel position for Public, Educational, and/or Governmental ("PEG") access shall be provided on the most basic tier of service offered by Grantee in accordance with the Cable Act, and a Franchise Agreement.

D. Grantee shall insure that all Access Channels meet the technical standards of the FCC; provided, however, Grantee shall not be responsible for defects, flaws or other impairments in the Access Channel programming delivered to Grantee and shall only be responsible for maintenance for facilities and equipment under its control applicable to the playback of programming on Access Channels of a Grantee's System.

E. If Grantee makes changes to its Cable System that necessitate modifications to Access Channel(s) signal transmission facilities and equipment (including but not limited to the upstream paths), Grantee shall provide reasonable advance notice of such changes to the Grantor and shall provide, at Grantee's expense, any additional or modified headend facilities necessary to implement such modifications

within a reasonable period of time prior to the date that the System changes are to be made.

F. Upon request by the Grantor, the Access Channels shall be made available in digital formats comparable to commercial offerings at the time Grantee converts sixty percent (60%) of its System to digital transmission.

SECTION 8. OPERATION AND REPORTING PROVISIONS.

8.01 Open Books and Records. The Grantor shall have the right to inspect, upon thirty (30) days' written notice, at any time during normal business hours at the System office all books, records, maps, plans, financial statements that directly relate to the Franchise, Cable Service Complaint logs ("trouble calls" that have generated a work order and/or necessitated a response originating from the Grantor received during the prior twelve (12) month period), performance test results, and other like materials of Grantee that relate directly to the terms and conditions of the Franchise. Said books and records shall be made available for inspection at the local business office of Grantee. Upon proper request by a Grantee and pursuant to Section 2.05 herein, information obtained during such an inspection shall be treated as confidential, making it available only to those persons who must have access to perform their duties on behalf of the Grantor, including but not limited to financial personnel, solicitor's office, and members of the governing body, if it is proprietary in nature or within the definitions of closed records contained within the Pennsylvania Open Meetings Act, Sections 610.010, et seq., as amended from time to time. To the extent any federal requirement for privacy applies to the information to be submitted said law shall control.

8.02 Communications with Regulatory Agencies. Copies of all petitions, applications, communications and reports submitted by a Grantee or on behalf of or relating to Grantee to the FCC or any other federal or state regulatory commission or agency having jurisdiction in respect to any matters affecting the System authorized pursuant to this Franchise shall also be submitted to the Grantor upon written request. Copies of responses from the regulatory agencies to Grantee shall likewise be furnished to the Grantor within thirty (30) days of receipt of the response.

8.03 Annual Report. Upon written request, Grantee shall provide to the Grantor within thirty (30) days of such request:

A. A current financial statement for the immediately preceding fiscal year including an income statement, statement of operating expenses in detail, a cash flow statement and a balance sheet prepared in accordance with generally accepted accounting principles and certified by a financial officer of Grantee. Submission of the most recent U.S. Securities and Exchange Commission Annual Report Form 10-K prepared by Grantee shall be deemed as a satisfactory compliance of this Section.

B. A description of all tiers or levels of service being offered together with a description of any changes made in any service during the reporting year.

C. A current copy of the Subscriber service information required in this Ordinance.

D. A Trouble Call Report or compilation summarizing the Complaints received during the reported year by category, number for each category and a discussion of any unresolved Complaints.

E. A certification of the Gross Revenues derived from the Grantor area, for the preceding year by the financial representative of the company or alternatively, an independent certified public accountant.

F. A description of how pay-per-view, on-demand, and other programming is made available to Basic Service only Subscribers.

G. A description of services, including modifications, upgrades, or increases in Channel capacity.

In any request for information pursuant to this Section, the Grantor shall specifically identify the information to be provided by Grantee to the Grantor.

8.04 Additional Reports. Grantee shall prepare and furnish to the Grantor, at the times and in the form prescribed, such additional reports, which are deemed by the parties as reasonably necessary for the administration and enforcement of this Ordinance and a Franchise.

8.05 Maps. Grantee shall maintain on file with the Grantor at all times a current map or set of maps, either via paper or electronic format, drawn to scale showing the location of the System and all equipment installed or in place in Rights-of-Way and other public places. The maps shall be updated and made available in accordance with Section 5.02, herein above.

8.06 Audit. The Grantor and their agents and representatives shall have the authority, during normal business hours, to arrange for and conduct an inspection of the books and records of Grantee related to the payment of the franchise fee. Grantee shall first be given thirty (30) days' written notice of the audit request, the description of and purpose for the inspection and description, to the best of the Grantor's ability. To the extent such books, records or documents contain confidential information as defined in Section 8.01 of this Ordinance, such confidential information may not be disclosed, as described in Section 8.01.

8.07 Periodic Evaluation, Review and Modification. The field of Cable Service and technology is a relatively new and rapidly changing one which may see many regulatory, technical, financial, marketing and legal changes during the term of a Franchise Agreement. Therefore, in order to provide for a maximum degree of flexibility in a Franchise, and to help achieve a continued advanced and modern Cable System, the following evaluation provisions will apply:

A. The Grantor may require, at its sole discretion upon forty-five (45) days written notice, evaluation sessions at any time during the term of a Franchise; provided,

however, there shall not be more than one evaluation session during any three (3) calendar years.

B. Topics which may be discussed at any evaluation session include, but are not limited to Grantee's ability to comply with the legal, financial, and technical requirements of the Franchise; and meet the cable-related needs of the community, and any other cable-related topics the Grantor or a Grantee deem relevant.

C. During an evaluation session, a Grantee shall fully cooperate with the Grantor and shall provide without cost such information and documents as the Grantor may request to perform the evaluation. To the extent such information or documents contain confidential information as defined in Section 8.01 of this Ordinance such confidential information may not be disclosed.

D. If at any time during its evaluation, the Grantor determines that a historical record of evidence exists of Cable System performance which fails to meet the requirements of this Ordinance, the Grantor may require a Grantee to perform tests and analysis directed toward such suspected inadequacies at a Grantee's expense. A Grantee shall fully cooperate with the Grantor in performing such testing and any report prepared by a Grantee shall include at least:

1. A description of the problem in the Cable System performance which precipitated the special tests.

2. The Cable System component tested.

3. The equipment used and procedures employed in testing.

4. The method, if any, by which the Cable System performance problem was resolved.

5. If, after receiving a Grantee's report, the Grantor determines that reasonable evidence still exists of inadequate Cable System performance, the Grantor may enlist an independent engineer to perform tests and analysis directed toward such suspected failures to meet the requirements of this franchise. A Grantee shall be a witness to and cooperate and permit said testing.

E. As a result of a periodic review and evaluation session, the Grantor or a Grantee may determine that a change in the terms of the Franchise should be required to meet the cable-related needs of the community, as determined by the Grantor's governing body, that the Cable System or Franchise requirements should be updated, changed, revised, or that additional Cable Service should be provided and that to provide same would be technically and economically feasible. If the change is consistent with the terms of this Ordinance or the Franchise, the needs of the Grantor, and is technically and economically feasible as determined following an evaluation of a Grantee's financial condition, length of term remaining on the franchise, economic waste, if any, that would

occur should the terms be changed, and rate of return on the investment within the community, the parties will in good faith, review the terms of the proposed change and any amendment to this Ordinance or a Franchise. Based on this review, and upon adoption of such a change or new requirement through a mutually agreed upon and acceptable amendment, the change will become effective.

SECTION 9. CONSUMER PROTECTION PROVISIONS

9.01 Approval of Changes. The Grantor reserves the right to regulate rates for Basic Service and any other services offered over the Cable System, to the extent provided by federal or state law. In accordance with the Cable Act, Grantee shall maintain on file with the Grantor at all times a current schedule of all rates and charges.

9.02 Subscriber Complaint Practices. At all times, a Grantee shall meet the requirements of the Federal Communications Commission regulations on Consumer Complaints and Protection. However, at a minimum and in accordance with 47 C.F.R. § 76.309, as amended, a Grantee shall comply with the following:

A. A Grantee shall maintain a conveniently-located local office within the CACC service area which shall be open during normal business hours. This office shall accept payments, handle adjustments to subscriber bills, respond to installation, repair, and/or maintenance requests and other service calls. A Grantee shall have a toll-free telephone number available at all times (an access line which will be available to its subscribers twenty-four (24) hours-a-day, seven (7) days-a-week). Trained company representatives shall be available to respond to customer telephone inquiries during normal business hours. Except in situations beyond its control, the Grantee must begin working on a service interruption or other service problems no later than twenty-four (24) hours after being notified of the problem. If the problem cannot be resolved within twenty-four (24) hours, the customer shall be entitled upon request to a credit for one (1) day's service for each day of the outage. Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made, and the customer will receive a busy signal less than three percent (3%) of the time. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety percent (90%) of the time under normal operating conditions, measured on a quarterly basis. A Grantee shall not be required to acquire equipment or perform surveys to measure compliance with these standards unless an historical record of complaints indicates a clear failure to comply. After Normal Business Hours, the access line may be answered by a service or an automated response system.

B. A Grantee may impose a charge reasonably related to a Grantee's actual cost incurred for a downgrade of service, except that no such charge may be imposed when:

1. A Subscriber requests total disconnection from the Cable System;

or

2. A Subscriber requests the downgrade within a thirty (30) day period following any rate increase relative to the service in question.

C. A Grantee shall render efficient service, make repairs promptly and interrupt Cable Service only for good cause and for the shortest time possible. Such interruptions shall occur during periods of minimum use of the Cable System.

D. A Grantee shall maintain adequate telephone lines and Personnel to respond in a timely manner to schedule service calls and answer Subscriber Complaints or inquiries as required by this Section 9.02.

E. Subscriber requests for repairs of service interruptions shall be responded to by a trained customer service representative on the next business day. A Grantee shall use best efforts to begin working on service interruptions promptly and in no event later than twenty-four (24) hours after the interruption becomes known. A Grantee shall begin actions to correct other service problems the next business day after notification of the service problem.

F. Subscriber requests for maintenance or repairs received on Saturdays or Sundays shall be responded to by a customer service representative on the next business day. A Grantee shall use its best efforts to begin working on service interruptions promptly and in no event later than twenty-four (24) hours after the interruption becomes known. Grantee shall begin actions to correct other service problems the next business day after notification of the service problem.

G. Service calls for maintenance or repair shall be performed in accordance with the standards established by the FCC.

H. A Grantee shall maintain an "appointment window" alternative for installations, service calls and other installation activities that will be either a specific time or, at maximum, a four (4) hour time block during normal business hours. A Grantee shall not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment. If a customer service representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer shall be contacted. The appointment shall be rescheduled, as necessary, at a time which is convenient for the customer.

9.03 Installation. A Grantee shall make service available to all Grantor residents based on the terms and conditions outlined in Section 5 of this Ordinance.

9.04 Subscriber Information.

A. A Grantee shall provide to all new Subscribers and, at least once a year, to existing Subscribers, and upon request of a subscriber, written Subscriber service

information which shall include, but not be limited to, the following:

1. Products and services offered by Grantee;
2. Prices and options for programming services, including programming carried on the System such that the programming information corresponds to Channel positioning;
3. Channel positions and programming carried on the Cable System;
4. Installation policy and service maintenance and termination procedures;
5. Billing and complaint procedures including Grantee's Address, Telephone Number and Office hours; and
6. Instructions on how to use the Cable Service and any converters.

B. A Grantee shall notify Subscribers and the Grantor no less than thirty (30) days in advance of any changes in rates, programming services, or Channel positions, provided such change is within the control of the Grantee. Grantee shall not be required to provide prior notice to Subscribers 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, the Commonwealth of Pennsylvania or the Grantor on the transaction between the Grantee and the Subscriber.

9.05 Subscriber Billing Practices.

A. As mentioned herein above, Grantee shall notify each of its existing Subscribers at least once a year, all new Subscribers, and upon request of a Subscriber, of its billing practices in accordance with FCC rules. Bills shall be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, Basic Service and Premium tier service charges, if applicable, equipment charges and any installation or repair charges. Bills shall state the billing period, including an effective due date, the amount of current billing and any relevant credits or past due balances. Grantee shall not assess late fees for non-payment of a current bill until at least thirty (30) days have elapsed since the mailing of the bill by Grantee.

B. As mentioned herein above, Subscribers shall be notified of any changes in rates, programming services or Channel positions as soon as possible through announcements on the Cable System and/or in writing. Notice must be given to subscribers a minimum of thirty (30) days in advance of such changes if the change is within the Grantee's control.

C. The Subscriber bill shall contain the following information presented in plain language and format:

1. Name and address of Grantee;
2. The period of time over which each chargeable service is billed including prorated periods as a result of the establishment and termination of service;
3. A fully itemized list of charges levied for programming services, equipment provided, and other services or items offered, and a report of all activity during the billing period, including optional charges, rebates and credits;
4. The amount of the bill for the current billing period, separate from any balance;
5. A Grantee's telephone number and a statement that the Subscriber may call this number with any questions about the bill; and
6. The date on which payment is due from the Subscriber.

D. The account of a Subscriber shall not be considered delinquent until at least thirty (30) days have elapsed from the due date of the bill, which shall be a date certain. The following provisions shall apply to the imposition of late charges on Subscribers:

1. A Grantee shall not impose a late charge on a Subscriber unless a Subscriber is delinquent, and Grantee has given the Subscriber written notice of the delinquency.
2. A late charge of reasonable amount may be imposed monthly.
3. No late charge may be assessed on the amount of a bill in dispute if found in favor of the Subscriber.
4. Any charge for returned checks shall be reasonably related to the costs incurred by a Grantee in processing such checks.

E. In case of a billing dispute, a Grantee shall respond to a written complaint from a Subscriber within thirty (30) days. Refund checks shall be issued promptly, but no later than either the customer's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or the return of the equipment supplied by the cable operator if service is terminated. Credits for service shall be issued no later than the customer's next billing cycle following the determination that a credit is warranted.

9.06 Mobility-Limited Subscribers. Unless otherwise agreed in a Franchise Agreement, upon the request of mobility-limited Subscribers, a Grantee shall make a good faith effort to arrange for delivery, pickup or exchange or replacement of converters or other

equipment at the Subscriber's address or by the use of a satisfactory equivalent means such as provision of a pre-paid postage mailer.

9.07 Dispute Resolution.

A. Every Grantee shall establish procedures for receiving, acting upon, and resolving customer complaints, and crediting customer accounts, without intervention by the Grantor.

B. The Grantee's complaint procedure shall be filed with the Grantor prior to its Acceptance of a new or renewed Franchise.

C. The Grantee's investigation of a Subscriber complaint shall be concluded in no more than thirty (30) days after receiving a written complaint, at which time the Grantee shall notify the Subscriber of the results of its investigation and its proposed action or credit.

D. In the event of a billing dispute, Grantee shall notify the Subscriber in full accordance with FCC customer service regulations regarding billing and complaint procedures and provide the address and telephone number of Grantor's cable office.

9.08 Scrambling of Cable Channels. In accordance with Sections 640 and 641 of the Cable Act, Grantee shall fully scramble or block the audio and video programming of a channel upon request by a cable service Subscriber without charge.

9.09 Programming.

A. Programming Decisions. All programming decisions shall be at the sole discretion of Grantee; provided, however, that the Grantor shall be notified of any changes in rates, Channel positions or programming service as required by FCC customer service regulations.

SECTION 10. GENERAL FINANCIAL AND INSURANCE PROVISIONS.

10.01 Payment to Grantor.

A. As compensation for any Franchise granted pursuant to this Ordinance, a Grantee for a Cable System located in the Rights-of-Way, unless negotiated in a Franchise Agreement, shall have the following obligations:

1. Application Fee for Initial Franchise. In addition to all other fees, permits or charges required by the Grantor, an Applicant for an initial franchise shall pay to Grantor at the time of Application, or amendment to its Application, One Thousand Dollars (\$1,000.00) as a deposit on the application fee. An Applicant will be assessed an additional application fee at the end of the review

process should the Grantor's actual costs of reviewing the application exceed the deposit. This fee will be equal to one hundred percent (100%) of Grantor's costs (including administration overhead, legal, consulting, etc.) for administering the Application and granting a Franchise. Any unused portion of the deposit shall be returned to the Applicant.

2. Franchise Fees. Any Grantee subject to the terms of this Ordinance and a Franchise Agreement shall, in addition to any other fees, permits, or charges by Grantor, commence making payment of franchise fees on the effective date of a Cable Services Franchise Agreement or if such Grantee is already providing Cable Services over the Cable System, on the date of the passage of this Ordinance. Commencing on the specified date, a Grantee subject to the terms of this Ordinance, shall pay to Grantor an amount equal to five percent (5%) of its Gross Revenues for the provision of Cable Services as defined in this Ordinance and generally in the form as illustrated in Exhibit A, attached and made part of this Ordinance by reference.

B. Payments due the Grantor under this provision shall be computed at the end of each calendar year quarter. Payments shall be due and payable for each quarter not later than forty-five (45) days from the last day of the three (3)-month period. Specifically, payments shall be due and payable on or before May 15 (for the first quarter), August 15 (for the second quarter), November 15 (for the third quarter), and February 15 for the fourth quarter). Each payment shall be accompanied by a brief report showing the basis for the computation and such other relevant facts related to the payment of the franchise fee as may be required by the Grantor. At request of Grantor, and if agreed to by Grantee, payments will be made electronically.

C. No acceptance of any payment shall be construed as an accord that the amount paid is in fact the correct amount, nor shall such acceptance of payment be construed as a release of any claim the Grantor may have for further or additional sums payable under the provisions of this Franchise. All amounts paid shall be subject to audit and re-computation by the Grantor.

D. In the event any payment is not made on the due date, interest on the amount due shall accrue from such date at the annual rate of six percent (6%).

E. If a Grantee offers bundled, tied, or combined Cable Services (which are subject to the Franchise Fee) with non-cable services (which are not subject to the Franchise Fee) to individual Subscribers, the combined revenues from such bundled services shall be allocated consistent with the rates or prices advertised by the Grantee through its marketing materials or on its published rate card.

If the Grantee does not advertise or publish separate prices for the combined services, the percentage that the price for the combined services is discounted from the regular retail rates of the individual services shall be pro-rated across all the services in the bundled package.

As an example, a Grantee may offer a “bundle” of video, data, and voice services for a flat fee of Seventy-Five Dollars (\$75.00) where the retail rate for the services purchased on an individual basis would equal One Hundred Dollars (\$100.00). The Grantee would apply a twenty-five percent (25%) discount to the revenue derived from each service. Thus, if the retail rate for the Cable Service in the bundle were Fifty Dollars (\$50.00), Grantee would recognize Cable Service revenue in the amount of Thirty-Seven Dollars and Fifty Cents (\$37.50) and pay a franchise fee on that revenue.

In no event shall Grantee be permitted to evade or reduce applicable franchise fee payments required to be made to Grantor due to discounted bundled services.

10.02 Application of Franchise Fees and Other Fees and Charges.

A. Grantee acknowledges and agrees that the Franchise Fees payable by Grantee to Grantor shall not be deemed to be in the nature of a tax, and shall be in addition to any and all taxes of general applicability and other generally applicable fees and charges which Grantee may be required to pay to Grantor and/or to any other governmental authority, all of which shall be separate and distinct obligations of Grantee.

B. Grantee shall not deduct all or any part of the Franchise Fees or other payments or in-kind contributions to be made by Grantee to Grantor pursuant to this Ordinance and/or a Franchise from the Franchise Fees paid thereunder unless specifically agreed to in a Franchise Agreement.

10.03 Performance Bond.

A. Except as may be described in a Franchise, at the time a Franchise is accepted, a Grantee shall furnish and file with the Grantor a performance bond. The performance bond shall run to the Grantor in the sum of as then determined in the Franchise Agreement. The performance bond shall be conditioned upon the faithful performance of Grantee of all terms and conditions of this Ordinance and a Franchise. The rights reserved to the Grantor with respect to the performance bond or other security are in addition to all other rights the Grantor may have under a Franchise or any other Applicable Law. The company providing such performance bond must be licensed to do business in the Commonwealth of Pennsylvania.

B. The rights reserved by the Grantor with respect to the performance bond are in addition to all other rights the Grantor may have under a Franchise or other Applicable Law.

C. The performance bond shall be subject to the approval of the Grantor.

10.04 Security Fund.

A. Except as otherwise described in a Franchise, at the time a Franchise is accepted, and, in lieu of a performance bond as required herein above, a Grantee shall deposit into a bank account, established by the Grantor, and maintain on deposit through the term of this Franchise, the sum of Ten Thousand Dollars (\$10,000.00), unless otherwise provided in a Franchise Agreement, as a common security fund for the faithful performance by it of all the provisions of this Ordinance, the Franchise and compliance with all orders, permits and directions of the Grantor and the payment by a Grantee of any claim, liens, costs, expenses and taxes due the Grantor which arise by reason of the construction, operation or maintenance of the Cable System. Interest on this deposit shall be paid to Grantee by the bank on an annual basis.

B. Provision shall be made to permit the Grantor to withdraw funds from the security fund. Grantee shall not use the security fund for other purposes and shall not assign, pledge or otherwise use this security fund as security for any purpose. The Grantor reserves the right to increase the required amount of the security fund to match changes in the Consumer Price Index for All Items and All Urban Consumers.

C. If a Grantee fails to pay to the Grantor any amounts due and unpaid to Grantor; or fails to pay to the Grantor any liquidated damages, costs or expenses which the Grantor shall be compelled to pay by reason of any act or default of a Grantee in connection with this Ordinance and a Franchise, the Grantor may then withdraw such funds from the security fund. Payments are not franchise fees as required in Section 10.01, or as otherwise described in a Franchise Agreement.

10.05 Procedure for Imposition of Penalties.

A. If the Grantor is able to demonstrate that Grantee violated any provision of this Ordinance or Franchise Agreement, it shall promptly notify Grantee in writing of the nature of such violation and the section of this Ordinance or Franchise Agreement that it believes has been violated. If the Grantor does not notify Grantee of any violation of this Ordinance or Franchise Agreement, it shall not operate as a waiver of any rights of the Grantor hereunder or pursuant to Applicable Law.

B. Grantee shall have forty-five (45) days to cure such violation after written notice is received by taking appropriate steps to comply with the terms of this Ordinance or Franchise Agreement. If the nature of the violation is such that, in the Grantor's reasonable judgment, it cannot be fully cured within forty-five (45) days due to circumstances outside of Grantee's control, the period of time in which Grantee must cure the violation may be extended by the Grantor in writing for such additional time necessary to complete the cure, provided that Grantee shall have promptly commenced to cure and is diligently pursuing its efforts to cure in the reasonable judgment of the Grantor.

C. If the violation has not been cured within the time allowed under Section 10.05.B of this Ordinance, then Grantee shall be liable for liquidated damages in accordance with Section 10.06 of this Ordinance.

10.06 Liquidated Damages and Opportunity to Cure.

A. Because Grantee's failure to comply with provisions of this Ordinance or Franchise Agreement may result in harm to the Grantor and because it will be difficult to measure the extent of such harm, the Grantor may assess liquidated damages against Grantee in the following amounts provided Grantee has had an opportunity to cure in accordance with Section 10.05.B of this Ordinance. Such damages shall not be a substitute for specific performance by Grantee, but shall be in addition to such performance.

B. The first day for which liquidated damages may be assessed, if there has been no cure after the end of the applicable cure period, shall be the day after the end of the applicable cure period, including any extension of the cure period granted by the Grantor. Liquidated damages may not be assessed for a time period exceeding one hundred and twenty (120) days, after which the Grantor may initiate an action in law or equity in a court of competent jurisdiction.

C. The Grantor may assess liquidated damages against Grantee in the following amounts provided Grantee has had an opportunity to cure in accordance with Section 10.05.B of this Ordinance:

1. For failure to provide and maintain Cable Service as required, Two Hundred Dollars (\$200.00) per day for each day the violation continues;

2. For failure to obtain and maintain permits as required, Two Hundred Dollars (\$200.00) per day for each day the violation continues;

3. For failure to give notices required in this Ordinance or Franchise to Grantor as required, Two Hundred Dollars (\$200.00) per day for each day the violation continues;

4. For failure to comply with any customer service provisions as required, Two Hundred Dollars (\$200.00) per day for each day the violation continues;

5. For failure to submit reports in a timely fashion as required, One Hundred Fifty Dollars (\$150.00) per day for each day the violation continues; and

6. For failure to comply with any material provision of the Franchise, One Hundred Fifty Dollars (\$150.00) per day for each day the violation continues.

10.07 Liability Insurance.

A. A Grantee shall maintain, throughout the term of a Franchise Agreement and as may be further described therein, liability insurance with a company licensed to do

business in the Commonwealth of Pennsylvania with a rating by A.M. Best of not less than "A-minus VII," insuring Grantee and the Grantor with regard to all damages mentioned in paragraph A of Section 10.06 of this Ordinance, in the minimum amounts of:

1. One Million Dollars (\$1,000,000) for bodily injury or death to any one (1) Person;
2. One Million Dollars (\$1,000,000) for bodily injury or death resulting from any one accident; and
3. Two Million Dollars (\$2,000,000.00) for all other types of liability in umbrella form.

B. At the time of acceptance of a Franchise, and upon request, Grantee shall furnish to the Grantor a certificate evidencing that a satisfactory insurance policy has been obtained. Said certificate shall be approved by the Grantor and such insurance policy shall require that the Grantor be notified thirty (30) days prior to any expiration or cancellation.

C. All insurance policies maintained pursuant to this Section 10.07 shall contain the following or similar endorsement:

"Should any of the policies described herein be canceled before the expiration date thereof, the insurer affording coverage will endeavor to mail thirty days written notice to the certificate holder named herein, but failure to mail such notice shall impose no obligation or liability of any kind upon the insurer affording coverage, its agents, or representatives, or the insurer of this certificate."

D. A Grantee will replace such insurance to conform to this Ordinance by promptly filing evidence of proof of insurance with Grantor before termination of any existing insurance.

10.08 Grantor's Right to Revoke. In addition to all other rights which the Grantor has pursuant to law or equity, the Grantor reserves the right to initiate revocation proceedings, and all rights and privileges pertaining thereto, in the event that:

A. It is demonstrated that Grantee substantially and materially violated any material provision of this Franchise or state, federal or local law applicable to Grantee's operation of a Cable System within Grantor.

B. It is demonstrated that Grantee repeatedly violates, after notice and opportunity to cure, any of the material provisions of the Franchise or provision of valid applicable state, federal or local law and refuses to cure it.

C. A Grantee is found to have practiced any fraud or deceit upon the Grantor or Subscriber.

D. A Grantee is found to have knowingly misrepresented a material fact in the application for, negotiation of, renegotiation of, or renewal of the Franchise.

10.09 Revocation Procedures. In the event that the Grantor determines that a Grantee has violated any material event as set forth in Section 10.08 of this Ordinance, or any generally applicable material federal, state or local law, the Grantor may make a written demand on a Grantee that it remedy such violation and that continued violation may be cause for revocation. If the violation, breach, failure, refusal, or neglect is not remedied to the satisfaction of the Grantor within forty-five (45) days following such demand, the Grantor shall determine whether or not such violation, breach, failure, refusal or neglect by Grantee is due to acts of God or other causes which result from circumstances beyond Grantee's control.

A. The Grantor may schedule a public hearing and Grantee shall be provided with an opportunity to be heard. This opportunity shall include the ability to introduce evidence, to question witnesses and to respond to any notice of grounds to terminate in accordance with the standards of a fair hearing applicable to administrative hearings in the Commonwealth of Pennsylvania. The causes for pending revocation and the reasons alleged to constitute such cause shall be recited in a notice to a Grantee prior to the public hearing. Said notice shall affirmatively recite the causes that need to be shown by the Grantor to support a revocation. All notice requirements shall be met by providing Grantee at least forty-five (45) days prior written notice (via certified mail – return receipt requested) of any public hearing concerning the proposed revocation of a Franchise.

B. If notice is given and after a public hearing is held, the Grantor determines there is a violation, breach, failure, refusal or neglect by a Grantee, the Grantor shall state in writing the grounds for its decision and give notice to a Grantee to correct or remedy the same within such reasonable additional time, in such manner and upon such reasonable terms and conditions as Grantor may direct.

C. If after a public hearing or hearing by a hearing officer, designated by Grantor, it is determined that a Grantee's performance of any of the terms, conditions, obligations, or requirements of Franchise was prevented or impaired due to any cause beyond its reasonable control or not reasonably foreseeable, such inability to perform shall be deemed to be excused and no penalties or sanctions shall be imposed as a result thereof, provided Grantee has notified Grantor in writing within thirty (30) days of its receipt of notice of the breach of said cause. Such causes beyond a Grantee's reasonable control or not reasonably foreseeable shall include, but shall not be limited to, acts of God, civil emergencies and labor strikes.

D. If, after notice is given and opportunity to cure, at a Grantee's option, a public hearing is held, the Grantor determines there was a violation, breach, failure,

refusal or neglect, then the Grantor may declare, by formal resolution, a Franchise revoked and cancelled and of no further force and effect unless there is compliance within such period as Grantor may fix, such period not to be less than thirty (30) days provided no opportunity for compliance need be granted for fraud or misrepresentation.

E. The issue of revocation shall automatically be placed upon the agenda of the Grantor's governing body at the expiration of the time set by it for compliance. The Grantor then may terminate a Franchise forthwith upon finding that a Grantee has failed to achieve compliance or may further extend the period, in its discretion.

F. If the Grantor, after notice is given and, at a Grantee's option, a full public proceeding is held and appeal is exhausted, declares a Franchise breached, the parties may pursue their remedies pursuant to a Franchise or any other remedy, legal or equitable.

SECTION 11. FORECLOSURE AND ABANDONMENT.

11.01 Foreclosure. Upon the foreclosure or other judicial sale of the System, Grantee shall notify the Grantor of such fact and such notification shall be treated as a notification that a change in control of Grantee has taken place, and the provisions of this Franchise governing the consent to transfer or change in ownership shall apply without regard to how such transfer or change in ownership occurred.

11.02 Abandonment. Grantee may not abandon any portion of the Cable System thereof without having first given three (3) months written notice to the Grantor. Grantee may not abandon any portion of the Cable System without compensating the Grantor for damages resulting from the abandonment.

SECTION 12. REMOVAL, TRANSFER AND PURCHASE.

12.01 Removal After Revocation or Denial of Renewal.

A. Upon denial of renewal of a Franchise, or upon its revocation, as provided for, the Grantor shall have the right to require a Grantee to remove within two (2) years, at a Grantee's expense, all or any portion of the Cable System from all Rights-of-Way and Public Property within the Grantor. In so removing the Cable System, a Grantee shall refill and compact at its own expense, any excavation that shall be made and shall leave all Rights-of-Way, Public Property and private property in as good a condition as that prevailing prior to Grantee's removal of the Cable System, and without affecting, altering or disturbing in any way electric, telephone or utility, cables wires or attachments. The Grantor, or its delegation, shall have the right to inspect and approve the condition of such Rights-of-Way and Public Property after removal. Under no circumstance including, without limitation, revocation, or denial of renewal of a Franchise or any other action to forbid or disallow Grantee from providing Cable

Services, shall Grantee or its assignees be required to sell any right, title, interest, use or control of any portion of Grantee's facilities including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the Grantor or any third party. Grantee shall not be required to remove or to relocate the plant that facilitates Internet access, digital voice, or other such services not governed by Title VI of the Communications Act of 1934, as amended, or any portion thereof as a result of revocation, denial of renewal or any other action to forbid or disallow Grantee from providing Cable Services.

B. Except as otherwise provided in paragraph A of this Section, if a Grantee has failed to complete such removal within the time given under Section 12.01.A of this Ordinance, after written notice of the Grantor's demand for removal is given, the Grantor shall have the right to exercise one of the following options:

1. Declare all right, title and interest to the Cable System to be in the Grantor or its delegator with all rights of ownership including, but not limited to, the right to operate the Cable System or transfer the Cable System to another for operation by it; or

2. Declare the Cable System abandoned and cause the Cable System, or such part thereof as the Grantor shall designate, to be removed at no cost to the Grantor. The cost of said removal shall be recoverable from the security fund, indemnity and/or penalty section provided for in a Franchise, or from a Grantee directly.

12.02 Sale or Transfer of Franchise.

A. A Franchise shall not be sold, assigned or transferred (including through inheritance), either in whole or in part, used as collateral for any loan or loans, or leased or sublet in any manner, nor shall title thereto, either legal or equitable, or any right, interest or property therein, pass to or vest in any Person without full compliance with the procedure set forth in this Section.

B. Neither Grantee nor its parent nor any Affiliated Entity shall transfer, assign or otherwise encumber, through its own action or by operation of law, its right, title or interest in the Cable System or in a Franchise Agreement without the prior written consent of the Grantor. Neither Grantee nor its parent nor any Affiliated Entity shall sell, convey, transfer, exchange or release more than fifty percent (50%) of its equitable ownership in the Cable System without the prior written consent of the Grantor. No such consent shall be required for (i) a transfer in trust, by mortgage, hypothecation, or by assignment to a financial institution of any rights, title or interest of Grantee in the Franchise or in the Cable System in order to secure indebtedness; or (ii) a transfer to an entity owned and/or controlled by Grantee.

1. The parties to the sale or transfer shall make a written request to the Grantor for its approval of a sale or transfer. The written request shall not be

deemed complete until all information required by the Grantor in accordance with applicable FCC regulations is provided to the Grantor. Upon receipt of a complete written request with all application information – including the legal, financial and technical qualifications of the transferee, the Grantor shall have one hundred twenty (120) days to grant or deny such approval. Within thirty (30) days of the request, in accordance with FCC rules and regulations, notify the Grantee in writing of the additional information, if any, it requires to determine the legal, financial and technical qualifications of the transferee or new controlling party.

2. The Grantor shall reply in writing within thirty (30) days of the request and shall exercise its determination that a public hearing is necessary.

3. If a public hearing is deemed necessary pursuant to (2) above, such hearing shall be commenced within thirty (30) days of such determination and notice of any such hearing shall be given fourteen (14) days prior to the hearing by publishing notice thereof. The notice shall contain the date, time and place of the public hearing and shall briefly state the substance of the action to be considered by the Grantor.

4. Within thirty (30) days after the closing of the public hearing, the Grantor shall approve or deny in writing the sale or transfer request. If the Grantor has not taken final action on the Grantee's request for consent within one hundred twenty (120) days after receiving such request, consent shall be deemed granted.

5. Any consent by the Grantor for any transfer described above shall not be effective until the proposed transferee or assignee shall have executed a legally binding agreement stating that it shall be bound by all the terms and conditions contained in the Franchise.

12.03 Purchase by Grantor Upon Denial of Renewal or Revocation.

A. Upon lawful denial of renewal or revocation of Franchise, the Grantor may, in lawful manner and upon the payment of fair market value, mutually determined Grantor and Grantee, lawfully obtain, purchase, condemn, acquire, take over and hold the Cable System.

B. Upon the revocation of a Franchise, the Grantor may in lawful manner and upon the payment of an equitable price lawfully obtain, purchase, and condemn, in accordance with such proceedings governed by federal and/or state law, take over and hold the Cable System.

SECTION 13. RIGHTS OF INDIVIDUALS PROTECTED.

13.01 Unfair Discriminatory Practices Prohibited. In the performance of a Franchise, a Grantee shall not discriminate unfairly against any person on the ground of or because of race, creed, color, national origin or ancestry, gender, religion or political opinion or affiliation, income of residents in any area of the Grantor, or age. A Grantee shall comply at all times with all other valid applicable federal, state and local laws, and all federal and state executive and administrative orders relating to non-discrimination.

13.02 Subscriber Privacy.

A. Absent a court order or requirement of federal or state law, no Signal of a Channel may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber; provided, however, that Grantee may conduct system-wide or individually addressed "sweeps" solely for the purpose of verifying system integrity, checking for illegal taps, controlling return-path transmission, billing for pay services or monitoring Channel usage in a manner not inconsistent with the federal law. Grantee shall not record or retain any information transmitted between a Subscriber and any third party, except as required for lawful business purposes. The request for such permission shall be contained in a separate document with a prominent statement that the Subscriber is authorizing the permission in full knowledge of its provisions. Such written permission shall be for a limited period of time not to exceed one (1) year which shall be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever. Such permission shall be required for each type or classification of cable communications activity planned for the purpose of monitoring individual viewing patterns or practices.

B. No information or data obtained by monitoring transmission of a Signal from a Subscriber terminal, or any other means, including but not limited to, lists of the names and addresses of such Subscribers or any lists that identify the viewing habits of Subscribers shall be sold or otherwise made available to any party other than to a Grantee and its employees for internal business use, and also to the Subscriber subject of that information, unless a Grantee has received specific written authorization from the Subscriber to make such data available.

C. Compliance with the Cable Act, Section 631, shall be deemed compliance with this Section 13.02 of this Ordinance.

SECTION 14. MISCELLANEOUS PROVISIONS.

14.01 Compliance with Laws. A Grantee and the Grantor shall act reasonably and in good faith, deal fairly, and cooperate with each other to enable performance of all obligations under this Ordinance and achievements of the expected benefits. A Grantee shall conform to all Grantor ordinances, resolutions, rules and regulations heretofore or hereafter adopted or

established during the entire term of a Franchise Agreement which conform with generally applicable Grantor ordinances.

14.02 Continuity of Service Mandatory. Upon revocation or lawful denial of renewal of a Franchise Agreement, the Grantor may require a Grantee to continue to operate the Cable System for an extended period of time not to exceed six (6) months. A Grantee shall, as trustee for its successor in interest, continue to operate the Cable System under the terms and conditions of a Franchise Agreement. In the event a Grantee does not so operate the Cable System, the Grantor may take such steps as it, in its sole discretion, deems necessary to assure continued service to Subscribers.

14.03 Work Performed by Others.

A. All provisions of this Franchise shall remain the responsibility of a Grantee, and a Grantee shall be responsible for and hold the Grantor harmless for any claims or liability arising out of work performed by Persons other than a Grantee in accordance with Section 2.08 of this Ordinance. The Grantee shall further provide all emergency contact information (name, address, phone number, etc.) for Grantee employee responsible for said entity.

B. All provisions of this Ordinance and a Franchise shall apply to any subcontractor or others performing any work or services pursuant to the provisions of a Franchise.

14.04 Compliance with Federal, State and Local Laws.

A. Conflict of Law. If any federal, state or local law or regulation requires or permits a Grantee or the Grantor to perform any service or act or shall prohibit a Grantee or the Grantor from performing any service or act which may be in conflict with the terms of a Franchise, then as soon as possible following knowledge thereof, Grantor and a Grantee may by mutual agreement and in accordance with such change in law, modify a Franchise Agreement.

B. Severability. If any term, condition or provision of this Ordinance or a Franchise or the application thereof to any Person or circumstance shall, to any extent, be rendered invalid or unenforceable as in conflict with any law, rule or regulation of a superior governmental body, the remainder hereof and the application of such term, condition or provision to Persons or circumstances other than those as to whom it shall be held invalid or unenforceable shall not be affected thereby, and this Ordinance and a Franchise and all the terms, provisions and conditions thereof shall, in all other respects, continue to be effective and to be complied with. In the event that such law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision which had been held invalid or modified is no longer in conflict with the law, rules and regulations then in effect, said provision shall thereupon return to full force and effect and shall thereafter be binding on a Grantee and the Grantor.

C. In the event that any court or other authority of competent jurisdiction declares any section, provision or clause of this Ordinance and a Franchise to be unlawful, invalid or unenforceable, or is pre-empted by federal or state laws or regulations, such section, provision or clause shall be deemed to be severable from the remaining portions of this Agreement and shall not affect the legality, validity or enforceability of the remaining portions of this Agreement.

14.05 Non-Enforcement by Grantor. A Grantee shall not be relieved of its obligation to comply with any of the provisions of this Ordinance or a Franchise by reason of any failure of the Grantor to enforce prompt compliance.

14.06 Administration of a Franchise.

A. The Grantor or its designee shall have continuing regulatory jurisdiction and supervision over the Cable System and a Grantee's operation under a Franchise.

B. A Grantee shall construct, operate and maintain the Cable System subject to the supervision of all the authorities of the Grantor who have jurisdiction in such matters and in strict compliance with all Applicable Laws, ordinances, departmental rules and regulations affecting the Cable System.

C. Upon reasonable written notice and in accordance with the applicable provisions contained in Section 5.08 of this Ordinance and a Franchise, a Cable System and all parts thereof shall be subject to the right of periodic inspection by the Grantor provided that such inspection shall not interfere with the operation of the Cable System and such inspections take place during normal business hours with a representative of the Grantee present.

14.07 Miscellaneous Violations.

A. Except as otherwise permitted by Applicable Law, from and after the acceptance of the Franchise, it shall be unlawful for any Person to establish, operate or to carry on the business of distributing to any Persons in the Grantor any video signals or audio signals by means of a Cable System using Rights-of-Way unless a Franchise therefore has first been obtained pursuant to the provisions of this Ordinance, and unless such Franchise is in full force and effect.

B. Unless permitted by law, from and after the acceptance of a Franchise, it shall be unlawful for any Person to construct, install or maintain within any Rights-of-Way in the Grantor, or within any other public property of the Grantor, or within any privately owned area within the Grantor which has not yet become a Rights-of-Way but is designated or delineated as a proposed Rights-of-Way on any tentative subdivision map approved by the Grantor, or the Grantor's official map or the Grantor's major thoroughfare plan, any Cable System, unless a Franchise authorizing such use of such Rights-of-Way or property or areas has first been obtained.

14.08 Emergency Use. The Grantee shall comply with the emergency alert provisions set forth by the FCC, set forth under 47 C.F.R. Part 11, FCC Rules and Regulations, Emergency Alert System (EAS). To the extent required by federal and state law, Grantee shall assist the Grantor in working with the Centre County Office of Emergency Services and the Centre Region Emergency Management Council in the establishment of an emergency response plan.

14.09 Controlling Law. This Ordinance and a Franchise shall be construed and enforced in accordance with the substantive laws of the Commonwealth of Pennsylvania except to the extent the Supremacy Clause of the United States Constitution requires application of federal law.

14.10 Captions. The paragraph captions and headings in a Franchise are for convenience and reference purposes only and shall not affect in any way the meaning of interpretation of a Franchise.

14.11 Calculation of Time. Where the performance or doing of any act, duty, matter, payment or thing is required hereunder and the period of time or duration for the performance or during thereof is prescribed and fixed herein, the time shall be computed so as to exclude the first and include the last day of the prescribed or fixed period or duration of time. When the last day of the period falls on Saturday, Sunday or a legal holiday, that day shall be omitted from the computation.

14.12 Court Jurisdiction. Except as may be permitted by applicable court rules, any proceedings relating to this Ordinance or a Franchise granted pursuant to it will be venued in the courts of Centre County, Pennsylvania.

14.13 Force Majeure. The Grantee shall not be held in default under, or in noncompliance with, the provisions of the Ordinance or Franchise, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond the Grantee's ability to anticipate or control. This provision also covers work delays caused by waiting for utility providers to service or monitor their own utility poles on which the Grantee's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary.

14.14 No Third-Party Beneficiaries. Nothing in this Ordinance or the Grantee's Franchise Agreement is or was intended to confer third-party beneficiary status on any member of the public to enforce the terms of this Ordinance or the Franchise Agreement.

SECTION 15. EFFECTIVE DATE; PUBLICATION AND TIME OF ACCEPTANCE.

15.01 Publication; Effective Date. A Franchise shall be signed by the designated head

of the governing body, the Mayor, or acting Mayor, and attested by the Grantor Manager/Secretary. The Franchise shall be published in accordance with the requirements of Grantor and state law and shall take effect upon acceptance by Grantee.

15.02 Time of Acceptance; Incorporation of Proposal; Exhibits.

A. A Grantee shall have thirty (30) days from the date of adoption of a Franchise by the Grantor to accept a Franchise and written evidence of the authority of the person signing the Acceptance and Franchise Agreement has been so authorized. Such acceptance by Grantee shall be deemed the grant of a Franchise for all purposes. In the event acceptance does not take place within thirty (30) days or such other time as the Grantor might allow, a Franchise shall be null and void.

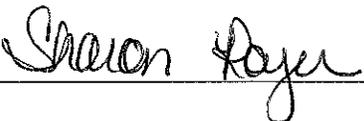
B. Upon acceptance of a Franchise, a Grantee shall be bound by all the terms and conditions contained in this Ordinance and the Franchise.

C. With its acceptance, a Grantee shall also deliver any security deposit, insurance certificates, and/or performance bonds as required in this Ordinance and in a Franchise Agreement.

Passed and adopted this 4th day of September, A.D., 2008.

By: 

John Elzitski, Jr., Chairman
Board of Supervisors
Township of Benner
Pennsylvania

Attest: 

Sharon Royer
Township Secretary/Treasurer
Township of Benner
Pennsylvania

EXHIBIT A

FRANCHISE FEE PAYMENT WORKSHEET

REVENUE SOURCE*	NUMBER OF SUBSCRIBERS	GROSS REVENUE	5% FRANCHISE FEE	YTD
Installation/Repair				
Basic Service				
Lifeline				
Tier 1				
Tier 2				
Tier 3				
Digital and HDTV				
Premium Services				
Pay-Per-View Services				
Additional Outlets				
Remote Control/Converter				
Interactive Services				
Late Fees				
Collection Fees				
Advertising				
Shopping				
DVR – Digital Video Recorder				
Other				
TOTAL				

A Grantee must periodically update the list of services contained on the Worksheet, similar to this worksheet, made part of a Franchise. Failure to do so will not relieve a Grantee of the requirements to pay Franchise Fees on any services that are actually provided and included in the Gross Revenue definition in Section 3.26 of this Ordinance. This Exhibit A and a similar worksheet made part of a Franchise will be periodically updated to comply with the Gross Revenue definition in this Ordinance and changing Cable Service.

CERTIFICATION. I hereby certify to the best of my knowledge and belief, the above information on the ledgers and records of Grantee is true and factual.

By: _____

Date: _____

Title: _____

REVENUE SOURCE DESCRIPTION:

INSTALLATION:

Standard Installation	Commonly occurring normal installation
Additional Outlet	Installation on additional sets within a customer's home
DVR	Installation of converter to a Digital Video Recorder
Reconnection of Service	Reconnection of cable to a customer's address
Relocation	Moving an outlet within a customer's home
Non-Standard	Usually installation of a commercial type of an account
Change of Service	Charge for upgrading or switching a premium service

BASIC SERVICE:

Basic Service	Revenue derived from basic service
Bulk Rates	Revenue derived from non-standard billings (i.e., apt. complex)
Reduced Promotional Basic	Revenue derived from a discounted basic service

PREMIUM SERVICE:

All Premium Services	Revenue derived from premium service(s)
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PAY-PER-VIEW:

All Movie Services	Revenue derived from separate pay movie services
Events	Revenue derived from special events (i.e., concerts, boxing matches, etc.)

OTHER:

Subscriber Franchise Fees	Fees collected from Subscribers to pay franchise fees
Equipment	Revenue from sale or lease of subscriber-related equipment (converters, digital video recorders, remote controls, etc.)
Shopping/Advertising	Revenue proportional to Grantor derived by a Grantee from advertising and home shopping
Digital and HDTV Services	Revenue from digital and high definition services