

ORIGINAL

CABLE TELEVISION FRANCHISE AGREEMENT

**FRONTIERSVISION OPERATING PARTNERS, L.P.
D/B/A ADELPHIA CABLE COMMUNICATIONS
(GRANTEE)**

AND

**TOWN OF LITTLETON, NEW HAMPSHIRE
(GRANTOR)**

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- A – Intermunicipal Agreement
- B – Cable Service Connections to Grantor Schools, Libraries, and Municipal Buildings
- C – PEG Access
- D – Cable Modem Connections to Grantor Schools and Libraries
- E – Procedure for Alternate Density Formula for Homes with One Year Contractual Commitment to Expanded Basic Service
- F – Rates for Installations in Excess of 150 Feet from Existing Distribution Plant
- G – Form for Annual Reports

CABLE TELEVISION FRANCHISE AGREEMENT

AN AGREEMENT GRANTING A FRANCHISE TO FRONTIERVISION OPERATING PARTNERS, L.P. D/B/A ADELPHIA CABLE COMMUNICATIONS (THE GRANTEE) TO CONSTRUCT, OPERATE, AND MAINTAIN A CABLE SYSTEM IN THE TOWN OF LITTLETON, NEW HAMPSHIRE (THE GRANTOR); SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM:

WHEREAS, FrontierVision Operating Partners, L.P. d/b/a Adelphia Cable Communications (hereinafter "Adelphia" or "Franchisee" or "Grantee") is the duly authorized holder of a Franchise to operate a cable communications system in the Town of Littleton (hereinafter "Town" or "Grantor"), said Franchise having originally commenced on June 1, 1988; and

WHEREAS, Adelphia filed a request for a renewal of its Franchise and a renewal proposal in conformity with the Cable Communications Policy Act of 1984, as amended (the "Cable Act"); and

WHEREAS, the Board of Selectmen, as the Franchising Authority, finds that the renewal of Adelphia's franchise is appropriate in light of its past performance, compliance with the terms of its existing Franchise, and based on the Board's finding that many of the terms contained in Adelphia's request for Franchise renewal meet the future cable-related needs of the Town of Littleton; and

WHEREAS, the Board of Selectmen have determined that the services and programming of such a Franchise can contribute significantly to the communication needs and interests of the Town and its residents and institutions;

NOW, THEREFORE, after due and full consideration, the Board of Selectmen and Adelphia agree that this Franchise is issued upon the following terms and conditions:

PREAMBLE

The Grantor does ordain that is in the public interest to permit the use of public rights-of-way and easements for the construction, maintenance, and operation of a Cable System under the terms of this Franchise, said public purpose being specifically the enhancement of communications within the territorial boundaries of the Grantor and the expansion of communications opportunities outside the territorial boundaries of the Grantor.

SECTION 1. STATEMENT OF INTENT AND PURPOSE.

The Grantor intends, pursuant to RSA Chapter 53-C, and by the adoption of this Franchise, to continue the development and operation of a Cable System. This development can contribute significantly to the communications needs and desires of many individuals, associations and institutions.

SECTION 2. SHORT TITLE.

This agreement shall be known and cited as the Littleton Franchise Agreement. Within this document it shall also be referred to as this Franchise or the Franchise.

SECTION 3. DEFINITIONS.

For the purpose of this Franchise, the following terms, phrases, words, and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number. The words shall and will are mandatory and may is permissive. Words not defined shall be given their common and ordinary meaning.

- 3.1. Affiliate or Affiliated Person means a Person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another Person.
- 3.2. Basic Service Tier means a service tier which includes the retransmission of local television broadcast signals and public, educational and governmental access channels and other signals as defined by the FCC and required by the Cable Act.
- 3.3. Cable Act means the Communications Act of 1934 (codified at 47 U.S.C. Sec. 151 et seq.), as amended by the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, the Telecommunications Act of 1996 and any amendments thereto.
- 3.4. Cable Service means: (i) the one-way transmission to Subscribers of 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 and any service determined in the future to be a Cable Service in accordance with applicable law. Cable Service shall not include cable modem services unless a court of competent jurisdiction or a regulatory body of appropriate jurisdiction makes a final ruling that such cable modem service is legally deemed to constitute a Cable Service.
- 3.5. Cable System or System shall mean a facility consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple Subscribers within a community as defined in the Cable Act.
- 3.6. Complaint shall mean notice by a Subscriber of a billing dispute or problem with picture quality or with equipment supplied by Grantee which is not resolved during the initial telephone or service call or within a reasonable time subsequent thereto.

- 3.7. Effective Date means the date of acceptance by Grantee as recorded on the signature page.
- 3.8. Expanded Basic Service means analog service tier above Basic Tier that include satellite programming services that is currently marketed as the satellite tier. Should Grantee change the term “Expanded Basic Service” for marketing or other reasons during the term of this contract, it shall report such name change to Grantor. In no event shall the offerings under Expanded Basic Service include premium or pay-per-view services, as defined in Section 3.20.
- 3.9. FCC means the Federal Communications Commission, its designee, or any successor thereto.
- 3.10. Franchise or Franchise Agreement means the franchise granted herein.
- 3.11. Franchise Fee means the payments to be made to the Franchise Authority as consideration for the renewal franchise granted herein which shall have the meaning set forth in Section 622(g) of the Cable Act. In addition, the Franchise Fee shall not include any fee imposed under Title 17, United States Code, or any charge incidental to the awarding or enforcing or renewal of the franchise, including payments for bonds, security funds, letters of credit, insurance, indemnification penalties or liquidated damages.
- 3.12. Franchisee or Grantee means a cable operator authorized to operate a cable system pursuant to the Cable Act – FrontierVision Operating Partners, L.P. d/b/a Adelphia Cable Communications in this Agreement.
- 3.13. Gross Revenues shall mean any and all consideration or compensation received by the Franchisee which is the result of the provision of Cable Service as defined herein on the Cable System including, but not limited to, all monthly service fees including premium and pay-per-view services, all commercial Subscriber revenues; installation, reconnection, downgrade, upgrade and any similar fees; franchise fees, advertising fees less agency fees, revenues received by the Franchisee which are derived from home shopping broadcasting; and converter and remote control rentals, leases or sales. Items to be deducted in computing gross revenues include uncollected bad debt, deposits, refunds, taxes and other fees in accordance with Federal Law and FCC regulations.
- 3.14. Home means a residential dwelling unit on a public roadway, including Class VI roadways that are open for vehicular traffic 12 months a year.
- 3.15. Local Franchising Authority or Grantor means a government entity empowered by the Cable Act to grant a franchise – the Town of Littleton, New Hampshire, in this Agreement.

- 3.16. Other Definitions is any term defined in FCC rules and/or regulations, or by federal law, as of the effective date of this Franchise Renewal, but not included in the foregoing definitions. Other Definitions shall be incorporated herein by reference as is set forth in full and shall be defined as appears in such rules and/or regulations.
- 3.17. OVS or open video system means a facility consisting of a set of transmission paths and associated signal generation, reception and control equipment that is designated to provide cable service which includes video programming and which is provided to multiple Subscribers within a community, provided that the FCC has certified that such system complies with this part.
- 3.18. PEG Access is defined on Exhibit C.
- 3.19. Person means any corporation, partnership, limited partnership, association, trust, organization, other business entity, individual or group of individuals acting in concert.
- 3.20. Premium or Pay Per View (PPV) Services are programming services delivered for a fee or charge to Subscribers on a per-channel or per-program basis, in addition to the fee or charge for the basic programming service.
- 3.21. Signal means any transmission of radio frequency energy or of optical information.
- 3.22. SMATV or satellite master antenna television means a satellite dish system used to deliver signals to multiple homes and as defined under applicable federal law.
- 3.23. Standard Installation is any installation which will be no more than one hundred fifty (150) feet from the existing distribution system.
- 3.24. Street 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 and any public easement or right-of-way now or hereafter held by the Grantor which shall entitle Grantee to the use thereof for the purpose of installing or transmitting over poles, wires, cables, conductors, ducts, conduits, vaults or manholes such amplifiers, appliances, attachments and other property as may be ordinarily necessary and pertinent to a System.
- 3.25. Subscriber means any person or entity who lawfully subscribes to any Cable Service whether or not a fee is paid for such Cable Service.
- 3.26. Transfer means the disposal by the Grantee by assignment, sale, merger, consolidation or otherwise of the ownership or control of the Cable System or the Franchise granted herein to a person or a group of persons acting in concert, as described in Section 17.

SECTION 4. GRANT OF AUTHORITY AND GENERAL PROVISIONS.

- 4.1. Grant of Franchise. Pursuant to RSA 53-C and the Cable Act, the Grantor hereby grants to Grantee the non-exclusive right to construct, operate and maintain in, on, along, across, above, over and under the streets, alleys, lanes and public places of the Grantor, the poles, wires, cables, underground conduits, manholes and other facilities necessary for the maintenance and operation of a Cable System throughout the entire territorial area of the Grantor to provide Cable Service and other communications and information services. This Franchise and the parties thereto shall comply with RSA 53-C and the Cable Act as well as all rules and regulations of the FCC and all other applicable rules and regulations in force and effect during the period for which this Franchise Agreement is granted.
- 4.2. Level Playing Field. The Grantor agrees that the grant of additional franchises by Grantor to any other entity shall be governed by the provisions of RSA 53-C:3-b, as it may be amended. The provisions of this statute shall be applicable to terms and conditions of any additional franchise granted by Grantor during the term of this Agreement, including but not limited to franchise fee obligations imposed under the additional franchise.
- 4.3. Acceptance; Effective Date; Franchise Term. The Franchise granted herein will take effect and be in full force from such date of acceptance by Grantee recorded on the signature page of this Agreement. The Franchise shall continue in full force and effect for a period of eleven (11) years from such effective date.
- 4.4. Area Covered. This Franchise is granted for the entire territorial limits of the Grantor ("Franchise Area"). Grantee upon request will make service available to all residences within the territorial limits of the Grantor in the event that 1) such existing territory has a density of at least twenty-five (25) homes per linear strand mile of cable as measured from existing cable system plant; and 2) any such residence requesting service can be provided with service by a standard installation which will be no more than one hundred fifty (150) feet from the existing distribution system (Standard Installation). In the event that the above described density requirements cannot be met, then, in the alternative, Grantee shall make service available if there are fifteen (15) homes per linear strand mile, as measured from existing cable system plant, provided that all of such homes will contract with Grantee for the provision of one (1) year of Expanded Basic Service. To evidence the contractual commitment, Grantee may request that Subscribers pre-pay up to three (3) months of monthly fees for Expanded Basic Service. The protocol for executing the alternative density formula described above is set forth in Exhibit E.
- 4.5. Extension Cost Contribution Formula. In areas within the territorial limits of Grantor with a density of less than twenty-five (25) homes per mile as measured from Grantee's existing distribution system or where there are less than fifteen (15) homes

per mile who are willing to enter a contractual commitment as described above, Grantee shall offer a cost-sharing arrangement with residents requesting service. A home will be counted for this purpose if its lot fronts a street and the home is no more than one hundred fifty (150) feet from such street. The cost-sharing arrangement shall consist of the following:

- a. Upon the request of an individual desiring service, Grantee shall prepare, at its cost, an engineering survey and cost analysis to determine the cost of the line extension required to provide service to the individual(s) from the closest point on the existing Cable System. The estimate will be provided to the individual(s) and Grantee will require the individual(s) to pay its share of the costs of that construction before commencing construction.
- b. The cost of construction shall be allocated based on the following formula: if a request for extension of service into a residential area requires the construction of cable plant which does not pass at least twenty-five (25) homes per mile, Grantee and the individuals requesting service will each bear their proportionate share of construction costs. For example, if there are fifteen (15) homes per mile, Grantee's share will equal $15/25$, or 60%, of the construction cost. The remaining cost will be shared equally by each individual requesting service. This line extension formula shall also be applied to a portion of a mile meeting proportionate density requirements.

4.6. Standard Installation. Grantee shall install, at the standard installation rate, all homes which meet the above referenced density requirements. For those homes which are more than one hundred fifty (150) feet from the existing distribution system, Grantee shall install service in accordance with the rates set forth in Exhibit F.

4.7. Attachment to Poles.

- a. Pursuant to RSA 231:161, permission is hereby granted to the Grantee to attach or otherwise affix cables, wire, or optical fibers comprising the Cable System to the existing poles on public streets and ways, provided the Grantee secures permission and consent of the public utility companies to affix the cables and/or wires to their pole facilities. Grantee may erect its own poles and install its own conduit, with approval of the location of such installation by the Franchising Authority, which approval shall not be unreasonably withheld. The Grantor grants Grantee equal standing with the power and telephone utilities in the matter of placement of facilities on public ways subject to the ultimate authority of the Grantor to determine the location of all installations. All poles and conduit installed within the Franchise Area, as defined herein, shall be made available for attachment or use by Grantee; at just and reasonable rates applied to public utilities under the formula presently established by 47 U.S.C. Section 224. All lines, cables and distribution structures and equipment, including poles and towers, installed

by Grantee shall be located so as not to interfere with the proper use of streets and to cause minimum interference with the rights of property owners who abut said streets.

- b. In all areas of Town where public utility lines are aerially placed, if subsequently during the term of the agreement all such utility lines are required by local ordinance or state law to be relocated aerially or underground, Grantee shall similarly relocate its Cable System. Any costs of relocating utility poles or trenching for the placement of underground conduits shall be equally shared by all affected companies. In the event that any telephone or electric utility companies are reimbursed by the Grantor or any agency thereof for the placement of cable underground or the movement of cable, Grantee shall be reimbursed upon the same terms and conditions as any telephone, electric or other utility companies.
- c. Grantee's drops shall be located underground at the request of the property owner, provided the excess cost over aerial cost for such drops shall be borne by the property owner making the request. All drops which are intended to be underground shall be buried within thirty (30) days of placement, weather and ground conditions permitting.

4.8. Existence of Profile Region Cable Television Consortium.

The Grantor, along with the Towns of Lisbon, Bethlehem, Franconia, Monroe, Sugar Hill and Carroll (Twin Mountain), New Hampshire, are members of the Profile Region Cable Television Consortium (the "Consortium"). Grantor and Grantee acknowledge the existence of the Consortium and the powers set forth in the April 1, 2002 Intermunicipal Agreement governing the Consortium, a copy of which is attached hereto as Exhibit A. Grantor reserves the right to exercise all powers set forth in the Intermunicipal Agreement. These rights shall include, but not be limited to, participating, together with the other franchising authorities in the Consortium in discussions about cable related matters with the Grantee. Grantor contemplates that such discussions will include, but not be limited to, the annual review referenced in Section 11 of this Agreement.

SECTION 5. CABLE COMMUNICATIONS SYSTEM.

- 5.1. System Maintenance. Grantee agrees to comply with the terms set forth in this Franchise governing construction and technical requirements for maintenance of the Cable System, in addition to any other requirements specified by this franchise and any applicable law, including any ordinances of the Town of Littleton which are generally applicable to all entities involved in construction in the Grantor's rights of way. Grantee shall provide and maintain a Cable System to a capacity of at least 750 MHz, including digital capacity. The System shall be two-way capable and designed to support both analog and digital transmission.

Grantee acknowledges the public desire for availability of high speed cable modem service.

- 5.2. Technical Standards. The System shall be designed, constructed and operated so as to meet all technical standards promulgated by the Federal Communications Commission relating to signal quality or leakage of Cable Systems, as set forth in subpart K of part 76 of the FCC's rules and regulations, and other applicable FCC rules and regulations as may, from time to time, be amended. Grantee shall, upon request of the Franchising Authority, provide proof of compliance with all FCC signal requirements. Grantee shall also, upon request of the Franchising Authority, provide information on any complaints received concerning alleged radio frequency interference to other radio or television users or services. A corrective plan for signal quality complaints or radio frequency interference complaints shall be provided to Franchising Authority within thirty (30) days after Franchising Authority learns of such complaints.
- 5.3. Emergency Alert System. Grantee will comply with the FCC's Emergency Alert System requirements throughout the Term of this Franchise.

SECTION 6. CONSTRUCTION PROVISIONS.

- 6.1. Construction Standards.
 - a. All installation of electronic equipment shall be durable and installed in accordance with the provisions of the National Electrical and Safety Code and National Electrical Code as amended, as well as FCC rules and regulations and applicable state laws and ordinances.
 - b. Antennas and their supporting structures (tower) shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other generally applicable state or local laws, codes and regulations.
 - c. Grantee's plant and equipment for the provision of Cable Service, including, but not limited to, the antenna site, headend and distribution system, shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated in accordance with good engineering practices which are standard in the cable television industry and which practices shall include the avoidance of damage to trees, structures and improvements in the area where the Cable Service is installed.
 - d. Grantee shall employ ordinary care and shall install and maintain in use commonly accepted methods and devices preventing failures and accidents which are likely to cause damage, injury or nuisance to the public. Grantee

shall keep at all times the Cable System in a safe and suitable condition and in good order and repair.

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

6.2. Construction Codes and Permits. Grantee shall obtain all legally required permits before commencing any work requiring a permit, including the opening or disturbance of any street, or public property or public easement within the community. Grantee shall strictly adhere to all generally applicable town ordinances and building and zoning codes currently or hereafter applicable to construction, operation or maintenance of the System in the community, provided such codes apply to all other similarly situated entities. Grantee will give reasonable notice to town residents of construction activity.

6.3. Repair of Streets and Property. Any and all streets or public property or private property, which are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance or reconstruction of the system shall be repaired by Grantee, at its expense, to a condition as good as that prevailing prior to Grantee's construction.

Repairs performed under this section shall be done as soon as practicable. If Grantee fails to perform the repairs within a reasonable time, and if Grantee fails to respond to a written request to do so then Grantor may perform the repairs and the costs of repair shall be paid by the Grantee upon demand of the Franchising Authority. If any repairs need to be made immediately to resolve an emergency situation which presents a threat to public safety, Grantor shall make a request to Grantee by telephone, to be followed up at the earliest possible time by a written confirmation of the request, to make such repairs, and, if Grantee fails to make such repairs immediately, then Grantor may perform the repairs, and, upon written request of Grantor, the reasonable costs of such repairs shall be paid for by Grantee. If Grantee fails to pay costs of any repairs within sixty (60) days after receipt of the statement of costs, then Grantor, at its option, may draw upon the performance bond required by this Franchise Agreement to recover any costs incurred pursuant to this section.

6.4. Reservation of Street Rights.

- a. Nothing in this Franchise shall be construed to prevent the Grantor from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any street; constructing, laying down, repairing, maintaining or relocating any water mains; or

constructing, maintaining, relocating, or repairing any sidewalk or other public work pursuant to RSA 231:160.

- b. All such work shall be done, insofar as practicable, in such a manner as not to obstruct, injure or prevent the free use and operation of the poles, wires, conduits, conductors, pipes or appurtenances of Grantee.
- c. If any such property of Grantee shall interfere with the construction, repair maintenance, removal or relocation of any street or public improvement, whether it be construction, repair, maintenance, removal or relocation of a sewer, public sidewalk, or water main, street or any other public improvement, thirty (30) days notice shall be given to Grantee by the Grantor and all such poles, wires, conduits or other appliances and facilities shall be removed or replaced by Grantee so that the same shall not interfere with the said public work of the Grantor, and such removal or replacement shall be at the expense of Grantee herein. Should, however, any utility company or other entity be reimbursed for relocation of its facilities as part of the same work that requires Grantee to remove its facilities, Grantee shall be reimbursed upon the same terms and conditions as such utilities or other entities.

- 6.5. Reasonable Care. Nothing contained in this Franchise shall relieve any person from liability arising out of the failure to exercise reasonable care to avoid injuring Grantee's facilities while performing any work connected with grading, regrading, or changing the line of any street or public place or with the construction or reconstruction of any sewer or water system.
- 6.6. Trimming of Trees. Grantee shall have the authority to trim trees upon and hanging over streets, alleys, sidewalks, and public places of the Grantor so as to prevent the branches of such trees from coming in contact with the wires and cables of Grantee; provided, however, all trimming shall be done at the expense of Grantee and all work will be done in accordance with any applicable state law and any Town ordinances and regulations.
- 6.7. Movement of Facilities. In the event it is necessary temporarily to move or remove any of Grantee's wires, cables, poles, or other facilities placed pursuant to this Franchise, in order to lawfully move a large object, vehicle, building or other structure over the streets of the Grantor, upon two (2) weeks notice by the Grantor to Grantee, Grantee shall move, at the expense of the person requesting the temporary removal, such of its facilities as may be required to facilitate such movements. Grantee reserves its right to request that such expenses be paid in advance. Any service disruption provisions of this Franchise shall not apply in the event that the removal of Grantee's wires, cables, poles or other facilities results in temporary service disruptions.

- 6.8. Residential Wiring. Exterior wiring on a residence shall be installed as unobtrusively as possible; installations shall be performed pursuant to applicable electrical codes.
- 6.9. Auxiliary Power. The Cable System shall incorporate equipment capable of providing standby powering of the headend for a minimum of forty-eight (48) hours upon failure of the power furnished by the electric utility company, unless for reasons of force majeure.

SECTION 7. SERVICE PROVISIONS.

- 7.1. Programming Decisions. Grantee will provide broad categories of programming services in accordance with the Cable Act. Grantee will notify the Subscribers of any changes in programming services or channel positions as soon as practicable in writing. Notice will be given to Subscribers a minimum of thirty (30) days in advance of such changes if the change is within the control of Grantee. The Grantee agrees to provide throughout the term of the Franchise the following broad categories of programming services:

- Broadcast Stations
- Access Channels (PEG and Leased/Commercial)
- Family Programming (including health and religious programming)
- Sports Programming
- News and Weather Programming
- Variety Programming
- Cultural/Arts Programming
- Music Programming
- Educational/Children's Programming
- Government and Financial/Business Programming

- 7.2. Cable Service Connections to Schools and Grantor Facilities.

- a. Cable Service: Grantee, upon written request of the Grantor, will provide and maintain, at Grantee's sole expense, one (1) connection for Basic Service to each elementary and secondary public school, library, and Grantor municipal facility within the geographical limits of the Grantor which is located within one hundred fifty (150) feet of Grantee's distribution plant and listed in Exhibit B. Grantor may amend Exhibit B to add buildings which are constructed or purchased by the Grantor during the term of this Agreement, provided that they are within one hundred fifty (150) feet of Grantee's distribution plant. Grantee will bring its connection to a specified exterior demarcation point mutually agreed upon by Grantee and such institution. Upon request, Grantee agrees to provide to the Town at prevailing rates said cable and/or equipment in order that the Town can install additional outlets.

- b. Cable Modem Service Connections. Grantee agrees to provide, at Grantee's sole expense, one (1) high-speed cable modem connection to public primary and secondary schools and libraries listed on Exhibit D.
- c. PEG Access Channels. Grantee will comply with the PEG Access requirements set forth on Exhibit C.

SECTION 8. VIRTUAL PRIVATE NETWORK.

Grantor reserves the right to contract with a third party, at Grantor's expense, to install and operate a virtual private network within the buildings listed in Exhibit B. Should Grantor exercise this right, then Grantee shall enable Grantor or its agent to proceed with the installation and operation of such a system by providing cable modem service at the current effective rate for residential service to all buildings which Grantor or its agent requests, provided that they meet the requirements of Section 6. Should Grantor choose to exercise this right, then Grantee shall cooperate with Grantor or its agent regarding installation and operation of the VPN system.

SECTION 9. CONSUMER PROTECTION AND RIGHTS OF INDIVIDUALS.

- 9.1. Customer Service Standards. Grantee will comply with the customer service standards promulgated by the FCC for the provision of Cable Service in accordance with the Cable Act for as long as such standards are in effect.

Grantee shall maintain on file with the Grantor at all times a current schedule of all rates and charges.

Any changes in price for Cable Service, equipment and installation will be in conformance with the Cable Act and FCC rules and regulations, and any applicable laws or regulations currently or hereinafter applicable. Grantee shall have the right, to the extent granted by applicable state law, the Cable Act and FCC rules and regulations, to regulate rates, equipment, installation and service charges to Subscribers.

Grantee will provide written notice to Subscribers of any increase in the price to be charged for the basic service tier or associated equipment at least thirty (30) days before any proposed increase is effective. The notice should include the name and address of the local franchising authority. Grantee may provide such notice using any reasonable written means at its sole discretion. The franchising authorities which are certified to regulate basic service rates may review the proposed rate increase pursuant to applicable FCC rules and regulations, as amended.

Grantee shall not be required to provide prior notice of any rate change that is the result of a regulatory fee, franchise fee, or any other fee, tax, assessment, or charge of

any kind imposed by any federal agency, state, or franchising authority on the transaction between the operator and the Subscriber.

In the event that service to any Subscriber is interrupted for 24 or more consecutive hours and the Subscriber notifies Grantee of such interrupted service, Grantee will provide such Subscriber a pro rata credit or rebate.

9.2. Subscriber Connection.

- a. The Grantee shall, within fifteen (15) days of a request by the occupant of a home, connect the Cable System to a home at standard installation charges if the home is within one hundred fifty (150) aerial feet of the nearest cable plant and only if the home is properly internally wired to meet the Grantee's specifications to prevent signal leakage.
- b. Grantee shall complete construction of any such Subscriber connections within fifteen (15) days of either a request for such connection by the occupant or owner of the home or within fifteen (15) days of the date any necessary easements are obtained, whichever occurs later, taking into account and subject to weather, force majeure, performance of make ready, availability of construction crews and materials. If requested in writing by the Grantor, Grantee shall provide a written report to the Town completely explaining its failure to meet the time frame stated herein.
- c. The Grantee shall respond to all requests for aerial installation(s) within fifteen (15) days of such request, or at such other time as is mutually agreed upon by the Grantee and said Subscriber. Underground installation shall be completed as expeditiously as practicable. If arranging appointments for installation, the Grantee shall specify in advance whether such will occur in the morning or afternoon, and a narrow interval, if possible, within the morning and afternoon time frame, and the Grantee shall make reasonable efforts to install at times convenient to Subscribers (including times other than 9:00 a.m. to 5:00 p.m. weekdays). If Grantee does not make the installation within the designated time frame, it shall be considered a missed visit absent obtaining the Subscriber's permission to reschedule.

9.3. Subscriber Complaint Practices.

- a. Grantee shall maintain a payment center for the Towns of Littleton, Sugar Hill, Carroll, Franconia, Lisbon, Monroe and Bethlehem, New Hampshire. Additionally, Grantee shall maintain a customer service office at a location in northern New Hampshire; Subscribers shall be notified of the location of such office pursuant to the provisions of Section 9.3(b). Grantee shall maintain a publicly listed toll-free telephone number. Grantee shall maintain adequate telephone lines and personnel to respond in a timely manner to

schedule service calls and answer Subscriber complaints or inquiries during normal business hours. Grantee shall follow all applicable federal and state regulations in responding to complaints by customers.

At times other than normal business hours throughout the entire term of this Franchise, the Grantee shall maintain a telephone answering service to handle Subscriber inquiries, complaints and emergencies, and provide proper referral regarding billing and other Subscriber information. All such after-hours calls shall be logged by the Grantee. Said answering service shall (i) forward all inquiries and/or complaints to the Grantee the morning of the next business day and (ii) inform each Subscriber calling that his or her complaint will be referred to the Grantee's Customer Service Department for response. If requested by the Subscriber, the Grantee shall, to the extent practicable, promptly contact each individual Subscriber on the next business day following the call to follow up on their individual problem and/or inquiry.

A Subscriber complaint or request for service received after normal business hours shall be responded to the next business day; Grantee shall make all reasonable efforts to respond to all service calls within twenty-four (24) hours and correct malfunctions as promptly as possible.

The Grantee shall ensure that there are stand-by technicians on call at all times after normal business hours. The answering service shall be required to notify the stand-by technician(s) of (i) any emergency situations, (ii) an unusual number of calls and/or (iii) a number of similar complaint calls or a number of calls coming from the same area.

System outages shall be responded to within twenty-four (24) hours by technical personnel. A serious system malfunction will be serviced as soon as possible after its discovery. For purposes of this section, an outage shall be considered to occur when three (3) or more calls are received from any one neighborhood concerning such an outage, or when the Grantee has reason to know of such an outage.

Grantee shall also provide the name, telephone number and location of a representative of Grantee who can respond to complaints from Town Subscribers in the event that the initial phone call to the toll-free telephone number did not yield any resolution to the billing dispute or other problem.

- b. Grantee will notify Subscribers of the location of any customer service office and payment center and telephone numbers on an annual basis.
- c. Grantee shall render efficient Cable Service, make repairs promptly and interrupt service only for good cause and for the shortest time possible.

9.4. Parental Control Option. Grantee shall provide parental control devices, at reasonable cost, to any Subscriber who wants to be able to prevent certain Cable Services from entering the Subscriber's home.

9.5. Rights of Individuals Protected.

a. Discriminatory Practices Prohibited. Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers on the basis of race, color, religion, national origin, sex, or age. Grantee shall comply at all times with all other applicable federal and state laws relating to nondiscrimination.

b. Subscriber Privacy. Grantee shall comply with all privacy provisions of the Cable Act and applicable state law, as they may be amended. Grantor and Grantee shall continually review this Section to determine that it effectively addresses appropriate concerns about privacy. This Section may be amended periodically by agreement of the Grantor and Grantee in accordance with the provisions of Sections 18.5 and 18.13.

9.6. Business Practice Standards. At the time of entering into an agreement to provide any Cable Service to a Subscriber, and annually thereafter to all Subscribers, the Grantee shall provide the Franchising Authority and all of its Subscribers with the following information:

- a. Notification of its billing practices;
- b. Notification of services, rates and charges;
- c. Equipment notification;
- d. Advance billing, issuance of bills;
- e. Billing due dates, delinquency, late charges and termination of service;
- f. Charges for disconnection or downgrading of service;
- g. Billing disputes;
- h. Service interruptions; and
- i. Location of office payment center and telephone number.

SECTION 10. FRANCHISE FEE.

10.1. Franchise Fee. Grantee shall pay to the Grantor a franchise fee equal to three percent (3%) of the Grantee's Gross Revenues, as herein defined. Grantor may increase the

franchise fee up to five percent (5%); if Grantor elects to do so, then it shall provide notice to Grantee by at least ninety (90) days prior to the effective date of any increase in the franchise fee. Grantor may change the franchise fee rate during the term of this franchise agreement; changes to the franchise fee rate shall not occur more frequently than once in any two year period. The changes shall be made in whole percentage points only.

- 10.2. Due Date. Payments due the Grantor under this provision shall be computed on a semi-annual basis based on the fiscal year of the Grantee and shall be due and payable within forty-five (45) days after the end of each half of the fiscal year of Grantee. Franchise fee payments will be accompanied by a statement of Gross Revenues, categorized by type, prepared by an authorized financial representative of the Grantee.
- 10.3. PEG Capital Payment. See Exhibit C.
- 10.4. Past Due Franchise Fee. Any non-disputed franchise fee which is past due and which is not received within five (5) business days of receipt of a notice from the Grantor shall bear interest at the rate of one percent (1%) per month computed from the original due date until paid; provided, however, that if the foregoing rate is in excess of the maximum permitted by law in the jurisdiction where such debt accrues, then such interest rate shall be adjusted downwards to the maximum rate permitted by applicable law.
- 10.5. Right to Audit. The Grantor will have the right, upon thirty (30) days prior written notice, to conduct an independent audit during normal business hours of Grantee's books and records directly related to the franchise fee to verify Gross Revenues, in accordance with Generally Accepted Accounting Practice ("GAAP"). Auditing of books and records by the Grantor pursuant to the terms of this Agreement shall be performed by a representative of Grantor whose profession binds him/her to an ethical code (e.g., CPA or attorney). Any underpayment of franchise fee per the audit will be paid within sixty (60) days of written notice to Grantee by Grantor. Any underpayment will include interest noted above from the original due date.
- 10.6. Reimbursement of Audit Costs. If such an audit indicates a franchise fee underpayment of five percent (5%) or more, on an annual basis, Grantee will assume all reasonable costs of such an audit. If the Grantor requires Grantee to conduct an audit, or the Grantor conducts its own audit, and the results of such an audit have become final, as agreed to in writing by both parties, and the agreed to amount of the underpayment has been paid to the Grantor, under the provisions of this Agreement, there shall be an accord and satisfaction with respect to the period subject to the audit. Moreover, there shall be an accord and satisfaction with respect to any payment not subject to audit within three (3) years following the close of the fiscal year to which such payment relates, unless there is subsequent evidence that Grantee

has engaged in fraud or has improperly withheld relevant records which relate to such payments.

- 10.7. Acceptance of Fees. Acceptance of the payment of franchise fees which are made in the normal course of business shall not be construed as an agreement by the Town that the amount paid is in fact correct; however, if the Town knows or reasonably should know that a payment is incorrect, it must challenge such payment within three years of the close of the fiscal year.

SECTION 11. ANNUAL REVIEW.

- 11.1. Upon request of Grantor, Grantee shall meet with Grantor on an annual basis to review compliance with the terms of this Franchise and matters of interest to either party. No later than thirty (30) days prior to such meeting Grantee shall submit a completed form for annual reports as set forth in Exhibit G. Additionally, and not later than thirty (30) days prior to review, either party may submit a list of items to be reviewed, which may include, but is not limited to, a requirement that Grantee provide Grantor with a current schedule of all rates and charges, a copy of the most recent financial information distributed as a report to stockholders of Grantee, plans for location of cable plant to be constructed, and a list of anticipated programming changes.
- 11.2. Upon request, Grantee shall make available for inspection during normal business hours any applicable records kept pursuant to FCC rules and regulations regarding technical standards.

SECTION 12. INSURANCE.

Grantee will maintain in full force and effect for the Term of the Franchise, at Grantee's expense, a comprehensive liability insurance policy naming the Grantor as an additional insured, written by a domestic insurance company authorized to do business in the State of New Hampshire, protecting the Grantor against liability for any loss, personal injury or property damage occasioned by the operation of the Cable System by Grantee. Such insurance will be maintained in an amount not less than One Million Dollars (\$1,000,000) as to any one occurrence and shall include products and completed operations, independent contractors, personal injury and automobile coverages. Grantee will also maintain Worker's Compensation coverage throughout the term of this Franchise as required by law. Evidence in the form of a certificate of insurance will be provided to the Grantor upon execution of this Agreement and annually thereafter. The cost for both the comprehensive liability policy and the Worker's Compensation policy shall be borne solely by Grantee.

SECTION 13. INDEMNIFICATION.

- 13.1. Grantee will indemnify the Grantor and hold the Grantor harmless and will pay all damages and penalties, including reasonable attorneys' fees imposed upon the

Grantor, which result from any negligence by Grantee in the operation of the Cable System throughout the territorial area of the Grantor. The Grantor shall give Grantee timely written notice of the making of any claim or of the commencement of any action, suit or other proceeding covered by the indemnity in this Section. In the event any such claim arises, the Grantor shall tender the defense thereof to Grantee and Grantee shall have the right to defend, settle or compromise any claims arising hereunder and the Grantor shall cooperate fully herein. The cost of defending or otherwise resolving the claim shall be borne solely by Grantee. If Grantor determines in good faith that its interests cannot be represented by Grantee, Grantee shall be excused from any obligation to represent Grantor.

- 13.2. Grantee will not be required to indemnify the Grantor for the negligent acts of the Grantor or its officials, boards, commissions, agents or employees.

SECTION 14. PERFORMANCE BOND; LIQUIDATED DAMAGES.

- 14.1. Performance Bond. Grantee shall obtain and at all times maintain, during the entire term of this Franchise, a performance bond from a company authorized to do business in the State of New Hampshire in the amount of Twenty Five Thousand Dollars (\$25,000). Evidence of the performance bond will be supplied to Grantor within sixty (60) days of the execution of this Agreement, and if Grantor draws upon any amount of the bond as set forth below, Grantee shall provide evidence to Grantor within sixty (60) days of such draw that the amount of the bond has been restored to the full amount of Twenty Five Thousand Dollars (\$25,000). The performance bond shall guarantee (a) the satisfactory restoration of pavements, sidewalks and other improvements in accordance with this Franchise; (b) the satisfactory operation of the Cable System in compliance with the material terms and conditions of this Franchise; and (c) the satisfactory payment of any liquidated damages assessed under Section 14.3.
- 14.2. Draw Upon the Performance Bond. Subsequent to providing notice and an opportunity to cure the underlying violation pursuant to the provision stated in Section 15.1 herein, the Grantor may draw upon this bond for the purpose of curing any deficiency or breach by Grantee of the terms stated in Section 14.1(a), (b) or (c), and any other penalties that Grantor may be entitled to recover under state or federal law, if any. Grantor may also recover the reasonable attorneys' fees, if any, required to draw upon the performance bond. The right to draw upon this bond under Section 14.1(a), (b) or (c) referenced above shall not in any way impede or impair the right of Grantee to appeal the basis for such action, except as follows: In the event that Grantor draws on the bond to satisfy an assessment of liquidated damages under Section 14.3, Grantee shall have the right to appeal only after payment has already been made under the bond to Grantor. In addition, in the event Grantor assesses liquidated damages directly to Grantee pursuant to Section 14.3, and in the event that Grantee fails to make payment to Grantor of such damages within ten (10) business days of receipt of the assessment, notice of which shall be provided in accordance

with Section 18.11, then Grantor may draw upon this bond to satisfy payment of the assessed liquidated damages. Nothing herein shall be deemed to permit the Grantor to collect more than the sums that it is due. The Grantor may not recover these sums from multiple parties.

14.3. Liquidated Damages. Because Grantee's failure to comply with provisions of this Agreement will result in injury to the Grantor and because it will be difficult to measure the extent of such injury, the Grantor may assess liquidated damages directly against the Grantee in the following amounts, provided Grantee has had an opportunity to cure in accordance with Section 15.1. Such damages shall not be a substitute for specific performance by Grantee, or any other remedy that Grantor may have pursuant to applicable state and federal law, but shall be in addition to such performance. Damages shall be assessed from the date of notice of violation as referenced in Section 15.1, if not cured in accordance with Section 15.1.

- a. For failure to comply with transfer provisions as specified in Section 17.2: \$500 per day for each day the violation continues;
- b. For failure to carry all the insurance required in Section 12: \$300 per day for each day the violation continues;
- c. For failure to maintain a performance bond required in Section 14: \$300 per day for each day the violation continues;
- d. For failure to comply with any material term of this Agreement: \$300 per day for each day the violation continues.

14.4. Forfeit of Performance Bond. The total amount of the bond shall be forfeited in favor of the Grantor in the event Grantee abandons the Cable System or any part thereof at any time during the term of the Franchise for a period of six (6) months with no written statement of an intention to return.

14.5. Recourse to Other Enforcement Mechanisms. The decision to assess liquidated damages, or to draw upon the performance bond for payment of the issues set forth in Section 14.1, shall be at the sole discretion of the Grantor. The pursuit of these remedies are without prejudice to the right of Grantor, at its sole discretion, to institute revocation proceedings under Section 15.2 or to pursue any and all legal or equitable remedies available to it, including, but not limited to, an action for injunctive relief for specific performance and any other remedy that Grantor may have pursuant to applicable state and federal law.

SECTION 15. VIOLATIONS AND REVOCATION.

15.1. Franchise Violations. Whenever the Grantor believes that Grantee has allegedly violated one (1) or more terms, conditions or provisions of this Franchise, a written

notice shall be given to Grantee. The written notice shall describe in reasonable detail the alleged violation so as to afford Grantee an opportunity to remedy the violation. Grantee shall have thirty (30) days subsequent to receipt of the notice in which to correct the violation. Notwithstanding the foregoing, the time to correct a violation may be extended pursuant to the provisions of Section 15.1(c).

- a. If, upon receipt of the written notice described above, Grantee disputes the existence of the alleged violation or believes the violation should be excused because the violation is the result of events which are beyond Grantee's control or are not reasonably foreseeable by Grantee, the Grantee shall notify Grantor of the dispute within ten (10) business days of receipt of the written notice, and the Grantor shall hear Grantee's dispute at a regularly or specially scheduled meeting. Such meeting shall be promptly scheduled and conducted after Grantee notifies Grantor of the dispute. Grantee shall have the right to subpoena and cross-examine witnesses. The Grantor shall determine if Grantee has committed a violation and shall make written findings of fact relative to its determination.
- b. If after hearing the dispute the claim is upheld by the Grantor, Grantee shall have thirty (30) business days from such a determination to remedy the violation or failure.
- c. The time for Grantee to correct any violation may be extended by the Grantor if Grantee can show, to the reasonable satisfaction of Grantor, that the necessary action to correct the violation is of such a nature or character to require more than thirty (30) days within which to perform provided Grantee commences the corrective action within the thirty (30) day period and thereafter uses reasonable diligence to correct the violation. Notwithstanding the above provisions, neither Grantor nor Grantee waives any of their rights under federal or state law or regulation.

15.2. Franchise Revocation. In addition to all other rights which the Grantor has pursuant to law or equity, the Grantor reserves the right to revoke, terminate or cancel this Franchise, and all rights and privileges pertaining thereto, in accordance with the procedures set forth in Section 15.3 and applicable federal law, state law or regulation, in the event that Grantee violates a material provision of this Franchise and, after being notified of such violation and being given time to cure or refute the alleged violation in accordance with Section 15.1(a), fails to do so. Material provisions shall include, but not be limited to, the transfer or assignment of the Franchise Agreement or control thereof without consent of the Franchising Authority, the failure to maintain a performance bond, or the failure to maintain insurance as described herein.

15.3. Revocation Procedures. In the event that the Grantor determines that the Franchise should be revoked as a result of the occurrence of any event in Section 15.2, then the procedures set forth below shall be followed:

- a. A public hearing shall be held and Grantee shall be provided with an opportunity to be heard upon fourteen (14) days written notice to Grantee of the time and the place of the hearing. The causes for pending revocation and the reasons alleged to constitute such cause shall be recited in the written notice.
- b. If after a public hearing it is determined that Grantee's performance of any of the terms, conditions, obligations, or requirements of the Franchise was prevented or impaired due to any cause beyond its reasonable control or not reasonably foreseeable, which shall include, but shall not be limited to, acts of God, civil emergencies and labor strikes, 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 discovery of the occurrence of such an event.
- c. If, after a public hearing, it is determined that there was a violation, breach, failure, refusal or neglect, which is not the result of a cause beyond the reasonable control of Grantee or reasonably foreseeable by Grantee, then the Grantor may declare, by resolution, the Franchise revoked and canceled 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.
- d. If the Grantor, after notice is given and, at Grantee's option, a public hearing is held and appeal is exhausted, declares the Franchise breached, the parties may pursue their remedies pursuant to Franchise or any other remedy, legal or equitable. Grantee may continue to operate the system until all legal appeals procedures have been exhausted.
- e. Notwithstanding the above provisions, neither Grantor nor Grantee waives any of their rights under federal or state law or regulation.

SECTION 16. FORECLOSURE, RECEIVERSHIP AND BANKRUPTCY.

- 16.1. Foreclosure. Upon the foreclosure or other judicial sale of the system, Grantee shall notify the Grantor of such fact and such sale shall be treated as a transfer pursuant to the provisions of Section 17.
- 16.2. Bankruptcy. If there shall be filed against Grantee in any Court, pursuant to any statute either of the United States or of any State, a Petition at Bankruptcy or insolvency or for reorganization or for the appointment of the receiver or trustee of all or a portion of Grantee's property, and if, within one hundred twenty (120) days

thereof, Grantee fails to secure a discharge or dismissal thereof, or Grantee shall voluntarily file any such petition or make an assignment for the benefit of creditors, Grantee shall notify Grantor of such fact within five (5) business days of its occurrence. Additionally, if Grantee files a bankruptcy petition, and later converts the petition to another chapter, then Grantee shall notify Grantor of such fact within five (5) days of such occurrence.

SECTION 17. REMOVAL, TRANSFER AND PURCHASE.

17.1. Removal After Revocation.

- a. Upon revocation, termination or non-renewal of the Franchise, as provided for herein, the Grantee shall proceed to remove, at Grantee's expense, all or any portion of the System from all streets and public property within the territorial boundaries of the Grantor. In so removing the System, Grantee shall be responsible for any repairs or damages caused by its removal and shall maintain insurance as described in Section 12 during the term of removal.
- b. If Grantee has failed to commence removal of the System, or such part thereof as was designated within thirty (30) days after written notice of the Grantor's demand for removal is given, or if Grantee has failed to complete such removal within six (6) months after written notice of the Grantor's demand for removal is given, the Grantee may abandon such System to the Grantor or, at the option of Grantor and at Grantee's expense, Grantor may remove or cause to be removed such System and restore the areas to their original condition.

- 17.2. Transfer. Grantee agrees that this Franchise will not be sold, leased, assigned or transferred, nor will title thereto, either legal or equitable, or any right, interest or property therein pass to or vest in any person, firm or corporation without prior written consent of the Grantor, which consent will not be unreasonably withheld, and under such lawful conditions as the Grantor may prescribe and which shall be governed by applicable provisions of the Cable Act. No consent will be required for a transfer in trust, mortgage or other hypothecation as a whole or in part to secure an indebtedness. Further, no such sale, assignment or transfer will be deemed to have taken place if such sale, assignment or transfer is to an entity under common control with Adelphia, between affiliated companies, or between parent and subsidiary corporations. Control shall mean the majority (over fifty percent (50%)) voting control of the Grantee. For the purposes of this Section 17.2, the word "transfer" shall include, but not be limited to: (i) the sale, lease or assignment of this Franchise pursuant to a pending bankruptcy or receivership proceeding pursuant to the provisions of the Bankruptcy Code to an entity not under common "control" with Adelphia, as that term is defined herein, or (ii) the sale, lease or assignment of this

Franchise after the Grantee emerges from bankruptcy proceedings to an entity not under common "control" with Adelpia, as that term is defined herein.

- 17.3. Franchise Binding. This Franchise shall be binding on the successors, assigns, and transferees of the Grantee.

SECTION 18. MISCELLANEOUS PROVISIONS.

- 18.1. Compliance with Laws. Grantee and the Grantor shall conform to all state and federal laws and rules regarding Cable Service as they become effective unless otherwise stated. Grantee shall also conform during the entire term of the Franchise with all generally applicable agreements, resolutions, rules and regulations heretofore or hereafter adopted pursuant to the Grantor's lawful police powers that do not materially impair or abrogate any of the Grantee's contractual rights under this Franchise and that are not preempted by state or federal law.
- 18.2. Severability. If any term, condition or provision of this Franchise or the application thereof to any person or circumstance shall, to any extent, be held to be invalid or unenforceable, 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 Franchise and all the terms, provisions and conditions hereof 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 Grantee and the Grantor.
- 18.3. Incorporation by Reference. All presently and hereafter applicable conditions and requirements of federal and state law and the rules and regulations of the FCC, as they may be amended from time to time are incorporated herein by reference.
- 18.4. Police Powers. By executing this Agreement, the Grantee acknowledges that its rights are subject to the provisions of RSA 31:39 and of the authority of the Grantor to adopt and enforce general by-laws necessary to the safety and welfare of the public. The Grantee shall comply with the by-laws enacted by the Grantor pursuant to its police powers.
- 18.5. Administration of Franchise. This Franchise is a contract and except as to those changes which are the result of the Grantor's exercise of its police power in management of its rights of way and its generally applicable regulation of commerce, neither party may take any unilateral action which materially changes the explicit mutual promises in this contract. Any amendments or modifications to the Franchise must be made in writing, signed by Grantee and Grantor, and such amendments and

modifications shall be made in compliance with the notice and public hearing requirements of applicable state law.

- 18.6. Franchise Requirement. In accordance with applicable law, from and after the acceptance of the Franchise, the Grantor shall not allow and it shall be unlawful for any person to construct, install or maintain within any street within the territorial boundaries of the Grantor, or within any other public property of the Grantor, or within any privately owned area within the territorial limits of the Grantor which has not yet become a public street but is designated or delineated as a proposed public street on any tentative subdivision map approved by the Grantor, or the Grantor's official map or the Grantor's major thoroughfare plan, any equipment or facilities for distributing any Cable Service through a Cable System, unless a Franchise authorizing such use of such street or property or areas has first been obtained.
- 18.7. Reservation of Rights. Acceptance of the terms and conditions of this franchise will not constitute, or be deemed to constitute, a waiver, either expressly or impliedly, by either party of any constitutional or legal right which it may have or may be determined to have, either by subsequent legislation or court decisions. Further, the parties hereby acknowledge that each reserves all of their rights under applicable Federal and State Constitution laws and regulations.
- 18.8. Force Majeure. With respect to any provision of this Franchise Agreement, the violation or noncompliance with which could result in the imposition of a financial penalty, forfeiture or other sanction upon Grantee, such violation or noncompliance will be excused where such violation or noncompliance is the result of an inability to secure materials, an act of God, war, civil disturbance, strike or other labor unrest, or any event beyond Grantee's reasonable control or not reasonably foreseeable.
- 18.9. Captions. The paragraph captions and headings in this Franchise are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of this Franchise.
- 18.10. 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 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.
- 18.11. Written Notice. All notices, reports or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to the person designated below, or when five (5) days have elapsed after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, or on the next business day if sent by express mail or overnight air courier addressed to the party to which notice is being given, as follows:

If to Grantor: Town Manager
125 Main Street, Suite 200
Littleton, NH 03561

With a copy to: Donahue, Tucker & Ciandella, PLLC
Attorneys at Law
225 Water Street
Exeter, NH 03833

If to Grantee: Adelpia Communications Corporation
Attn: Legal Department
200 Minuteman Road, Suite 102
Andover, MA 01810

With a copy to: FrontierVision Operating Partners, L.P.
ATTN: Area Manager
10 Ferry Street, Suite 208
Concord, NH 03301

Such addresses and phone numbers may be changed by either party upon notice to the other party given as provided in this section.

- 18.12. Renewal. The renewal process of this Franchise Agreement will be subject to applicable Federal and state law.
- 18.13. Entire Agreement. This Franchise contains the entire understanding between the parties with respect to the subject matter hereof and supersedes all other prior understandings and agreements, oral or written. This agreement may not be modified or amended except in writing signed by both parties.
- 18.14. Identification. Grantee shall ensure that all of its vehicles, employees, agents and subcontractors are reasonably identified to the general public.
- 18.15. Leased Access Channels. Grantee shall make channel capacity available as required by the Cable Act.
- 18.16. Strand Maps. Within sixty (60) days from a request in writing from the Franchising Authority, the Grantee shall provide to the Town a complete set of strand maps of the Franchise Area, and on which will show the Grantee's cable in those areas in which its facilities exist and the location of all streets and homes receiving cable service. Upon reasonable request by the Franchising Authority, Grantee shall provide updated maps.

18.17. Delegation. The Franchising Authority may delegate to any Town official, employee, agency or commission the authority to exercise any of the Franchising Authority's rights hereunder which may lawfully be so delegated.

SECTION 19. PUBLICATION.

This Franchise shall be signed by the Board of Selectmen. The Franchise shall be published in accordance with the requirements of Grantor and state law and shall take effect upon acceptance by Grantee as set forth in Section 4 hereof.

SECTION 20. ACCEPTANCE.

Grantor and Grantee, by virtue of the signatures set forth below, agree to be legally bound by all provisions and conditions set forth in this Franchise, together forming a mutually binding contractual agreement.

Passed and adopted this 23rd day of March, 2005.

By: Town of Littleton, New Hampshire
Board of Selectmen

William R. Heath, Chairman

Burton E. Ingerson, Selectman

Date: March 23, 2005

Accepted by FrontierVision Operating Partners, L.P.
d/b/a Adelphia Cable Communications

By: Robert G. Wahl
Name: Robert G. Wahl
Title: Senior V.P. Operations
Date: June 23, 2005

Exhibit A

Intermunicipal Agreement

**INTERMUNICIPAL AGREEMENT GOVERNING THE
PROFILE REGION CABLE TELEVISION CONSORTIUM**

THIS AGREEMENT, made as of the 1st day of April, 2002, by and among Littleton, Lisbon, Bethlehem, Franconia, Monroe, Sugar Hill and Carroll (Twin Mountain) executing this Agreement (hereinafter, a municipality which is a party hereto is referred to as a "Municipality" and all of the municipalities, which are parties hereto, are collectively referred to as the "Consortium Members")

INTRODUCTION

It is the purpose of this Agreement to permit the Consortium Members to make the most efficient use of their powers by enabling them to cooperate with each other on the basis of mutual advantage, and thereby to acquire cable television services and facilities in a manner that will accord best with their needs.

NOW, THEREFORE, pursuant to the authority granted by RSA 53-A and 43-C:2, II and any other applicable law, the Consortium Members executing this Agreement covenant and agree as follows:

ARTICLE I

Formation; Purposes; Powers

- 1.1 **Powers of Consortium.** The Consortium shall have and may exercise all of the following powers, privileges and authorities:
- (a) to negotiate cable television-related issues of importance on behalf of the Consortium Members and make recommendations to the Franchising Authorities of the Municipalities;
 - (b) to retain the services of legal counsel, accountants, engineers, and other professionals as required;
 - (c) to represent the Municipalities in the discussion of cable television related matters with the cable operator subject to the authority of the franchising authorities of the municipalities.
- 1.2 **No Separate Entity.** This Agreement is not intended, nor shall it be construed, to create any separate legal

or administrative entity, but is merely a mechanism to allow the Consortium Members to associate for their mutual advantage.

- 1.3 **Additional Members.** The Consortium may admit additional member municipalities upon an affirmative vote of the majority of the Consortium Board. Upon acceptance of an additional member, all past expenses will be recalculated to include the additional member's subscriber information, with the additional member responsible for its past proportionate share. Income derived from this process shall be distributed to each member according to the recalculation.
- 1.4 **Powers Withheld.** Nothing in this Agreement shall authorize the Consortium to create an operating reserve fund, to sue or to be sued, to borrow money, assume the role of franchising authority under RSA 53-C, or acquire, hold or dispose of real or personal property.
- 1.5 **Principal Place of Business.** The initial principal place of business of the Consortium shall be located at the offices of the Town of Littleton, presently located at 2 Union Street, Littleton, New Hampshire. The Consortium may have such other places of business as shall be determined by the Consortium Board from time to time.

ARTICLE II TERM

- 2.1 **Term of Agreement.** This Agreement shall be effective upon its review and approval by the Attorney General under RSA 53-A:3, V and upon filing with the Town Clerk of each member and with the Secretary of State under RSA 53-A:4. The Secretary shall notify each Member of the effective date of this Agreement when known. Once effective, the Agreement may be terminated at any time by a vote of the Board pursuant to Article 4.3, and shall automatically terminate upon notice of withdrawal being sent to the principal place of business of the Consortium by the governing bodies of a majority of the Members pursuant to Section 7.1 of this Agreement.

ARTICLE III
Consortium Board

- 3.1 **Establishment of Consortium Board.** The Governing Body of each Consortium Member shall appoint one (1) representative to the Consortium Board, with said Board exercising all of the powers, duties and responsibilities of the Consortium.
- 3.2 **Terms of Office for Consortium Board Members.** Each Consortium Board member shall serve at the pleasure of the respective appointing Governing Body.
- 3.3 **Consortium Budget.** The Consortium shall annually establish and maintain a budget to carry out the purposes of this Agreement. The Consortium shall develop a budget and deliver same to the members on or before November 15 of each year of this Agreement. Upon approval of the budget by a majority of the Consortium Members, the chairman and treasurer are hereby authorized to administer and maintain the budget in a manner not inconsistent with the purposes of this Agreement.

ARTICLE IV
Board Functioning

- 4.1 **Scope.** The provisions of this Article shall govern the functioning of the Consortium Board.
- 4.2 **Regular Meetings.** The Board shall hold regular meetings on such dates and at such times and places as shall be determined by the Board. All meetings shall be noticed and conducted pursuant to the requirements of RSA 91-A. The Board shall hold at least one meeting annually.
- 4.3 **Quorum.** At all meetings of the Board, the presence of a majority of the Consortium Members shall constitute a quorum for the transaction of business.
- 4.4 **Voting.** On each matter voted upon by the Board, each Consortium Member shall be entitled to cast one (1) vote. When a quorum is present at any meeting of the Board, a majority vote of the meeting shall decide any question brought before such meeting.

- 4.5 **Executive Committee.** The Consortium Board may, by majority vote, establish an Executive Committee, which shall consist of the officers of the Consortium, and further authorize the Committee to transact day-to-day business on behalf of the Board.

ARTICLE V
Officers

- 5.1 **Number.** The officers of the Consortium shall be elected by the Board and shall consist of a Chairman (or co-chairmen), Treasurer and a Secretary. The Consortium Board shall determine the terms of office.
- 5.2 **Duties of Officers.** The duties and powers of the officers of the Consortium shall be those listed below:
- (a) **Chairman (or co-Chairmen).** The Chairman (or co-chairmen) shall preside at all meetings of the Board and shall also have and perform such other duties as from time to time may be assigned to him by the Board.
 - (b) **Treasurer.** The Treasurer shall be responsible for maintaining the financial records of the Consortium and shall administer and maintain the Consortium budget in a manner not inconsistent with the purposes of this Agreement.
 - (c) **Secretary.** The Secretary shall record all the proceedings of Board meetings, give notice of all meetings, keep the register of the names and addresses of the Board Members and perform such other duties as may be prescribed by the Board.

ARTICLE VI
Operating Costs

- 6.1 **Operating Costs.** The Consortium may incur expenses such as legal, technical and accounting consultant services only after receiving authorization from the Consortium Board.
- 6.2 **Allocation of Costs.** General expenses incurred by the Consortium, including, general legal advice shall be allocated among the members according to the number of cable television subscribers in each municipality. For

the purposes of this Agreement, the number of cable television subscribers has been established as follows:

Littleton	1981	54%
Lisbon	458	12%
Bethlehem	514	14%
Franconia	235	6%
Monroe	174	5%
Sugar Hill	96	3%
Carroll (Twin Mountain)	227	6%

The number of subscribers shall be determined through an official request from the Consortium for said information to the cable operator.

- 6.3 **Reallocation of Costs.** The proportionate sharing of general expenses shall be reviewed annually upon the anniversary of this Agreement, or in the event that one or more Municipalities either join or withdraw from the Consortium.

ARTICLE VII Withdrawal of Municipalities

- 7.1 **Withdrawal of Municipality.** A municipality may withdraw from the Consortium by its Franchising authority notifying the Consortium at its principal place of business at least thirty calendar days before said withdrawal.
- 7.2 **Settlement Arrangements.** Upon receipt of the withdrawal notice, the Consortium Board shall make a final accounting of its expenses to that date and notify the withdrawing community of its final obligations. The Consortium Board shall then recalculate the proportionate share of each remaining Member Municipality and so notify every Member.
- 7.3 **Amendment.** This Agreement may only be amended by written consent of the governing body of each and every Member.

ADOPTED; this 15th day of April, 2002.

GOVERNING BODIES:

TOWN OF LITTLETON
BOARD OF SELECTMEN

Burton Ingerson

William Hight

George Hicks

TOWN OF BETHLEHEM
BOARD OF SELECTMEN

Raymond Bushway

George Manupelli

Bradley Presby

Judy Wallace

David Wood

TOWN OF LISBON
BOARD OF SELECTMEN

Richard Trelfa


Jerry Hite

Regan Pride

TOWN OF FRANCONIA
BOARD OF SELECTMEN



Ken Mosedale



Ramesh Dave

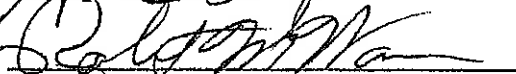


Ruth A. Vaill

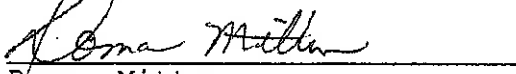
TOWN OF MONROE
BOARD OF SELECTMEN



Gerry LaFlamme



Robert Wormer



Donna Mitton

TOWN OF SUGAR HILL
BOARD OF SELECTMEN

John Strasser

Richard Bielefield

Harry Reid

TOWN OF CARROLL (TWIN MOUNTAIN)
BOARD OF SELECTMEN

William Wright

Mark Clark

Frederick Hollis

TOWN OF MONROE
BOARD OF SELECTMEN

Gerry LaFlamme

Robert Wormer

Donna Mitton

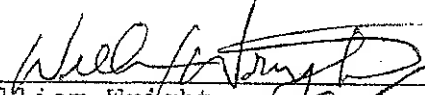
TOWN OF SUGAR HILL
BOARD OF SELECTMEN

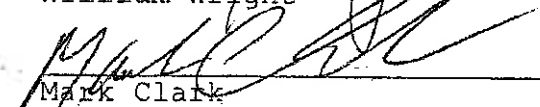
John Strasser

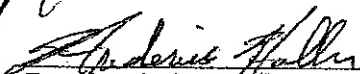
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Frédéric Hollis

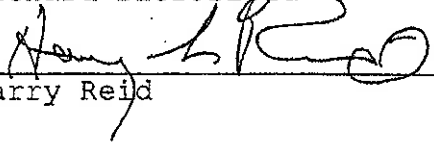
TOWN OF SUGAR HILL
BOARD OF SELECTMEN



John Strasser



Richard Bielefield



Harry Reid

GOVERNING BODIES:

TOWN OF LITTLETON
BOARD OF SELECTMEN

✓ *Burton Ingerson* 3-13-02
Burton Ingerson

✓ William Hight 3-13-02

✓ *Burton E. Hicks* 3-13-02
George Hicks

TOWN OF BETHLEHEM
BOARD OF SELECTMEN

Raymond Bushway

George Manupelli

Bradley Presby

Judy Wallace

David Wood

TOWN OF LISBON
BOARD OF SELECTMEN

Richard Trelfa

Jerry Hite

Regan Pride

TOWN OF FRANCONIA
BOARD OF SELECTMEN

Ken Mosedale

Ramesh Dave

Ruth A. Vaill

GOVERNING BODIES:

TOWN OF LITTLETON
BOARD OF SELECTMEN

John Devereaux

Thomas Levesque

Frank Byron

M. Patricia Jewett

John E. Pinciario

TOWN OF LISBON
BOARD OF SELECTMEN

Richard Trelfa

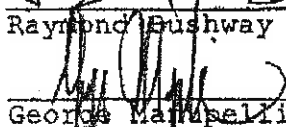
Jerry Hite

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George Maripelli



Bradley Presby



Judy Wallat



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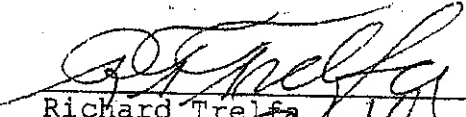
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BOARD OF SELECTMEN



Richard Trelfa



Jerry Hite



Regan Pride

TOWN OF FRANCONIA
BOARD OF SELECTMEN

Ken Mosedale

Ramesh Dave

Ruth A. Vaill

Exhibit B

**Schools, Libraries and Municipal Buildings
To be Provided with Cable Service Connection**

Lakeway Elementary School
Littleton High School
Daisy Bronson Middle School
St. Rose Junior High
Littleton Fire Department
Littleton Highway Department
Littleton Town Hall
Littleton Police Department
Littleton Water & Light
Littleton Library

Exhibit C

PEG Access

Channels. Grantee agrees to continue to provide to the Grantor throughout the term of this franchise the one (1) PEG Access channel currently in use by the Grantor and to be shared with other towns in the Consortium and to be shared in accordance with rules and regulations to be established by the Consortium. Grantor reserves the right to broadcast, either live or taped, public meetings. In accordance with federal law, Grantee will be entitled to use any PEG access channel capacity for the provision of other services at any time such channel capacity is not being used for the designated PEG access purposes. Grantor has priority in scheduling programming of PEG channel.

Grantee shall make available to the Grantor one (1) additional PEG Access channel (to be shared among the Consortium towns as referenced above) at such time that the PEG Access channel referenced above is used to cablecast locally produced, non-commercial, non-character-generated programming seventy-five percent (75%) of the time, for six (6) consecutive weeks; provided, however, that specific programming may be cablecast and re-cablecast a total of six (6) times during said six (6) week period. Provided that the Franchising Authority gives Grantee three (3) month's written notice, Grantee shall make such second PEG Access channel available (i) as soon as possible if channel space is available or (ii) if there is no channel space available, the Grantee shall have nine (9) months following receipt of the Franchise Authority's written request to make such channel available.

Origination Site. Grantor, together with the other towns which are members of the Consortium and which choose to actively utilize the origination site, intends to operate an origination site at Littleton High School which shall be available for use by such towns to produce educational and government-related programming and which will be an origination site for live broadcasting.

1. Grantee agrees to provide capital funding in the amount of \$42,300.00 to purchase and own cameras and such other equipment necessary to allow Littleton High School to be used as an origination site. Such funds shall be made available by Grantee ninety (90) days after a written request is submitted by Grantor, or a non-profit corporation to be established. Such written request must include how the Grantor has decided to allocate what proportion of the \$42,300.00 will be deducted from the franchise fees of Grantor. Grantee reserves the right to deduct the PEG capital funding (\$42,300.00) from franchise fees of Grantor remitted pursuant to Section 10.1. In the event that Grantor is not requiring a franchise fee at the time PEG capital funding is requested, then Grantee reserves the right to include Grantor's portion with Grantor's rates and/or pass it through to Subscribers. Should another consortium town exercise its right to utilize the origination site, then such town will, together with Grantor, determine an equitable amount for the town to pay to Grantor, and the town will fund such amount through an appropriate source.

2. Maintenance: Grantee shall maintain the live origination return link. Grantee shall monitor the PEG access channel(s) for technical quality and shall ensure that they are maintained at standards consistent with those which apply to the System's commercial channels. Grantor acknowledges that Grantee is not responsible for the technical quality of PEG access programming. Upon request, Grantee shall make available a copy of its most recent annual performance tests.
3. Except as provided herein, there shall be no charges for the provision or use of said PEG access channel.
4. Grantor reserves the right to request that an additional origination return link be installed and to operate an origination site for live broadcasting of governmental and educational programming at a location within the Town of Littleton of the Grantor's choosing, provided it is within one hundred fifty (150) feet of Grantee's distribution plant. Should Grantor exercise this right, then Grantee shall install an origination return link and Grantor shall pay for same. Grantor shall also be responsible for establishing a budget for capital costs and operating costs, such as supplies and employees, for such origination site. Should the Grantor exercise the right described herein, then Grantee shall maintain the live origination return link in the same manner referenced in paragraph 2 above.

Non-Commercial. An Access channel is a channel made available to Grantor by Grantee for the purpose of cablecasting non-commercial programming by Grantor's residents and its administration and educational institutions. The Grantor agrees not to use the access channels to provide commercial or revenue-generating services or services that may compete, directly or indirectly, with services provided by Grantee, provided, however, that Grantor may cablecast acknowledgments of funding sources and the underwriting of programming costs.

Exhibit D

Cable Modem Service Connections to Grantor Schools and Libraries

One (1) free high-speed cable modem connection will be provided to the following public schools and libraries:

Littleton Library

Littleton High School

Lakeway Elementary School

Daisy Bronson Middle School

St. Rose Junior High

Exhibit E

Procedure for Alternative Density Formula for Homes with One Year Contractual Commitment to Expanded Basic Service

Protocol to Execute Alternative Density Formula

(1) A potential customer shall contact Grantee to request service. Within five (5) business days of the contact, Grantee shall advise the potential customer that he meets the standard density requirements, or in the alternative, that 14 other customers per linear strand mile must request service before installation can be made.

(2) On or about the date when the potential customer contacts Grantee, Grantee shall contact in writing the Grantor to request the names and addresses of homes adjacent to the potential customer. Grantor shall immediately make available for inspection and copying such names and addresses.

(3) Once Grantor makes such information available for inspection and copying, then Grantee shall within five (5) days mail an invitation to all individuals named, asking whether they wish to receive cable service, and if so to respond within twenty (20) days of the date of the invitation.

(4) At the end of the twenty (20) days, Grantee shall advise the (original) potential customer whether or not 14 additional potential customers have expressed interest in receiving cable service, and if less than 14 people responded, what options for service are available for the (original) potential customer.

Exhibit F

**Rates for Installations in Excess of 150 Feet
From Existing Distribution Plant**

Installation Cost Schedule

Towns of: Littleton, Bethlehem, Franconia, Sugar Hill, Carroll (Twin Mountain), Monroe and Lisbon

This installation cost schedule will be used for all Subscriber installations that are beyond the 150 foot standard drop as defined in section 4.6. A copy of the Cost schedule shall be provided to the Subscriber when the request for installation is made.

Installation Cost Schedule:

From 151 feet to 600 feet	\$1.00 per foot
From 601 feet to 1000 feet	\$2.00 per foot
Greater than 1000 feet	Per written time & material cost estimate.

Installation Cost Schedule pertains to aerial installations only. For underground installations, Subscriber must provide either a buried 3 inch schedule 40 conduit for CATV use only or an open trench that is a minimum 12 inches in depth, then above per foot charges will apply.

In situations where no conduit or open trench is provided, Subscriber will pay for the burial cost per a written time & material cost estimate to be provided in advance.

If actual costs for any installations are less than the cost schedule or written estimates set forth above, then the actual costs will be charged to the Subscriber.

Installation cost includes primary CATV outlet and one additional CATV outlet. Additional CATV outlets will be charged per Adelphia's published rates in effect at the time.

The above costs can be modified by Grantee on an annual basis. Modified prices must be sent in writing to Grantor at least thirty (30) days in advance of the effective date.

EXHIBIT G

FORM FOR ANNUAL REPORTS

Location of and hours of Payment Center:

Location of and hours of Customer Service Office

Customer Service Telephone Number:

Location of Headend (Reception Facility)

Miles of Cable Plant in Littleton:

Number of Littleton Subscribers:

System Reliability Operating Percentage:

Customer Service Statistics:

a) Number of reports of system outages and response time for such outages;

b) Copy of written complaints and brief description re: resolution of such complaints

Franchise Fee Paid: \$ _____

Contact Person to Service Unresolved Customer Complaints:

Updated Labor/Material Costs (if applicable) for Installation Over 150 feet from existing plant: