



Town of Monroe, New Hampshire

CABLE TELEVISION SYSTEM FRANCHISE

Issued to

Grassroots Cable Systems, Inc.

Agreement made this 28th day of November, 1989 by and between the town of Monroe, New Hampshire, (hereinafter, "TOWN") and Grassroots Cable Systems, Inc., a New Hampshire corporation having its principal place of business at Portsmouth, New Hampshire (hereinafter, "GRASSROOTS").

WHEREAS, GRASSROOTS desires to operate a cable television system in the TOWN and to obtain a franchise for such cable television system from TOWN, and TOWN is willing to grant said franchise pursuant to applicable laws and regulations, according to the terms and conditions as described herein.

NOW, THEREFORE, the parties mutually agree as follows:

FIRST: GRANT OF FRANCHISE, TERRITORY

There is hereby granted to Grassroots Cable Systems, Inc., its successors and assigns, the non-exclusive franchise to operate a cable television system (hereinafter, the "Franchise") throughout the Town of Monroe, New Hampshire, (hereinafter, "the Franchise Territory") to such geographic areas within the Franchise Territory as may, from time to time, contain a sufficient number of potential subscribers as shall, in the judgement of GRASSROOTS, reasonably exercised under Section 6, render it economical to extend its cable to such areas.

SECOND: TERM and RENEWAL

The Franchise and the rights herein granted shall commence on the date of this Agreement (the "Commencement Date"). The Franchise shall be for the term of fifteen (15) years (the "Franchise Term") from the date of this Agreement, unless extended by Section 17. The Franchise shall terminate and be of no further force or effect if GRASSROOTS shall not begin construction within eighteen months of the date of this Agreement unless extended by Section 17. The parties agree that this franchise shall be renewed for an additional term of fifteen (15) years under terms and conditions to be negotiated, if GRASSROOTS provides notice of its exercise of renewal and said renewal is in compliance with federal law.

THIRD: SERVICES and RATES

Schedule "A" and "C", attached hereto and made part hereof, are the schedules of initial programming services offered (Schedule "A") and rates that shall be initially charged (Schedule "C") by GRASSROOTS in the Franchise Territory as of the date of the execution of this Franchise Agreement.

GRASSROOTS may also transmit any and all other lawful services over the cable system and may change the programming services offered at its sole option. The Selectmen shall be notified at least fifteen (15) days prior to any changes announced to the public with 30 days public notice before implementation.

GRASSROOTS will maintain the residential Basic and Economy monthly service rates shown in Schedule "C" for a period of three (3) years from the date of this Agreement.

GRASSROOTS will not raise its residential Economy and Basic monthly service fees more often than once every two (2) years and such increases shall be consistent with federal law. The Selectmen shall be notified at least fifteen (15) days prior to any changes announced to the public with 30 days public notice before implementation.

Applicable taxes are not included in GRASSROOTS' rates and charges.

FOURTH: COMMUNITY CHANNEL

GRASSROOTS will provide the TOWN with a character generated Community Channel with the capability of providing video programming under the control of a Community Channel Committee established by the TOWN.

FIFTH: SERVICE AREA

Schedule "D" attached hereto is a map showing the initial service area.

SIXTH: LINE EXTENSIONS

In areas of TOWN not built initially, GRASSROOTS agrees to make service available within twelve (12) months of the request of the TOWN at any time there exists a minimum density of fifteen (15) or more dwelling units available to subscribe to the cable system in the next contiguous mile from which service is available at the time of the TOWN's request.

Grassroots will build aerial plant in residential areas not meeting the 15 dwelling unit per mile criterion if subscribers in the extension area agree to provide minimum monthly Basic service revenue equivalent to ten (10) paying dwelling units per mile for a minimum period of two (2) years.

SEVENTH: CONSTRUCTION

In furtherance of the franchise granted hereby, the following rights and privileges are hereby granted by the TOWN to GRASSROOTS, subject to the limitations set forth therein:

- 1) GRASSROOTS is hereby granted the right and privilege to erect facilities in the Franchise Territory and to construct, maintain and operate in the present and future streets, alleys and public places of the Franchise Territory and in all easements within the Franchise Territory which are dedicated to compatible uses, towers, poles, anchors, antennas, lines, cables, necessary wiring and other apparatus for the purpose of receiving, amplifying, and distributing television, radio and other electronic and optical signals to the Franchise Territory and the inhabitants thereof.
- 2) Such poles and towers shall be so erected as not to interfere with the traffic over the streets and alleys, and the location of all poles, towers or other obstructions shall be determined so as to give consideration to the reasonable operation of such traffic, provided that such location shall not be a vested interest. The poles and towers shall be removed by GRASSROOTS whenever the same restrict or obstruct the operation or location or any future operation or location of said streets, alleys and public places.
- 3) GRASSROOTS shall be subject to all ordinances now in force or that may be hereafter enacted relative to the construction of facilities, use of land and use of the streets and alleys in the Franchise Territory.
- 4) All poles owned by public utility companies which are located within the Franchise Territory shall be made available for use by GRASSROOTS at rates, terms and conditions prescribed by 47 USC 224. GRASSROOTS, however, bears sole responsibility for making any necessary arrangements with the public utility companies regarding the use of their poles.
- 5) All streets and sidewalks disturbed or damaged in the construction or maintenance of the plant and other appurtenances of the cable television system shall be promptly repaired by GRASSROOTS at its expense and to the satisfaction of the TOWN.
- 6) The construction and maintenance of the system shall be in accordance with federal, state and local codes and applicable laws, ordinances and regulations affecting electrical installations. All installations of equipment shall be of a permanent nature, durable and installed in accordance with good engineering practice in common use in cable television systems at the time of installation.

7) GRASSROOTS shall have the authority to trim trees upon and overhanging streets, sidewalks, alleys and public places of the TOWN so as to prevent branches from coming into contact with the aerial plant, only to the extent the TOWN would have the right to do so, at the expense of GRASSROOTS. GRASSROOTS shall not be responsible for the cost or work of public utilities, the TOWN, or others who trim trees for their own purposes.

8) GRASSROOTS shall make application for pole attachment agreements with the appropriate utilities within 20 business days of the Franchise Date, submit pole applications within 60 business days after receiving a fully executed pole attachment agreement, diligently pursue completion of make-ready work by the utilities and commence construction within 2 months after receipt of the last pole attachment permit issued and will complete system construction within twelve (12) months unless extended by Section 17 of this agreement. GRASSROOTS shall provide the TOWN with a monthly status report including copies of communications with utility companies involved.

EIGHTH: CONSTRUCTION BOND

GRASSROOTS shall post with the TOWN, prior to the start of construction, an acceptable construction bond in the amount of ten thousand dollars (\$10,000.00) as liquidated damages which will terminate upon completion of the build area designated in Schedule "D".

GRASSROOTS also will post with the applicable utilities such bonds as they may require to ensure the removal of GRASSROOTS' cable and other aerial plant from the utilities' poles and other supports.

NINTH: FREE SERVICE

GRASSROOTS shall provide free of charge for the Franchise Term, Basic service, as it shall be described from time-to-time in GRASSROOTS' rates, to the TOWN buildings listed in Schedule "B" attached hereto and made part hereof. The governing authority of the TOWN shall in writing request and authorize service and connections by GRASSROOTS.

TENTH: SERVICE REQUESTS and COMPLAINTS

GRASSROOTS will have 24 hour a day toll-free telephone lines for the purpose of receiving communications from subscribers and others concerning service including complaints about the quality of service, equipment malfunctions and similar matters. GRASSROOTS shall be responsible for the prompt response to and resolution of such matters.

Upon a subscriber's request, Grassroots will give a pro-rated credit for total loss of cable service or Premium Service(s) lasting 24 continuous hours or longer.

ELEVENTH: SHARED SPECTRUM

GRASSROOTS agrees to maintain its cables, cable drops and all connectors used therewith in good condition and good repair at all times. GRASSROOTS shall insure that its system is in full compliance with all applicable technical rules of the FCC. GRASSROOTS shall make measurements of leakage, as defined in Section 76.609 of the FCC Rules. GRASSROOTS will immediately suspend service to subscribers whose installations do not conform to applicable leakage standards of the FCC. Grassroots will restore service to affected dwelling unit(s) after the leakage violation is corrected.

TWELFTH: CABLE RULES

GRASSROOTS shall comply with all applicable requirements of the state and Federal Communications Commission.

THIRTEENTH: INDEMNIFICATION

GRASSROOTS shall indemnify, protect and save the TOWN harmless from and against losses and physical damages to property and bodily injury or death to persons, including payments made under Workers' Compensation Law, and attorney's fees for defending any action brought against the TOWN which may arise out of or be caused by the erection, maintenance, presence, use or removal of attachments on poles and/or receiving towers, antennas and related structures within the Franchise Territory or by any act of GRASSROOTS, its agents or employees. GRASSROOTS shall carry insurance to protect the parties hereto from and against all claims, demands, actions, judgements, costs, expenses and liabilities which may arise or result, directly or indirectly, from or by reason of such loss, injury or damage. The amounts of insurance shall be not less than the following, or such other limits as may be required by law for activities similar to those of GRASSROOTS:

Against liability due to physical damages to property:

One million dollars (\$1,000,000) as to any one accident;

One million dollars (\$1,000,000) aggregate in any single policy year; and

Against liability due to bodily injury or to death of persons:

Three million dollars (\$3,000,000) as to one person;

Three million dollars (\$3,000,000) as to any one accident.

GRASSROOTS shall also carry insurance to protect it from all claims under the Workers' Compensation Laws in effect that may be applicable to GRASSROOTS. All insurance required by this Agreement shall be and remain in full force and effect when construction of physical facilities commences and for the entire life of the Agreement and any extension or renewal thereof. GRASSROOTS shall provide certificates of the insurance called for in the foregoing evidencing the coverages required and the continuance of such coverages being in full force and effect throughout the term of this agreement and any extension thereof.

FOURTEENTH: FUTURE ENHANCEMENTS

Assuming similar conditions exist, GRASSROOTS will annually offer the TOWN any services granted to other towns franchised after the date of this Agreement. An offer of enhancements not accepted by the TOWN within 30 days of receipt will be considered automatically withdrawn.

FIFTEENTH: COST PROTECTION PROVISIONS

A. ADDITIONAL FRANCHISES In the event the TOWN grants an additional cable television franchise or franchises, such franchise(s) shall not contain terms and conditions more favorable or less burdensome than those contained herein. Any such additional franchise(s) shall be granted on the condition that such franchisee(s) shall indemnify and hold harmless GRASSROOTS from and against all costs and expenses incurred in strengthening poles, rearranging attachments, placing underground facilities and all other costs (including those of the TOWN and GRASSROOTS) incident to inspections, make-ready and construction of an additional cable television system in the Franchise Territory.

B. MAKEREADY COSTS In the event the estimated makeready costs from the utilities owning the poles in town exceeds an average of twenty five hundred dollars (\$2,500.00) per mile, GRASSROOTS may:

1. Seek a mutually satisfactory resolution of the economic hardship with the TOWN.
2. Failing the above GRASSROOTS may terminate the Franchise without penalty or prejudice including the release from any bonds made under this agreement.

SIXTEENTH: SEVERABILITY

If any section, sentence, clause or phrase of this Agreement is for any reason held illegal, invalid or unconstitutional by any court of competent jurisdiction or by regulations of the FCC or any other governmental agency having appropriate jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

SEVENTEENTH: FORCE MAJEURE

Prevention or delay of any performance under this Franchise due to circumstances beyond the control of GRASSROOTS or the TOWN, unforeseen circumstances or Acts of God shall not be deemed non-compliance with, or a violation of, this Franchise.

EIGHTEENTH: NOTICE

All notices sent pursuant to this Franchise shall be in writing and mailed by certified mail with a return receipt requested. Notice to GRASSROOTS shall be made to Grassroots Cable Systems, Inc., 60 West Road, P. O. Box 5550, Portsmouth, New Hampshire 03801, Attention: W. Robert Felder, President. Notice to the TOWN shall be to the Chairman of the Board of Selectmen at the TOWN office. Each party may advise the other in writing of change of designated address or agent for receipt of notices.

NINETEENTH: SUCCESSION

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement by causing the signatures of its duly designated agents to be affixed to duplicate originals on this 28th day of November, 1989.

Selectmen,
Town of Monroe, New Hampshire

Grassroots Cable Systems, Inc.

By: *Leticia E. Morrison*

By: *W. Robert Felder*
Pres.

By: *Robert M. Warr*

By: *Bernard D. Bushman*

SCHEDULE "A" to the Franchise Agreement dated 28th November, 1989 between Grassroots Cable Systems, Inc. and Monroe, New Hampshire.

INITIAL PROGRAM SERVICE PACKAGE:

BASIC SERVICE

- ABC STATION
- CBS STATION
- NBC STATION
- PBS STATION
- COMMUNITY CHANNEL

ABC, CBS, NBC and PBS programming service will be provided by a local affiliate when adequate reception is technically feasible. If antenna reception is either sub standard or not present, satellite programming services will be substituted.

- | | |
|------------------------------|-----------------------|
| WSBK TV38 BOSTON | MTV |
| SPORTSCHANNEL | VH-1 |
| ESPN | NICKELODEON |
| CBN FAMILY NETWORK | USA CABLE NETWORK |
| THE DISCOVERY CHANNEL | THE NASHVILLE NETWORK |
| ACTS | FNN/SCORE/TELSHOP |
| ARTS & ENTERTAINMENT NETWORK | CNN |
| C-SPAN | HEADLINE NEWS |
| CABLE VALUE NETWORK | SUPERSTATION WTBS |
| MOVIETIME | TNT |

*PREMIUM SERVICES

- SHOWTIME
- THE DISNEY CHANNEL
- NESN (New England Sports Network)
- CINEMAX
- PAY-PER-VIEW (future service)

*Extra monthly fee required per Premium Service purchased and Subscriber must have Basic Service.

GRASSROOTS may change this package at any time by dropping, adding or changing services.

Schedule "B" to the Franchise Agreement dated 28th November, 1989 between Grassroots Cable Systems, Inc. and Monroe, New Hampshire.

FREE SERVICE

GRASSROOTS agrees to provide FREE Basic Service, up to a maximum of three (3) total, to the public building(s) listed below when requested in writing by the Selectmen, providing such buildings are within 500' of a street with feeder cable on it. GRASSROOTS will bring cable to one set in each building. Any other services or equipment will be provided at GRASSROOTS' rates then in effect.

1. *Monroe Consolidated School*
2. *Monroe Public Library*
3. *Monroe Town Hall*

SCHEDULE "C" to the Franchise Agreement dated 28th November, 1989

RATE SCHEDULE

RESIDENTIAL RATES	<u>Monthly Charges (Plus Tax)</u>
BASIC SERVICE (25 channels) (Includes additional outlets, FM service one A/B switch and cable guide)	24.95
REMOTE CONTROL CONVERTER, each	3.00
PREMIUM SERVICES (4 channels)	
SHOWTIME	9.95
THE DISNEY CHANNEL	7.95
NEW ENGLAND SPORTS NETWORK (NESN)	5.95
CINEMAX	9.95
PAY-PER-VIEW (future)	PER EVENT

DISCOUNTS

SENIOR CITIZENS RATE

Senior Citizens are defined as 65 years of age or older, head of household. Seniors receive a 15% discount on all residential monthly services, 50% off on installation charges. Valid on regular monthly subscriptions only.

ADVANCE PAYMENT

Twelve (12) months service for eleven (11) months payment in advance on all services purchased, regular rates apply. Valid on residential and commercial accounts.

SEASONAL SUBSCRIPTIONS

Number of months service used (six month minimum), paid in advance on all services purchased, regular rates apply. Subscriber's annual certification of seasonal occupancy, no annual hookup charge.

COMMERCIAL RATES

Monthly Charges (Plus Tax)

HOTELS, MOTELS & TUITION SCHOOLS
(Non-public viewing areas)

BASIC SERVICE
(Includes cable guide)

Minimum charge	\$24.95
2-10 outlets	7.50 each
11-20 outlets	6.50 each
21+ outlets	5.50 each

PREMIUM SERVICES (priced per outlet)

SHOWTIME	3.50 each
THE DISNEY CHANNEL	3.75 each
NESN	3.50 each
CINEMAX	3.50 each
PAY-PER-VIEW (future)	Not available

TV DEALERS, VIDEO STORES, BARS & OTHER COMMERCIAL ESTABLISHMENTS
(Public viewing areas)

BASIC SERVICE

First set	\$24.95
-----------	---------

(Includes additional outlets, FM Service and cable guide)

PREMIUM SERVICES

SHOWTIME	Not available
THE DISNEY CHANNEL	Not available
NESN	\$50. per month/per establishment
CINEMAX	Not available
PAY-PER-VIEW (future)	Not available

FRANCHISE FEE

The TOWN will not receive a Franchise Fee.

INSTALLATION CHARGES

	<u>One Time Charges</u>
.Complete installation, residential subscriber, first set, within 500' of street with feeder cable includes installation of FM Service (within 10' of first set) and Premium services if ordered	\$40.00
.Complete installation, commercial subscriber first set, within 500' of street with feeder cable	40.00
.Additional residential sets each, includes installation of FM service (within 10' of set) and Premium services if ordered	20.00
.Additional FM hookups with 10' of cable, each	20.00
.Non-payment reconnect	20.00
.Service calls	
To restore Operator's cable TV service due to cable system failure	no charge
To restore Operator's cable TV service due to subscriber caused or other non-system problem	20.00
.Subscriber requested change, each	20.00
.Drop any or all service(s)	no charge
.Miscellaneous Charges:	
Subscriber requested visit not on a regularly scheduled day, add	20.00
Installation longer than 500' from street	cost + 10%
Increase signal level to dwelling unit	cost + 10%
.Multiple set installation, commercial or other	cost + 10%
.A/B switch, each	10.00
.Remote control converters, purchased, each	cost + 20%

PAYMENT TERMS

Monthly charges are payable in advance, on the first day of the month. Billing will be handled by means of a monthly statement.

Payments received that are postmarked after the due date will be assessed a \$2.00/month late charge. Subscribers with amounts more than 45 days past due will be disconnected. Subscribers will not be disconnected without first receiving a warning notice.

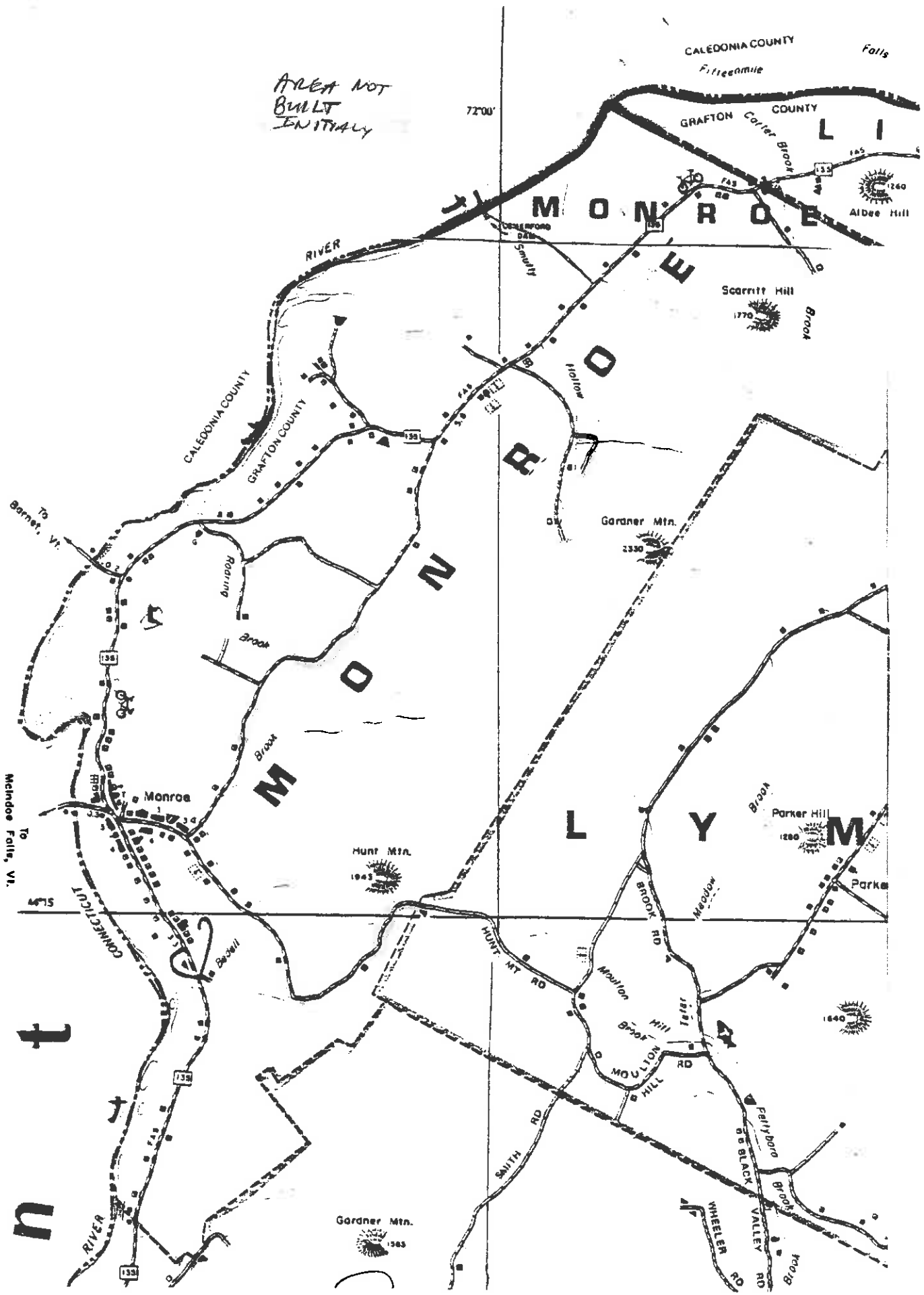
To reinstate service after a non-payment disconnect, the subscriber must pay all past due balances, pay the current period in advance and a reconnect charge of \$20.00. Payment made to a technician sent out to disconnect for non-payment will require a \$20.00 reconnect fee in addition to the past due balance and current monthly charges.

Subscribers may terminate service at any time and be refunded, pro-rata, any advance monthly service payment credit existing for their account.

VERMONT

EXHIBIT "D"

AREA NOT BUILT INITIALLY



To
Barnet, VT.

To
Mehndoe Falls, VT.

CONNECTICUT
RIVER

72°00'

CALEDONIA COUNTY
Fittes Brook

GRAFTON COUNTY
Carter Brook

Falls

MONROE

1240
Albee Hill

Scarrity Hill
1770

CALEDONIA COUNTY
GRAFTON COUNTY

MONROE

Gardner Mtn.
2330

MONROE

LYNCH

Parker Hill
1280

Hunt Mtn.
1943

Monroe

1640

Gardner Mtn.
1565

HUNT, NY RD

SMITH RD

MOULTON RD

HILL

HILL TETER

MOULTON RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD

BROOK RD