

CABLE TELEVISION FRANCHISE AGREEMENT  
Between  
THE TOWN OF SHELBURNE, NEW HAMPSHIRE  
And  
TIME WARNER NY CABLE LLC

This cable television franchise agreement (the "Franchise Agreement") is entered into by and between the Town of Shelburne, NH ("Grantor") and Time Warner NY Cable LLC ("Grantee") as of the \_\_\_ day of May, 2008.

SECTION 1. DEFINITIONS

For purposes of this Franchise, the following terms, phrases, words and their derivations shall have the meaning 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.

- A) "Basic Service" means that service tier which includes the retransmission of local television broadcast signals.
- B) "Cable Television System" or "System" means a facility consisting of a set of closed transmission paths associated signal generation, reception, and control equipment that is designed to provide Cable Services and which is provided to multiple subscribers within the Town of Shelburne. Such term does not include:
  - 1) A facility that serves only to retransmit the television signals of one (1) or more television broadcast stations;
  - 2) A facility that serves subscribers without using any public right-of-way;
  - 3) A facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act of 1934, as amended, except that such facility shall be considered a cable system to the extent such facility is used in the retransmission of video programming directly to subscribers unless the extent of such use is solely to provide interactive on-demand services;
  - (4) An open video system that complies with section 653 of the Communications Act of 1934 as amended; or
  - 5) Any facilities of any electric utility used solely for operating its electric utility systems.
- C) "Cable Service" means (1) the one-way transmission to subscribers of video programming (i.e., programming provided by, or generally comparable to programming provided by, a television broadcast station) and other programming; and (2) subscriber interaction, if any, which is required for the selection or use of such video programming.
- D) "FCC" means the Federal Communications commissions or any successor thereto, having jurisdiction over cable television.
- E) "Force Majeure" means a strike, acts of God, acts of public enemies, orders of any kind of a government of the United States of America or of the State or any

of their departments, agencies, political subdivisions; riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, tornadoes, volcanic activity, storms, floods, washouts, droughts, civil disturbances, explosions, labor unrest, shortage of materials or supplies, partial or entire failure of utilities or any other cause or event not reasonably within the control of the disabled party despite the exercise of commercially reasonable due diligence.

- F) "Grantee" means Time Warner Entertainment Company, L.P., its agents, lawful successors, transferees or assignees.
- G) "Grantor" or "Town" shall mean the Town of Shelburne.
- H) "Person" means any corporation, partnership, proprietorship or organization authorized to do business in the State or any natural person.
- I) "Public Property" means any real property other than a street owned by any governmental unit.
- J) "Service Area" means that area of the Town outlined in Exhibit A served by Grantee, or as subsequently modified by agreement of the Grantor and Grantee in accordance with Section 22.
- K) "State" means the State of New Hampshire.
- L) "Street" means the surface of and the space above and below any street, road highway, freeway, lane, path, way, alley, court, sidewalk, boulevard, parkway, drive, or any public easement or right-of-way now or hereafter held by the Town including poles, wires, cables, conductors, ducts, confluents, vaults, manholes, amplifiers, appliances, attachments and other property as may be ordinarily necessary and pertinent to a System.
- M) "Subscriber" means a member of the general public who legally receives broadcast programming distributed by a cable television system and does not further distribute it.

## SECTION 2. GRANT OF AUTHORITY

For the purposes of constructing, operating and maintaining a Cable System in the Service Area of the Town, Grantee may erect, install, construct, repair, replace, relocate, reconstruct and retain in, on, over, under, upon, across and along the Streets within the Service Area, including over public rights-of-way and through easements, within the Town such lines, cables, conductors, ducts, confluents, vaults, manholes, amplifiers, appliances, pedestals, attachments and other operating equipment as are necessary and pertinent to the operation of the Cable System, provided that Grantee undertakes such activities as are described in this section in accordance with local, state and federal law and with the prior approval of Grantor, which approval shall not be unreasonably withheld or delayed .

SECTION 3. COMPLIANCE WITH APPLICABLE LAWS AND ORDINANCES

- A) This Franchise is granted pursuant to the terms and conditions contained herein. Such terms and conditions shall be subordinate to all applicable provisions of state and federal laws, rules and regulations.
- B) Grantee's rights are subject to the police powers of the Town to adopt and enforce ordinances of general applicability necessary to the health, safety and welfare of the public. Grantee shall comply with all generally applicable laws and ordinances enacted by the Town pursuant to that power.

SECTION 4. 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 Franchise. The Franchise shall continue in full force and effect for a period of ten (10) years from such effective date. This Franchise will be automatically extended for an additional term of five (5) years unless either party notifies the other in writing of its desire to terminate this Agreement at least one year before the commencement of the five year extension.

SECTION 5. FRANCHISE NON-EXCLUSIVE

The Franchise granted herein is non-exclusive. The Town specifically reserves the right to grant, at any time, one or more additional franchises for a System in accordance with state and federal law.

SECTION 6. WRITTEN NOTICE

All notices or demands required to be given under this Franchise shall be deemed to be given when delivered personally to the persons designated below or upon the date actually received as evidenced by registered or certified mail receipt addressed as follows:

If to the Town: Town of Shelburne  
Board of Selectmen  
74 Village Road  
Shelburne, NH 03581

If to Grantee: Time Warner Cable  
400 Old County Road  
Rockland, ME 04841  
Attn: Government Affairs

and Time Warner Cable  
290 Harbor Drive  
Stamford, CT 06902  
Attn: General Counsel

Such addresses may be changed by either party upon notice to the other party given as provided in this Section.

## SECTION 7. REPAIR OF STREETS AND PROPERTY

Any and all Streets or Public Property or private property which are disturbed or damaged by the Grantee during the construction, repair, replacement, relocation, operation, maintenance or reconstruction of the System shall be promptly repaired by Grantee to a condition as good as that prevailing prior to Grantee's work.

## SECTION 8. CONSTRUCTION AND USE OF FACILITIES

- A) Subject to the Town's generally applicable permitting procedures, the Grantee shall have the right to erect and maintain its own poles at locations within the Service Territory as it may find necessary for the proper construction and maintenance of the Cable System. Approval shall be procured by the Grantee from the proper Town department providing for the erection of these poles. The Town agrees that such prior approval shall be granted on a timely basis and will not be unreasonably withheld.
- B) The Grantee's transmission and distribution system poles, wires, appurtenances, shall be located, erected, and maintained, so as not to endanger or interfere with the lives of persons or to interfere with any improvements the Town may deem proper to make or to unnecessarily hinder or obstruct the free use of the streets, alleys, bridges, sidewalks, or other public property. Removal or relocation of poles or equipment when necessary to avoid such interference shall be at the Grantee's expense. However, if any user of the street or right of way is compensated for such removal or relocation, Grantee shall be similarly compensated.
- C) Construction and maintenance of the System shall be performed in an orderly and workmanlike manner. Grantee shall at all times comply with the National Electrical Safety Code and such applicable ordinances and regulations of the Town affecting electrical and structural installations which may be presently in effect. Grantee shall also comply with all applicable state and federal laws and regulations.
- D) The Cable System shall be installed in accordance with good engineering practice, so as not to unreasonably interfere with the right of the public or individual property owner and shall not interfere unduly with the travel and use of public places by the public during the construction, repair, or removal thereof, and shall not unduly obstruct or impede traffic. For all new residential structures in which undergrounding is required by the Town, the builder, subdivider, or developer of such structure, at his sole cost and expense shall provide, in accordance with Grantee's current specifications, all conduits, trenches to buildings point of entry, from the boundary of the development, back fill and restoration of the trench area.
- E) The Grantee shall maintain its System so that its facilities shall conform to the pattern of the existing public utility facilities, subject to the right of the Town to require relocation, either overhead or underground, of all such utility facilities when the Town determines that such relocation is necessary and in the public interest but not for arbitrary and capricious reasons. Any such relocation shall be at the Grantee's pro-rata expense unless any other user of the street or public right of way is compensated for such relocation, in which case the Grantee shall be similarly compensated.
- F) The Grantee shall maintain its System so that poles and other structures of public utilities which are available shall be used to the extent practicable and subject to Grantee's ability to obtain such use on reasonable terms and conditions. Before placing

or setting new poles, the Grantee shall file notice of such intention with the Town and obtain Grantor's approval which approval shall not be unreasonably withheld or delayed.

- G) Whenever by reason of the construction, repair, maintenance, relocation, widening, raising, lowering of the grade, or vacation of any street by the Town for rehabilitating any section of the Town, it shall be deemed necessary by the Town for the Grantee to move, relocate, change, alter or modify any of its facilities or structures, such change, relocation, alteration or modification shall be promptly made by the Grantee. Any such relocation shall be at the Grantee's expense unless any other user of the street or public right of way is compensated for such relocation in which case the Grantee shall be similarly compensated. In the event the Grantee, after such notice, fails or refuses to commence, pursue or complete such relocation work within a reasonable time, the Town shall have the authority, but not the obligation, to remove or abate such structures or facilities and to require the Grantee to pay to the Town the cost of such relocation, alteration, or modification. If the Grantee fails to complete in a timely manner, any relocation requested by the Town and the Town incurs any costs resulting from such delay, the Grantee shall be liable to the Town for such costs.
- H) The Grantee shall, upon request of any person holding a building moving permit or permit to move oversize loads issued by the Town or the state, temporarily raise or lower its wires to permit the moving of buildings or oversize loads. The expense of such temporary removal or raising or lowering of the wires shall be paid by the person requesting the same and Grantee shall have the authority to require such payment in advance. The Grantee shall be given not less than seventy-two (72) hours advance notice to arrange for such temporary changes.
- I) The Grantee shall have the authority to trim trees upon and overhanging the streets of the Town as to prevent the branches of such trees from coming in contact with the Grantee's wires and cables, provided that the Grantee follows the requirements of RSA 231:172.
- J) All work undertaken in connection with the construction, reconstruction, maintenance, operation or repair of the Grantee's System shall be subject to and governed by all State and Federal laws, rules and regulations including those of the FCC and any other federal agency having jurisdiction.

#### SECTION 9. LEGAL OBLIGATIONS

- A) The Grantee shall, at its sole cost and expense, indemnify, defend and hold harmless the Town, its Selectmen, officers, boards, commissions, agents and employees, against and from any and all claims, demands, causes of actions, suits, proceedings, damages, liabilities and judgments of every kind arising out of or due to the Grantee's ownership, construction or operation of the Cable System in the Town, including but not limited to damages for injury or death or damages to property, real or personal, and against all liabilities to others and against all loss, cost and expense, resulting or arising out of any of the same. However, Grantee shall not be required to hold harmless and indemnify the Town for any claims arising out of the negligence of the Town, its officers, boards, commissions, councils, elected officials, agents or employees. The Town shall indemnify and hold harmless Grantee from any damage or claims resulting from any acts of the Town, its officers, boards, commissions, councils, elected officials, agents or employees, including but not limited to any acts committed by the Town in connection with work performed by the Town on, or adjacent to, the Cable System.

- B) The Grantee shall, at the sole risk and expense of the Grantee, upon demand of the Town, appear in and defend any and all suits, actions, or other legal proceedings, whether judicial, quasi-judicial, administrative, or otherwise brought or instituted or had by third persons or duly constituted authorities, against or affecting the Town, its officers, boards, commission, agents, or employees, arising out of or due to the Grantee's ownership, construction or operation of the Cable System in the Town.
- C) The Grantee shall pay and satisfy and shall cause to be paid and satisfied any judgment, decree, order, directive, or demand, rendered made or issued, against the Grantee, the Town, its officers, boards, commissions, agents or employees, for the foregoing; and such indemnity shall exist and continue without reference to or limitation by the amount of any bond, policy of insurance, deposit, undertaking or other assurance required hereunder or otherwise.
- D) In order for the Town to assert its rights to be indemnified, defend and held harmless, the Town must:
  - 1) Promptly notify Grantee of any claim or legal proceeding which gives rise to such right;
  - 2) Afford Grantee the opportunity to participate in and control any compromise, settlement, resolution or disposition of such claim or proceeding, provided that the Grantee will consult with the Grantor with regard to any such settlement, resolution or disposition and will not unreasonably deny or incorporate into such settlement, resolution or disposition any concerns that the Grantor has with such; and
  - 3) Fully cooperate in the defense of such claim and make available to Grantee all such information under its control relating thereto.

SECTION 10. CUSTOMER SERVICE STANDARDS

Grantee shall at all times comply with the customer service standards of the FCC including without limitation those related to notifications to subscribers, office hours and availability, installations, outages, service calls, billing, refunds, and credits as they may be amended from time to time.

SECTION 11. LIABILITY INSURANCE

- A) Grantee shall maintain, throughout the term of this Franchise, liability insurance insuring the Town and the Grantee with regard to all damages mentioned in Section XI above in the following minimum amounts:
  - 1) One Million Dollars (\$1,000,000) for bodily injury or death to any one person;
  - 2) One Million Dollars (\$1,000,000) for bodily injury or death resulting from any one accident; and
  - 3) One Million Dollars (\$1,000,000) for all other types of liability.

- B) Upon request of the Town, Grantee shall furnish to the Town satisfactory a certificate of insurance evidencing that an insurance policy has been obtained and is in full force and effect.

SECTION 12. PERFORMANCE STANDARDS

- A) The Grantee shall construct, operate and maintain its System according to the specifications of the FCC.
- B) The Grantee shall at all times employ a reasonable standard of care to prevent failures or accidents which are likely to cause damages, injuries or nuisances to the public.
- C) Subject to the requirements of the FCC, the Grantee shall provide a parental control device capability for a reasonable charge, upon request, to any subscriber.

SECTION 13. TRANSFER OR ASSIGNMENT OF FRANCHISE

The rights granted herein shall not be transferred or assigned by the Grantee without written notice to and approval by the Town, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, no notice shall be required for any transfer or assignment of the franchise to any entity controlling, controlled by or under the same common control as the Grantee.

SECTION 14. FRANCHISE RENEWAL

The parties may by mutual agreement renew this Franchise Agreement in accordance with applicable state and federal law.

SECTION 15. TOWN'S RIGHT TO REVOKE

In addition to all other rights which Town has pursuant to law or equity, the Town reserves the right to revoke, terminate or cancel this Franchise and all rights and privileges pertaining thereto in the event that:

- A) Grantee violates any material provision of this Franchise; or
- B) Grantee practices any fraud upon the Town; or
- C) Grantee becomes insolvent, unable or unwilling to pay its debts, or is adjudged bankrupt or a receiver is appointed to it.

SECTION 16. REVOCAION PROCEDURES

- A) The Town shall notify the Grantee of its intention to revoke, terminate or cancel this Franchise. The written notice shall describe in reasonable detail the specific violation so as to afford Grantee an opportunity to remedy the violation.
- B) Grantee shall have ninety (90) days subsequent to receipt of the notice in which to correct the violation before the Town may formally revoke, terminate or cancel this Franchise. Grantee may, within thirty (30) days of receipt of the notice, notify the Town that there is a dispute as to whether a violation has, in fact, occurred. Such notice by Grantee to the Town shall stay the ninety (90) day period described above.

- C) Upon receipt of the Grantee's notification of a dispute as to whether a violation has, in fact, occurred pursuant to paragraph (B) above, the Town shall hear Grantee's dispute and shall determine whether a default or violation by Grantee has occurred. In the event the Town shall determine that a default or violation has occurred, the Town shall supplement the decision with written findings of fact.
- D) If after hearing the dispute, Grantee has been found to be in default, Grantee shall then have ninety (90) days (or such longer period of time as may be reasonably necessary) from such a determination to remedy the violation or failure. At any time after that ninety (90) day period the Town may by formal action at a public hearing affording reasonable notice and opportunity for Grantee to be heard, revoke, terminate or cancel this Franchise if Grantee fails to cure such default.
- E) Any such final decision of the Town may be appealed to any court of competent jurisdiction, which filing shall not automatically stay any such revocation, termination or cancellation of this Franchise, absent an order of the court.

#### SECTION 17. REMOVAL UPON REVOCATION

Upon the final revocation, termination or cancellation of this Franchise as herein provided, Grantee shall, upon request of the Town, remove all of its attachments and wires from poles used as authorized herein within a mutually agreed upon time frame, and if such time frame can not be agreed upon, within 3 months from the final revocation, termination or cancellation.

#### SECTION 18. FORCE MAJEURE

If by reason of a Force Majeure any party is unable in whole or in part to carry out its obligations hereunder, that party shall not be deemed to be in violation or default during the continuance of such inability.

#### SECTION 19. CONSENT/APPROVALS

Where in this document consent and/or approval of the Town is required, such consent or approval shall be timely delivered and not unreasonably withheld.

#### SECTION 20. SERVICE AREA

- A) The service area is defined in Exhibit A, or as subsequently modified by agreement of the Grantor and Grantee in accordance with Section 22, and those customers that are within 125 feet of the coaxial cable plant will be considered a standard installation. Any service connection that is in excess of 125 feet of aerial cable or has an underground service connection will be considered a non standard installation. Standard and non standard installation charges as well as monthly service charges will be based on the established rate for those services at the time of installation and subsequent monthly rates.
- B) Grantee agrees to complete the construction of the service area outlined in Exhibit A by the end of the 3rd quarter of 2009.
- C) If requests for service outside the defined service area are received they will be reviewed and a cost estimate will be supplied based on the Grantee's actual cost to extend the



cable plant to the requestor. Absent force majeure, the Grantee shall complete the request for such service within 60 days of the customer's agreement to pay such cost, unless special circumstances exist that would make such a time frame unreasonable, in which case the request shall be completed as soon as reasonably possible.

- D) Residents in those areas with an average density of at least twenty five (25) year round homes per aerial mile, as measured from the nearest point of usable trunk, shall be provided service upon payment of the standard installation charge and applicable monthly fees; except that installations requiring aerial drops in excess of one hundred and twenty five (125) feet or underground installations shall be considered a non-standard installation to be charged to the subscriber at Grantee's actual cost of installation.
- E) Grantee shall provide video cable and High Speed Internet services at no cost to three (3) municipal buildings which include the Town Office and Public Library located at 74 Village Road and the Fire Station located at 19 Meadow Street.

#### SECTION 21. SEVERABILITY

If any term, condition or Section 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 Section 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, conditions and Sections hereof shall, in all other respects, continue to be effective and to be complied with.

#### SECTION 22. AMENDMENT

This Franchise Agreement shall may not be amended, changed, modified, altered or terminated, unless such amendment, change, modification, alteration or termination is in writing and signed by the Grantor and Grantee.

#### SECTION 23. APPLICABLE LAW

This Franchise Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire.

Exhibit A

Village Road

Meadow Road

North Road

Route 2

Seyah

Sunrise

Losier

Winthrop

Gorham Hill

Hayes Road

*same as route 2*

Agreed to this 29<sup>th</sup> day of May, 2008.

ATTEST:

By: *Jo Anne Carpenter*  
Its: Administrative Assistant

Town of Shelburne, NH  
By: *Robert J. [Signature]*  
Its: Selectmen

By: *Judy Evans*  
Its: Selectmen

By: *Henry Behling*  
Its: Selectmen

Time Warner Entertainment Company, L.P.

By: *Keith Burkley*  
Keith Burkley, Division President