

TOWN OF FITZWILLIAM
CABLE TELEVISION FRANCHISE

COPY

The Board of Selectmen of the Town of Fitzwilliam having considered proposals for the establishment of a cable television franchise for the Town of Fitzwilliam, hereby award franchise for the operation of a cable television system to Chesterfield Cablevision, Inc. hereinafter referred to as Chesterfield, under the following terms and conditions:

1. Chesterfield shall install and maintain a cable television system serving the residents of the Town of Fitzwilliam with the econobasic service, superbasic service, Home Box Office, or an equivalent service, and such other services and levels of service as may be added by Chesterfield from time to time, at the monthly rates all in accordance with Exhibit A pertaining to services and Exhibit B pertaining to rates, both attached hereto and made part hereof. Chesterfield may during the term of this franchise delete from any level of service such channels as are for either economic reasons or other reasons deemed valid by Chesterfield no longer desirable, provided substitution of a like or similar channel is made at the time of deletion. Written notices of such changes will be mailed to all current cable subscribers at least fifteen days prior to said changes of channels. Under no circumstances is the number of channels offered on either the econobasic or superbasic service to drop below the current twelve and eighteen channels respectively.

Notwithstanding the rate schedule outlined in Exhibit B attached hereto, Chesterfield may at any time and from time to time change its rates so as to insure a fair rate of return on its investment; provided that Chesterfield shall be required to give the Board of Selectmen written notice of any proposed rate increase, such notice to be given at least 60 days prior to its proposed effective date. The Board of Selectmen shall, within a reasonable time of such notice, hold a public hearing at which Chesterfield shall have the right to be heard and to present evidence to determine whether Chesterfield's proposed rate increase will enable it to earn more than a fair rate of return for services rendered. Chesterfield agrees to cooperate fully with the Board of Selectmen in connection with any such public hearings, and upon request, to supply the Board of Selectmen with all such data as may be reasonably required by the Board of Selectmen for determining the fairness of the proposed rate increase. Any proposed rate increases shall not go into effect until the Selectmen determine that it is the proper rate to enable Chesterfield to earn a fair rate of return for services rendered. Such rate shall from the first day of the month following the date of the Selectmen's action be the maximum rate charged by Chesterfield for the ensuing 12 months.

2. Chesterfield shall install and maintain its system

within the Town of Fitzwilliam with the best available equipment and technology, and after installation, shall continue to maintain said system during the period covered by this franchise in a prompt and diligent fashion.

3. Chesterfield shall comply with all federal and state laws and regulations presently in effect or enacted during the term of this franchise, it being understood that continuing compliance with all pertinent state and federal laws and regulations, and the availability of the best possible technology for the performance of this franchise, as well as prompt and efficient service to cable television users within the Town of Fitzwilliam during the term of this franchise as all essential elements to the continuation of this franchise during its term.

4. That the term of this franchise shall be for a period of 120 months and, by mutual agreement of the Board of Selectmen of the Town of Fitzwilliam and Chesterfield, may be renewed for an additional period of 60 months.

5. Chesterfield shall secure all necessary pole and wire rights, land easements, and licenses as necessary for installation and maintenance of this cable television system.

6. Chesterfield will for itself and its agents, indemnify and hold the Town of Fitzwilliam harmless against any and all claims for damages, costs and expenses to which the Town of Fitzwilliam may become a party as a result of the installation or maintenance of the cable television system by Chesterfield, and Chesterfield shall provide the Town of Fitzwilliam with a proper insurance certificate issued by a licensed New Hampshire broker indicating that such indemnification coverage is in effect at all times during the term of this franchise.

7. Chesterfield will maintain in effect a general liability insurance policy with bodily injury limits of \$500,000/1,000,000 and property damage limits of \$100,000, and Chesterfield shall also maintain comprehensive automobile insurance coverage with bodily injury liability insurance limits in the amount of \$300,000/500,000 and property damage limits of \$50,000 for each incident, with both the general liability policy and automobile policy being issued by licensed New Hampshire insurance brokers, and Chesterfield shall provide an appropriate insurance certificate from such brokers that the general liability and automobile insurance coverage coverages are both in full force and effect during the term of this franchise.

8. Chesterfield shall pay to the Town of Fitzwilliam, three percent of its adjusted gross subscriber revenues related to so-called basic service. In the event the actual cost of regulation of the cable television system by the Town of Fitzwilliam exceeds this amount, it is understood and agreed that under no circumstances shall the town of Fitzwilliam incur any cost for the regulation of the cable television system under this franchise. Payment under this paragraph shall be made on an annual basis and shall be made within sixty days after the end of the fiscal year of Chesterfield. The first payment shall be made on March 1, 1987. If requested,

Chesterfield shall, within 90 days after the expiration of any fiscal year, file a special report prepared by a certified public accountant, showing in detail its total gross receipts during the preceding year. The Town of Fitzwilliam shall have the right to audit such report, and acceptance by the Town of Fitzwilliam of any payment made by Chesterfield, shall not be construed as a release or full satisfaction of any claim that the Town of Fitzwilliam may have for further sums due under this franchise agreement as a result of such audit.

9. The Town of Fitzwilliam shall have the right to terminate this franchise at any time during its existence in the event that Chesterfield fails to deliver the services to be provided or is otherwise in default of any of the terms of this franchise, provided notice of such intent shall be delivered by registered mail to Chesterfield at least 60 days prior to termination and provided that given such notice Chesterfield shall have the right to correct its performance of the terms of this franchise and therefor cancel intended termination.

10. Construction and installation of the cable television system shall be substantially completed within 9 months of issuance of this franchise.

11. Chesterfield shall provide a so-called 800 number so that subscribers may call its offices during customary working hours with inquiries or complaints. This number or an alternative 800 number will be manned on a 24-hour basis for emergency service. In the event that inquiries and complaints cannot be resolved by Chesterfield, subscribers shall have the right to file complaints with the Board of Selectmen of the Town of Fitzwilliam, who shall hold a hearing to determine the disposition of such complaints. The maintenance of such an office with 24-hour telephone service is considered an essential part of this franchise.




12. This franchise may not be assigned by Chesterfield without the express written consent of the Board of Selectmen of the Town of Fitzwilliam. Such consent shall not be unreasonably withheld.

13. Chesterfield, whenever it shall receive a written request for service from at least five subscribers within thirteen hundred twenty (1320) feet of its trunk cable, or an average density of one subscriber for each two hundred sixty-four (264) feet of trunk cable, shall extend its system to such subscribers at no cost to the subscriber for system extension other than the usual connection fees for all subscribers, provided that such extension is technically and physically feasible. The 1320 feet shall be measured in extension length of Chesterfield's cable required for service located within the public way or easement and shall not include length of necessary house drop to the subscriber's home or premises. No person, firm or corporation in the Chesterfield service area shall be arbitrarily refused service. However, for unusual circumstances, such as requirement for underground cable, or more than one hundred fifty (150) feet of distance from distribution cable to connection of service to subscribers, or a density of less than four subscribers per 1320 feet of cable system, in order that existing subscribers shall not be unfairly burdened, service shall be made available on the basis of a capital

contribution by the prospective subscriber to Company including reimbursement for Chesterfield's cost of materials, labor and easements.

This franchise is signed and becomes effective as of the 10 day of August 1986.

TOWN OF FITZWILLIAM

Board of Selectmen

The terms and conditions of this franchise are accepted by Chesterfield Cablevision, Inc. as a franchise.

CHESTERFIELD CABLEVISION, INC.

By:  PRESIDENT
Scott A. Ricci, President