

overall review of the sufficiency of this document. It is expressly understood that any amendments hereto must be by mutual agreement consistent with all applicable laws.

- C. Renewal of franchise rights may be granted by the Town consistent with the Cable Communications Policy Act of 1984, as amended in 1992.
- D. In accepting this franchise, the Operator acknowledges that its rights hereunder are subject to the police power of the Town to adopt and enforce general ordinances necessary to protect the interests, the safety and welfare of the public; and it agrees to comply with all applicable general laws enacted pursuant to such power.

(3) Compliance With Federal Law.

The franchise granted by the Town to the Operator herein, has been made in accordance with the Cable Communications Policy Act of 1984, as amended in 1992, and the presently existing Rules. The parties hereto agree that any subsequent modifications of such rules and regulations shall be binding upon the future relations between them, notwithstanding any other term or condition of this Agreement, as of the effective date of such modifications. In the event any Rules or subsequent modifications of the same are declared to be invalid by any court of competent jurisdiction within the United States, then this Agreement shall be modified as of the effective date of the final order of such Court to conform with the findings of said Court.

(4) Construction of Transmission Facilities.

- A. The Operator shall have the right to erect and maintain its own poles or receiving towers within the Town upon receiving all appropriate permits and approvals of the Town. The Operator may, if satisfactory arrangements can be reached with NYNEX, its successors and assigns and/or the Public Service Company of New Hampshire and any others, business or individual, in the Town, use their physical facilities and attach equipment as required to service the Town, all subject to the approval of the owners of such facilities.
- B. The Operator's system shall be located, erected, and maintained so as not to endanger or interfere with the lives of persons, or to interfere with

improvements the Town may deem proper to make, or to hinder or obstruct the normal use of streets, bridges, or other public property. Removal of poles or equipment on behalf of the Town when necessary to avoid such interference will be at the Operator's expense.

- C. Construction and maintenance of the system shall be in accordance with the provisions of the National Electrical Safety Code of the National Board of Fire Underwriters and such applicable laws, ordinances, and regulations of the Town or State affecting electrical installations, which may be presently in effect or changed in the future, as well as the Rules regarding quality of service rendered to the Town. All installations of equipment shall be of a permanent nature, durable, and installed in accordance with good engineering practice.
- D. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, the Operator shall, at its own expense, replace and/or repair all surfacing so disturbed in accordance with the Town's reasonable standards.
- E. The Operator shall have the authority to trim trees upon and overhanging streets, sidewalks, and public places of the Town so as to prevent the branches of such trees from coming in contact with the facilities of the Operator, only to the extent said Town would have the right to do so, all trimming to be done at the expense and liability of the Operator.
- F. The Operator shall conduct all trimming operations in a manner consistent with the method used by the Public Service Company of New Hampshire and NYNEX or as otherwise reasonably prescribed by the Town.
- G. The Operator shall have the right to use easements as permitted by the Town Board of Selectmen and as granted to the Town unless such is expressly denied in said easement.

(5) Indemnification of Town.

The Operator shall indemnify, protect and save the Town and any of its officials, agents and employees harmless from and against any and all losses and physical damages to property and bodily injury or death to persons; including payments made under Workers'

Compensation Law, which may arise out of or be caused by the erection, maintenance, presence, use or removal of said attachments on poles and/or receiving towers within the Town or by any act of the Operator, its agents or employees. The Operator shall carry such insurance as it deems necessary to protect the parties hereto from and against all claims, demands, actions, judgments, costs, expenses, and liabilities which may arise or result, directly or indirectly, from or by reason of such loss, injury, or damage. The Operator shall also carry such insurance as it deems necessary to protect it from all claims under Workers' Compensation Laws in effect that may be applicable to the Operator. All insurance required by this Agreement shall be with a company authorized by the State of New Hampshire to sell insurance in this state which shall name the Town as coinsured and shall be and remain in full force and effect when construction of physical facilities commences and for the life of this Agreement. The Operator shall provide the Town with certificates of all insurance required herein.

(6) Service Provided.

Operator shall provide to subscribers the quality of service required by Subpart K of the Rules.

(7) Rates.

The rates for regular subscribers shall be made and adjusted in accordance with the provisions of the Cable Communications Policy Act of 1984, as amended in 1992.

(8) Franchise Fees.

- A. Operator agrees to pay to Town zero percent (0%) of the Operator's gross subscriber receipts per year derived from operations in the Town.
- B. The amount of the franchise fee shall be reviewable upon each anniversary of the effective date hereof, and upon such review the Town shall have the right with sixty (60) day's notice to the Operator to change the amount and method of calculating the franchise fee; provided, however, that the franchise fee shall be capped at five percent (5%) of gross receipts, unless a higher amount is mandated by the Cable Communications Policy Act of 1984, as amended in 1992, and as subsequently amended.
- C. Operator further agrees to submit to the Town any

reasonable financial data requested by the Town to verify gross receipt payments made pursuant to this section.

(9) Complaints.

- A. The Operator shall establish a telephone number which can be dialed free of charge at any time of day or night for subscribers to call with maintenance requests or service complaints. Subscribers shall be notified by the Operator as to the complaint procedures.
- B. Any unresolved complaints may be filed with the Town during business hours. Such complaints may be kept on file by the Town for a period deemed necessary by the Town. The Operator's agent shall be available upon fifteen (15) day's notice to meet with the Board of Selectmen's representative to discuss unresolved service complaints.

(10) Assignability.

Operator shall not sell, transfer, or assign this license without written notice to the Town. No assignment shall become effective until the assignee has filed with the Town evidence of the assignee's financial responsibility and anticipated ability and competence to render the public service contemplated by this Agreement. The assignee must agree to the same terms as did the Operator.

(11) Service to the Town and the Hinsdale School District.

The Operator shall provide a free drop to all currently served municipal buildings and schools within Hinsdale, provided that a service cable passes the buildings in question at a reasonable distance. Basic service shall be provided free of charge for the duration of the agreement.

(12) Coverage.

- A. Operator agrees, except as noted herein, to extend its service via aerial lines in accordance with normal installation rates, to any location within the Town provided that such location requires a cable drop of no more than 100 feet from existing distribution lines. All such installations of greater than 100 feet or requiring underground work will be on a time plus material basis.

- B. Operator further agrees to extend its service via aerial lines, in accordance with normal installation rates, to any location within the Town not now having service available which has an average density of 30 subscribers per linear mile of total system extension required. All installations to areas not now having service available which have an average density of less than 30 subscribers per linear mile of total system extension required will be on a time plus material basis.

(13) Cancellation and Expiration.

The Town shall have the right to revoke the franchise granted to the Operator if the Operator, after a reasonable time, fails to comply with any material provision of the Agreement, or any reasonable order, direction, standard, requirement, license or permit issued by the Town or any Town agency pursuant to this Agreement, or any rule, standard, ordinance or regulation promulgated by the Town. Such cancellation shall be by vote of the Town Board of Selectmen with the following procedures:

- A. (i) The Town shall notify the Operator of the alleged failure or persistent failure of compliance and give the Operator a reasonable opportunity to correct such failure or persistent failure or to present facts and argument in refutation of the alleged failure or persistent failure to the reasonable satisfaction of the Town. A reasonable opportunity to correct such failure shall not be less than thirty (30) days, or such additional time as may be necessary provided Operator is dilligently working to correct the failure.
- (ii) If the Town Board of Selectmen then concludes after a due process hearing of which Operator has received adequate written notice that there is a basis for cancellation of the franchise pursuant to the provisions of the above paragraph, it may cancel the franchise agreement.
- (iii) Any revocation shall not make the Town liable to the Operator for reimbursement of investments or losses including future earnings incurred prior to the revocation or

caused by said revocation or to any of Operator's customers.

(14) Notice.

All notices to be sent pursuant to this franchise shall be in writing delivered by certified mail with a return receipt requested. Notice to the Operator shall be made to Time Warner Cable, RR #5, Box 223A, Brattleboro, Vermont 05301, and notice to the Town shall be to the Town Administrator, Town Hall, P. O. Box 13, Hinsdale, New Hampshire 03451, provided that either party may advise the other in writing of a change of designated agent and/or address for receipt of notices.

(15) 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 Federal Communications Commission 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.

(16) Governing Law.

This Agreement and any damages granted hereunder shall be construed in accordance with and governed by the laws of the State of New Hampshire and the United States. Any litigation or arbitration which may arise in connection with this agreement for any reasons or of any nature whatsoever shall occur within the State of New Hampshire.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by causing the signatures of its duly designated agents to be affixed hereon.

TOWN OF HINSDALE

TIME WARNER CABLE,
A DIVISION OF TIME WARNER
ENTERTAINMENT COMPANY, L.P.

By: Kathy A. Stephens
Kathy A. Stephens
Chairman, Board of Selectmen

By: Nancy [Signature]