

A FRANCHISE RENEWAL AGREEMENT

between the

**City of Beacon, Dutchess County, State of New York
and Cablevision of Wappingers Falls, Inc.**

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EXHIBIT A: Municipal Buildings to be Provided Free Cable Service

A FRANCHISE RENEWAL AGREEMENT
between the
City of Beacon, Dutchess County, State of New York
and
Cablevision of Wappingers Falls, Inc.

Whereas, the City of Beacon (hereinafter referred to as “Beacon”) has requisite authority to grant franchises permitting and regulating the use of its streets, rights of way, and public grounds; and,

Whereas, Cablevision of Wappingers Falls, Inc., (hereinafter referred to as “Franchisee”), or, if applicable Franchisee’s predecessor in interest, having previously secured the permission of the City to use such streets, rights of way, and public grounds under a franchise Agreement that expired on November 15, 2014, has petitioned the City for a renewal of such franchise; and,

Whereas, the City has determined that Franchisee is and has been in substantial compliance with all terms and provisions of its existing franchise and applicable law; and,

Whereas, the City and Franchisee have complied with all Federal and State-mandated procedural and substantive requirements pertinent to this franchise renewal; and,

Whereas, the City has approved, after consideration in a full public proceeding affording due process, the character, financial condition, and technical ability of Franchisee; and,

Whereas, during said public hearings and proceedings, various proposals of the parties for constructing, maintaining, improving, and operating the Communications System described herein were considered and found adequate and feasible; and,

Whereas, this franchise renewal, as set out below, is non-exclusive and complies with the franchise standards of the New York State Public Service Commission; and,

Whereas, imposition of the same burdens and costs on other franchised competitors by the City is a basic assumption of the parties in this Agreement; now, therefore,

The City and Franchisee agree as follows:

1.0 DEFINITION OF TERMS

1.1 **“Affiliate”**: any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership and control with, the Franchisee.

1.2 **“Area Outage”**: a total or partial loss of video, audio, data or other signals carried on the **“Communications System”** in a location affecting five or more subscribers.

1.3 **“Cable Act”**: Title VI of the Communications Act of 1934, as amended.

1.4 **“Cable Service”**: the one-way transmission to subscribers of (i) video programming, and (ii) other programming service, including subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service; or as otherwise defined in the Communications Act of 1934, as amended.

1.5 **“Capability”**: the ability of the **“Franchisee”** to activate a described technological or service aspect of the **“Communications System”** without delay.

1.6 **“City”**: the City of Beacon, Dutchess County, State of New York.

1.7 **“Communications System”** (herein also referred to as **“System”**): the facility, which is the subject of this Franchise, consisting of antennae, wire, coaxial cable, amplifiers, towers, microwave links, wave guide, optical fibers, optical transmitters and receivers, satellite receive/transmit antennae, and/or other equipment designed and constructed for the purpose of producing, receiving, amplifying, storing, processing, or distributing analog and/or digital audio, video, or other forms of electronic, electromechanical, optical, or electrical signals.

1.8 “**Control**”: the ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee’s affairs.

1.9 “**FCC**”: the Federal Communications Commission.

1.10 “**Franchise**”: the rights and obligations described in this document, and used interchangeably with the term “**Agreement**”.

1.11 “**Franchise Fee**”: the fee paid by the “**Franchisee**” to the “**City**” in exchange for the rights granted pursuant to the Franchise.

1.12 “**Franchisee**”: Cablevision of Wappingers Falls, Inc., and its lawful successors and assignees.

1.13 “**Gross Revenue**”: All revenue, as determined in accordance with generally accepted accounting principles, which is derived by Franchisee from the operation of the Communications System to provide Cable Service in the City.

(a) Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) basic service; (ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Communications System in the City, including without limitation Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) video on demand and pay-per-view; (iv) revenues from the sale or lease of access channel(s) or channel capacity; and (v) Franchise Fees imposed on Franchisee by the City that are passed through from Franchisee as a line item paid by Subscribers; (vi) compensation received by Franchisee that is derived from the operation of Franchisee’s

Communications System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Communications System, such as “home shopping” or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee’s Communications System to provide Cable Service within the City, subject to the exceptions below. The allocation of advertising revenue shall be based on the number of Subscribers in the City divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue.

(b) Gross Revenue shall not include: revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenues classified, in whole or in part, as not constituting Cable Services revenue under federal or state law including, without limitation, revenue received from “telecommunications services” as defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46), as amended; revenue received from “information services” as defined under Section 3 of the Communications Act, 47 U.S.C. §153(20), as amended, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to services that are not Cable Services in accordance with

federal law, rules, regulations, standards or orders as amended, provided, however, should revenue from any service provided by Franchisee over the Communications System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the City shall be entitled, after notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NYSPSC approving such amendment; further provided that no such amendment shall be made to this Agreement until such time as all other Cable Service providers operating within the City are also required to provide revenue from such service to the City as gross revenue (as defined in the franchise agreements of such other Cable Service providers); DVR functionality; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Communications System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Communications System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Communications System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the City including, without limitation, the provision of Cable Services to public institutions as required or permitted herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a municipal, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax,

public service tax, communication taxes and non-cable franchise fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing; or any fees or charges collected from Subscribers or other third parties for any PEG Grant payments.

1.14 “**Municipal Law**”: all generally applicable ordinances, laws and regulations, to the extent not inconsistent with the rights and privileges granted herein and preempted by federal or state law or regulation.

1.15 “**NYSPSC**”: the New York State Public Service Commission or any successor State agency with similar responsibilities.

1.16 “**Person**”: an individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.17 “**State**”: the State of New York

1.18 “**Subscriber**”: A Person who lawfully receives Cable Service over the Cable System with Franchisee’s express permission.

1.19 “**Transfer of the Franchise**”: any transaction in which:

- (a) a fifty percent (50%) ownership or greater interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or
- (b) the rights held by Franchisee under the Franchise are transferred or assigned to another Person or group of Persons.

However, notwithstanding Sub-sections (a) and (b) above, a Transfer of the Franchise shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of Franchisee; or any action which is the result of a merger of another Affiliate of Franchisee.

PART I -- THE FRANCHISE

2.0 GRANT OF FRANCHISE

2.1 Franchisee is hereby granted, subject to the terms and conditions of this Agreement, the right, privilege, and authority to construct, operate, and maintain a Communications System within the streets, alleys, and public ways of the City. The grant of this Franchise is non-exclusive.

2.2 Franchisee may erect, install, extend, repair, replace, and retain in, on, over, under, or upon, across and along the public streets, alleys, and ways within the City, such wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, pedestals, attachments, and other property and equipment as are necessary and appurtenant to the operation

of the System in conformance with Municipal Law. Consistent with federal law, City, insofar as it may have the authority to so grant, hereby authorizes Franchisee to use any and all easements dedicated to compatible uses, such as electric, gas, telephone or other utility transmissions, for the purposes described in this Section 2.0 and further agrees, on request and at Franchisee's sole expense, to assist Franchisee in gaining access to and use of such easements.

2.3 Nothing in this Agreement shall be deemed to waive the requirements of Municipal Law regarding permits, fees to be paid to the City for permits or construction, or manner of construction.

2.4 No privilege nor power of eminent domain shall be deemed to be bestowed by this Agreement, other than that conferred pursuant to statutory law.

3.0 NON-EXCLUSIVE NATURE OF THIS FRANCHISE

3.1 This Agreement shall not be construed as any limitation upon the right of the City to grant to other persons rights, privileges, or authorities similar to the rights, privileges, and authorities herein set forth, in the same or other streets, alleys, or other public ways or public places. The City specifically reserves the right to grant at any time such additional franchises for this purpose as it deems appropriate, subject however, to the provisions of Section 34.0 of this Agreement. Any such additional franchises and/or other grants of rights to use the streets, alleys or other public ways or public spaces shall not adversely impact the authority granted under this Agreement and shall not interfere, except as permitted by applicable law, with existing facilities of the Communications System.

4.0 TERRITORIAL LIMITS

4.1 The rights and privileges awarded pursuant to this Agreement shall relate to and cover the entire present territorial limits of the City. In the event that any area outside the

territorial limits of the City is annexed during the term of this Agreement, the Franchisee shall be authorized to serve such area and, at its option, may extend service therein under the same general terms and conditions that exist in this Agreement.

5.0 FRANCHISE SUBJECT TO LAW AND REGULATION

5.1 All terms and conditions of this Agreement are subject to Federal and State law and to the rules and regulations of the FCC and the NYSPSC, as now exist or may be hereafter amended.

5.2 All terms and conditions of this Agreement are subject to the approval of the NYSPSC to the extent required by applicable law.

5.3 All rights and privileges granted hereby are subject to the police power of the City to adopt and enforce local laws, rules and regulations necessary to the health, safety and general welfare of the public. Expressly reserved to the City is the right to adopt, in addition to the provisions of this Agreement and existing laws, ordinances, and regulations, such additional laws and regulations as it may find necessary in the exercise of its police power; provided, however, that such additional laws, rules and regulations are reasonable, properly within the authority of the City to enact, not materially in conflict with the privileges granted in this Agreement, and consistent with all Federal and State laws, rules, regulations and orders.

5.4 The City agrees to enforce all applicable law in a non-discriminatory manner against all providers of Cable Service doing business in the City.

5.5 Within thirty (30) days of receipt of formal notification of the City's approval of this Franchise, Franchisee shall file a request for certification of this Franchise with the NYSPSC and shall provide the City with evidence of such filing.

5.6 The Mayor, or other person as designated by the City, shall have responsibility for the continuing administration of the rights and interests of the City under this Franchise.

Notwithstanding the foregoing, however, any award or denial of a franchise, revocation, termination or final notice of default shall require a vote of the City's governing body.

6.0 CONDITIONS ON USE OF STREETS AND PUBLIC GROUNDS

6.1 Any work which requires the disturbance of any street or which will interfere with traffic shall be undertaken in accordance with Municipal Law.

6.2 No poles, underground conduits or other wire-holding structures shall be erected by Franchisee without the approval of the appropriate municipal official through established permit procedures to the extent that same now or hereafter may exist, with regard to the location, height, type and any other pertinent aspect of such wire-holding facilities; provided however, such approval may not be unreasonably withheld or delayed.

6.3 Provided there is an offer of dedication of public ways to the City, which guarantees that such streets and other public rights of way within a planned residential subdivision will become publicly owned and under the exclusive control of the City, Franchisee shall, to the extent commercially practicable, install its cable and other underground facilities at the same time as the public utilities, such as telephone and electric. Franchisee shall not be subject to this requirement in the event that it cannot obtain consent from the developer to access its property.

6.4 All structures, lines and equipment erected by Franchisee within the City shall be so located as to cause minimum interference with the proper use of streets, alleys, easements and other public ways and places, and to cause minimum interference with rights or reasonable convenience of property owners who adjoin any of the said streets, alleys or other public ways

and places. Existing poles, posts and other structures of the electric power company or any telephone company or any other public utility which may be available to Franchisee shall be used to the extent commercially practicable in order to minimize interference with travel. Where both power and telephone utilities are placed underground, and to the extent commercially practicable, Franchisee's cable also shall be placed underground.

6.5 Franchisee shall have the right and authority to remove, trim, cut, and keep clear trees and bushes upon and overhanging all streets, alleys, easements, sidewalks, and public places in the City to the minimum extent necessary to keep same clear of poles, wires, cables, conduits and fixtures utilized in its System. Grantee shall comply with any general ordinance or regulations of the City regarding tree trimming. Except in emergencies, Grantee may not prune trees at a point below thirty (30) feet above sidewalk grade without prior notice to, and any necessary and generally applicable approvals from, the City. For purposes of this subsection, emergencies exist when it is necessary to prune to protect from imminent danger: (i) the public; (ii) Franchisee's employees, or the employees of Franchisee's contactors or sub-contractors; or (iii) Franchisee's facilities.

6.6 In the case of any disturbance of pavement, sidewalk, driveway or other surfacing, Franchisee shall, at its own cost and expense in accordance with Municipal Law, and within ten (10) business days (weather permitting), replace and restore such pavement, sidewalk, driveway or surfacing so disturbed to at least as good a condition as existed before said work was commenced, to the extent practicable. In the event that any municipal property is damaged or destroyed by Franchisee, such property shall be repaired or replaced by Franchisee within ten (10) business days and restored to as good a condition as existed before said work was

commenced, to the extent practicable. All such repair or replacement work shall be performed to the reasonable satisfaction of the City.

6.7 Franchisee shall take reasonable measures to ensure that all structures and all lines, equipment and connections, in, over, under and upon streets, sidewalks, alleys and public ways and places of the City, wherever situated or located, shall at all times be kept and maintained in a safe, suitable, and substantial condition, and in good order and repair.

6.8 In exercising rights pursuant hereto, Franchisee shall not endanger or interfere with the lives of persons, nor interfere with any installations of the City, any public utility serving the City or any other person permitted to use the streets and public grounds, nor unnecessarily hinder or obstruct the free use of the streets and public grounds, to the extent practicable. All rights granted for the construction and operation of the System shall be subject to the continuing right of the City, pursuant to Municipal Law, to require such reconstruction, relocation or change of the facilities and equipment used by Franchisee to provide Cable Service in the streets, alleys, avenues, and highways of the City, as shall be reasonable under the circumstances, necessary in the public interest and without undue interference to the rights and privileges granted Franchisee pursuant to this Agreement.

6.9 Nothing in this Agreement shall hinder the right of the City, under Municipal Law, or any governmental authority to perform or carry on, directly or indirectly, any public works or public improvements of any description. Should the System in any way materially interfere with the construction, maintenance, or repair of such public works or public improvements, Franchisee shall, at its own cost and expense, protect or relocate its System, or part thereof, as reasonably directed by the City and provided the City provides at least thirty (30) days' written notice to Franchisee.

6.10 Upon notice and payment as set forth herein by a person holding a building or moving permit issued by the City, Franchisee shall temporarily raise or lower its wires or other property or relocate the same temporarily so as to permit the moving or erection of buildings to the extent practicable. The expenses of any such temporary removal, raising or lowering of wires or other property shall be paid in advance to Franchisee by the person requesting same. In such cases, Franchisee shall be given not less than ten (10) working days prior written notice in order to arrange for the changes required.

7.0 ASSIGNMENT OR TRANSFER OF FRANCHISE

7.1 Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior written consent of the City, which will not be unreasonably withheld, delayed or conditioned.

7.2 To the extent required by applicable law, at least one-hundred twenty (120) days before a proposed Transfer of the Franchise is scheduled to become effective, Franchisee shall petition in writing for the City's written consent of such proposal. If the City fails to render a final decision on the request for a change of control within one-hundred twenty (120) days after receipt by the City, such request shall be deemed granted unless the Franchisee and the City jointly agree to an extension of time.

7.3 The City may consider applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the System consistent with the terms of the Franchise.

7.4 To the extent required by applicable law, Franchisee's written petition shall be filed with the City using FCC Form 394, or such similar form as hereinafter may be provided by the FCC for such purposes, and such information as is required pursuant thereto.

7.5 In the event that the City refuses to grant the aforementioned petition, it shall set forth specific reasons for its decision in writing by municipal resolution.

7.6 No consent of the City shall be required for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title or interest of Franchisee in the Franchise or Cable System, in whole or in part in order to secure indebtedness, or for any transaction in which Franchisee retains the right, title or interest in the Franchise granted herein, or for transactions otherwise excluded under Section 1.19 above.

8.0 DEFAULT, REVOCATION, TERMINATION, ABANDONMENT

8.1 Subject to the other terms and conditions of this Agreement, the City may revoke this Franchise and all rights of Franchisee hereunder for any of the following reasons:

- (a) Franchisee fails, after sixty (60) days prior written notice from the City, to comply or to take reasonable steps to comply with a Material Provision or Material Provisions of this Agreement. Notwithstanding the above, when Franchisee is once again in compliance, the right to revoke this Agreement shall no longer remain with respect to the condition that precipitated the notice; or
- (b) Franchisee takes the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy, or files a petition or answer seeking an arrangement or reorganization or readjustment of its indebtedness under Federal bankruptcy laws or under any other law or statute of the United States or any state thereof, or consents to the appointment of a receiver, trustee or liquidator of all or substantially all of its property, or is adjudged

bankrupt by order of decree of a court, or an order is made approving a petition filed by any of its creditors or stockholders seeking reorganization or readjustment of its indebtedness under any law or statute of the United States or of any state thereof; or

- (c) Franchisee attempts or does practice a material fraud or deceit in its securing or renewal of this Franchise; or
- (d) Franchisee practices material fraud or displays repeated negligence in the accurate reporting of information to the City, including but not limited to information pertaining to Franchisee's calculation of the City's Franchise Fee; or
- (e) Franchisee fails to pay any legally owed taxes or fees due the City, unless the amount of such payment is part of a good faith dispute or the failure to pay is caused by inadvertent error; or
- (f) Franchisee fails to maintain adequate insurance as specified in Section 19.0 of this Agreement; or
- (g) Franchisee fails to obtain the prior approval of the City for transfer or assignment of the Franchise pursuant to Section 7.0 of this Agreement.

8.2 Notwithstanding the above, no default, revocation or termination shall be effective unless and until the governing board of the City shall have adopted an ordinance or resolution setting forth the cause and reason for the revocation and the effective date thereof. The procedures for adoption of such ordinance or resolution shall be as follows: the City shall provide sixty (60) days prior written notice to Franchisee of a claim of violation and reasons therefore in sufficient detail for Franchisee to address the particulars of the claim; during said

sixty (60) day period the City shall cooperate with Franchisee and provide Franchisee an opportunity for Franchisee to cure the alleged violation, or provide a cure plan that reasonably satisfies the City. If Franchisee has failed to cure after the duration of said sixty (60) day period or fails to provide a cure plan that reasonably satisfies the City, the City shall promptly schedule a public hearing no sooner than fourteen (14) days after written notice to the Franchisee.

Franchisee shall be provided an opportunity to offer evidence and be fully and fairly heard at said public hearing held on the proposed adoption of such ordinance or resolution. The City shall obtain and make available to Franchisee, at a reasonable expense to Franchisee, a transcript of said hearing. Franchisee shall have the right to appeal any such administrative decision to a court of competent jurisdiction as Franchisee may choose, and revocation of the Franchise shall not become effective until any such appeal has become final or the time for taking such appeal shall have expired.

8.3 In no event, and notwithstanding any contrary provision in this section or elsewhere in this Agreement, shall this Agreement be subject to default, revocation or termination, or Franchisee be liable for non-compliance with or delay in the performance of any obligation hereunder, where its failure to cure or to take reasonable steps to cure is directly attributable to formal U.S. declaration of war, government ban on the affected obligation, U.S. government sponsored or supported embargo, civil commotion, strikes or work stoppages, fires, terrorist acts, any acts of God or of nature or other events beyond the immediate control of Franchisee.

8.4 In the event of such circumstances as described in Section 8.3, Franchisee shall be automatically excused from its obligations herein during the course of any such events or conditions. Franchisee shall take reasonable measures to notify the City of the existence of

circumstances described in Section 8.3. The time specified for performance of Franchisee's obligations hereunder shall automatically extend for such reasonable time thereafter as may be necessitated by any such event or conditions.

8.5 Unless otherwise permitted by law and subject to the provisions of this Agreement, Franchisee shall not voluntarily abandon any service or portion thereof required to be provided pursuant to the terms of this Agreement without the prior written consent of the City. Deletion or changes to a programming service or functionality of the System shall not constitute abandonment of service for purposes of this Agreement.

8.6 Upon expiration, termination or revocation of this Franchise, Franchisee, at its sole cost and expense and upon direction of the City, shall remove the cables and appurtenant devices constructed or maintained in the public right-of-way in connection with the services authorized herein and provided to subscribers within the City, unless Franchisee, its affiliated entities or assignees should, within six (6) months after such expiration, termination or revocation obtain certification from the FCC to operate an Open Video System or any other federal or state certification or are otherwise authorized to provide service over the System or provided events beyond Franchisee's reasonable control make removal impracticable.

9.0 SEVERABILITY

9.1 With the exception of material provisions, should any other provision of this Agreement be held invalid by a court of competent jurisdiction or rendered a nullity by Federal or State legislative or regulatory action, the remaining provisions of this Agreement shall remain in full force and effect.

10.0 EFFECTIVE DATE AND TERM

10.1 The effective date of this Agreement shall be the date this Agreement is granted a certificate of confirmation by the NYSPSC.

10.2 Subject to Section 10.3, the term of this Agreement shall be ten (10) years from the effective date.

10.3 Should any change to State or Federal law, rules or regulations have the lawful effect of materially altering the terms and conditions under which any operator may provide cable service in the City, then Franchisee may, at its option, request that the City modify this Franchise to ameliorate the negative effects of the change on Franchisee or terminate this Agreement without further obligation to the City. To the extent required by applicable law, modifications to and/or termination of this Agreement shall be subject to NYSPSC review and approval. If the parties cannot reach agreement on the above-referenced modification to the Franchise, then Franchisee may terminate this Agreement without further obligation to the City or, at Franchisee's option, the parties agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association.

PART II -- THE SYSTEM

11.0 COMPLIANCE WITH FEDERAL AND STATE LAW AND REGULATIONS

11.1 Franchisee shall comply with all applicable federal, State and local laws and regulations pertaining to the construction, erection, installation, operation, maintenance, and/or repair of the System, including the regulations of the FCC and the NYSPSC, federal and State occupational safety and health regulations, and applicable codes including the National Electric Code, and National Electric Safety Code, all as may now exist or hereinafter be amended. In addition, the system shall meet or exceed all applicable and technical performance standards of

federal and State law, including those of the FCC and the NYSPSC, as now exist or hereinafter amended.

12.0 SYSTEM SPECIFICATIONS

12.1 Subject to federal and State law and the rules and regulations of the FCC and NYSPSC, and subject to the System's Capability of providing the services and facilities prescribed in this Agreement, the technical design of the System serving the City shall be at the option of Franchisee and as further described in this Section.

12.2 Construction shall be of good and durable quality and shall be performed in a safe, workmanlike, thorough, and reliable manner to the extent practicable.

12.3 Franchisee's System shall provide for a minimum channel capacity of not less than seventy three (73) video programming channels on the effective date of this Agreement. In accordance with the requirements of the NYSPSC, the exercise of this Agreement shall include reasonable efforts in good faith to maximize the number of energized channels available to subscribers, subject to the rights and obligations granted and imposed by Federal law and regulation, and to the extent economically reasonable and commercially practicable, including the right to consider how such actions may impact upon its commercially reasonable rate of return on investment over the remaining term of the Franchise.

12.4 The System shall take commercially reasonable steps to incorporate equipment capable of providing standby powering of the System so as to minimize, to the extent practicable, Area Outages caused by interruption of power furnished by the utility company. The standby powering equipment shall provide for automatic cut-in upon failure of the AC power and automatic reversion to the AC power upon resumption of AC power service. The equipment also shall be so designed as to prevent the standby power source from powering a "dead" utility line.

12.5 The design and construction of the System will include substantial utilization of fiber optic technology.

12.6 The System shall be so designed as to enable Franchisee to provide Cable Service throughout the territorial limits of the City. The System shall be so constructed so as to be capable of providing Cable Service to all residential housing units throughout the territorial limits of the City, subject to the provisions of Section 15.1. The Franchisee shall design the System to be able to offer Cable Service to any commercial or business customer, which Franchisee is authorized to serve, subject to the provisions of Section 15.1(b).

13.0 SYSTEM PERFORMANCE STANDARDS

13.1 All Cable Service signals carried by the System shall be transmitted with a degree of technical quality not less than that prescribed by rules of the federal and state regulatory agencies having jurisdiction, including but not limited to 47 C.F.R. § 76.601. Franchisee shall not be deemed to be out of compliance with this Section 12.0 to the extent another user of radio spectrum interferes with the signal quality provided by Franchisee to subscribers within the City and Franchisee takes reasonable measures within its control to mitigate signal quality problems.

13.2 Operation of the System shall be such that, except as permitted by applicable law, no harmful interference will be caused to broadcast and satellite television and radio reception, telephone communication, amateur radio communication, aircraft and emergency communications, or other similar installation or communication within the City, provided such communications are authorized and licensed, as required by applicable law.

14.0 SYSTEM MAINTENANCE AND REPAIR

14.1 Franchisee shall establish and adhere to maintenance policies which provide service to subscribers at or above the performance standards set forth herein.

14.2 When interruption of service is necessary for the purpose of making repairs, adjustments, or installations, Franchisee shall do so at such time and in such manner as will cause the least possible inconvenience to subscribers. Unless such interruption is unforeseen or immediately necessary, Franchisee shall give reasonable notice thereof to subscribers.

14.3 Franchisee shall have a local or toll-free telephone number so that requests for Cable Service repairs or adjustments can be received at any time, twenty-four (24) hours per day, seven (7) days per week.

14.4 The response of Franchisee to such requests shall be in accordance with Federal and State law and regulation at a minimum and, at all times, commensurate with Franchisee's responsibility to maintain service to each subscriber with the degree of quality specified herein.

PART III -- THE SERVICE

15.0 GENERAL SERVICE OBLIGATION

15.1 Franchisee shall provide cable television service throughout the territorial and jurisdictional limits of the City upon the lawful request of any and all persons who are owners or tenants of residential property, and located along public rights of way within the territorial and jurisdictional limits of the City, as set forth below:

- (a) With the exception of customized installations, all residential structures located along public rights-of-way served by aerial plant within the territorial limits of the City and situated within one hundred fifty (150) feet of the trunk or feeder cable shall receive such service at the standard installation charge. Underground installations and aerial installations in excess of one hundred fifty (150) feet shall be charged to subscribers at cost.

- (b) All commercial structures within the territorial limits of the City shall be able to receive such service, provided the owners or tenants of such structures, and such structures themselves, meet the reasonable requirements and conditions of Franchisee, including any line extension charges for provision of said service.
- (c) Franchisee shall extend the System to provide service to all areas of the City along public rights-of-way which have a density of thirty-five (35) homes per linear mile of aerial cable or greater, or areas with less than thirty-five (35) homes per linear mile of aerial cable where the residents agree to a contribution-in-aid-of-construction as per the standards established in Section 895.5 of the NYSPSC Rules and Regulations.

15.2 Franchisee shall not unlawfully discriminate against any person as to the availability, maintenance, and pricing of Cable Service. Nothing herein shall be construed to limit the Franchisee's ability to offer or provide bulk rate discounts or promotions where applicable, to the extent permitted under federal or State law.

15.3 It is agreed that Cable Service offered to subscribers pursuant to this Agreement shall be conditioned upon Franchisee having legal access to any such subscriber's dwelling unit or other units wherein such service is provided.

16.0 MUNICIPAL AND SCHOOL SERVICE

16.1 Subject to Section 15.0 of this Agreement, upon written request from the City, Franchisee shall provide, without charge within the City, one service outlet activated for Basic Service to each School, Public Library, and such other Municipal office buildings as may be designated by the City as provided in Exhibit A attached hereto; provided, however, that if it is

necessary to extend Franchisee's trunk or feeder lines more than one hundred fifty (150) feet solely to provide service to any such school or public building, the service recipient shall have the option either of paying Franchisee's direct costs for such extension in excess of one hundred fifty (150) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than one hundred fifty (150) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. For underground installations, Franchisee shall charge the recipient Franchisee's actual cost. Such costs shall be submitted to said recipient in writing before installation is begun. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

- (a) (1) As used in this Agreement, the terms:
 - (i) "School" shall mean those educational institutions within the City chartered by the New York State Board of Regents pursuant to the New York Education Law; and
 - (ii) "Public Library" shall mean a library established for free public purposes by official action of a municipality, district, or the legislature, where the whole interest belongs to the public, provided, however, that the term shall not include a professional, technical or public school library.

- (iii) “Municipal office buildings” shall mean the City’s City Hall, its police, fire or ambulance corps buildings, and such other municipal buildings as specifically designated in **Exhibit A** herein but shall not include County and State office buildings.

16.2 Upon written request from City, Franchisee shall provide without charge basic cable modem service to one building for every State and local accredited elementary and secondary Schools and Public Libraries in the City as follows: (1) one standard installation per School or Public Library campus; (2) one cable modem per installation; (3) cable modem service the term of this Agreement for each installation; (4) subject to the terms, conditions and use policies of the provider of the cable modem service as those policies may exist and be modified from time to time.

16.3 Franchisee shall provide without charge basic cable modem service to City Hall as follows: (1) one standard installation; (2) one cable modem; (3) cable modem service the term of this agreement; (4) subject to the terms, conditions and use policies of the provider of the cable modem service as those policies may exist from time to time. Only one installation and service shall be provided for City Hall even if City Hall or other place where the public business is conducted on behalf of the City shall be comprised of more than one building.

17.0 PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS

17.1 Franchisee shall comply with applicable Federal and State law and regulations requiring and pertaining to non-commercial public, educational, and governmental access to the System.

17.2 Franchisee shall provide the City, subscribers in the City, and the residents of the City with equitable access to all non-commercial public, educational, and governmental (PEG) access services provided by Franchisee as part of its PEG access policies, rules and procedures. Should Franchisee's said policies, rules and procedures be inconsistent with the standards established in Section 895.4 of the rules of the NYSPSC pertaining to non-commercial governmental, educational or public access, such rules shall govern.

17.3 The Franchisee shall designate (i) at least one full-time activated public access channel; (ii) at least one full-time activated government/educational access channel; and (iii) one additional full-time activated channel for educational/governmental use whenever the first channel so designated shall have been used for such educational and governmental programming on the average of at least 12 hour per day during any 90 day period. All PEG channels provided by the Franchisee may be offered in any format using any transmission method. If required by applicable law, the PEG Channels shall be provided on Franchisee's basic service tier.

17.4 Franchisee specifically reserves the right to make or change channel assignments in its sole discretion.

17.5 Subject To Subsections 17.5.1, 17.5.2 and 17.5.3 below, Franchisee shall provide to the City, for use in support of the production of local PEG programming, a PEG capital grant (the "PEG Grant") in the total amount of Fifty Thousand Dollars (\$50,000) payable as follows: (i) the first installment of the PEG Grant in the amount of Twenty Five Thousand Dollars

(\$25,000) shall be payable within sixty (60) days of the effective date of this Agreement; and (ii) ten (10) subsequent installments of the PEG Grant, in the amount of Two Thousand Five Hundred Dollars (\$2,500) each, shall be payable within thirty (30) day of the first (1st) through the tenth (10th) anniversaries of the effective date of this Agreement.

17.5.1 The City shall impose at least the same obligation to the obligation contained in this Section 17.5 on all new and renewed providers of Cable Service in the City. In any event, if any new or renewed franchise agreement contains obligations that are lesser in amount or aggregate value than the obligations imposed in this Section 17.5, Franchisee's obligations under Section 17.5 shall thereafter be reduced to an equivalent amount. To the extent such a reduction is not sufficient to make the total obligations of this Franchise equivalent to the new or renewed franchise, Franchisee may deduct from future Franchise Fee payments an amount sufficient to make the obligations of this Franchise equivalent to the new or renewed franchise.

17.5.2 The PEG Grant shall be used solely by the City for PEG access equipment, including but not limited to, studio and portable production equipment, editing equipment, and program playback equipment, or for renovation or construction of peg access facilities, and for any other PEG capital related needs of the City.

17.5.3 Upon written request by the Franchisee, the City shall provide Franchisee with an annual report setting forth a summary of all expenditures for PEG Access equipment and facilities from the PEG Grants paid to the City and the amounts, if any, reserved for future capital expenditures for such purposes.

17.6 To the extent permitted by and consistent with applicable law, Franchisee may, in its sole discretion, pass through to subscribers the costs of support for PEG access provided in this Agreement.

PART IV -- FRANCHISEE'S OBLIGATIONS TO THE CITY

18.0 FRANCHISE FEE

18.1 Beginning sixty (60) days after the Effective Date, Franchisee shall pay to the City during the term of this Agreement an annual sum equal to five percent (5%) of Franchisee's Gross Revenue for the preceding year, provided however that any obligation (including applicable definitions) specified herein shall be consistent with limits on Franchise Fees established under applicable law and demanded, imposed and enforced against all other providers of Cable Service doing business in the City. Such payment shall be made on a quarterly basis for the periods ending March 31, June 30, September 30 and December 31. Each such payment shall be due no later than thirty (30) days after the close of each such period.

18.2 Each quarterly payment shall be accompanied by a report prepared by Franchisee setting out in detail the basis for the computation of the payment.

18.3 The City or its agent may question and request data concerning the calculation or scope of the franchise fees paid by Franchisee to the City pursuant to this Section 18 within three hundred sixty five days (365) days of their payment. For each such payment, after such three hundred sixty five (365) day period has run, the City shall be deemed to have accepted Franchisee's payment and waives its rights to challenge the amount or calculation of such payment.

18.4 The City shall impose a Franchise Fee of at least the same amount as in this Section 18.1 on all new and renewed providers of Cable Service in the City. In the event any

new or renewed franchise agreement contains a Franchise Fee that is lesser in amount than the obligations imposed in Section 18.1, Franchisee's obligations under Section 18.1 shall thereafter be reduced to an equivalent amount.

18.5 Franchisee may, in its sole discretion, apply Franchise Fees paid pursuant to this Agreement against special franchise assessments pursuant to Section 626 of the New York State Real Property Tax Law.

19.0 INDEMNITY AND INSURANCE

19.1 Franchisee shall purchase and maintain the following minimum coverage levels of commercial general liability insurance during the term of this Agreement that will protect Franchisee and the City from any claims against either or both which may arise directly or indirectly as a result of Franchisee's performance hereunder:

- | | | |
|-----|--|---|
| (a) | Personal injury or death: | \$1,000,000 per person
\$2,000,000 aggregate |
| (b) | Property damage: | \$1,000,000 per occurrence
\$2,000,000 aggregate |
| (c) | Excess liability or umbrella coverage: | \$10,000,000. |

19.2 The City shall impose at least the same insurance obligations as those in this Section 19.0 on all new and renewed providers of Cable Service in the City. In the event any new or renewed franchise agreement contains insurance requirements that are lesser in amount than the obligations imposed in this Section 19.0, Franchisee's obligations under this Section 19.0 shall thereafter be reduced to an equivalent amount.

19.3 Franchisee shall defend, indemnify and hold harmless the City, its officers, employees, and agents acting on the City's behalf from and against all losses and claims,

demands, payments, suits, actions, recoveries, and judgments of every nature and description, resulting from bodily injury, property damage or personal injury, brought or recovered, by any act or omission of Franchisee, its agents, employees, contractors and subcontractors in the construction, operation, maintenance, service or repair of the Communications System or any portion thereof, or of any failure to comply with any law, ordinance, or regulation or by reason of any suit or claim for royalties, license fees, or infringement of patent rights arising from Franchisee's performance under this Agreement. The City shall promptly notify Franchisee of any claim for which it seeks indemnification, afford Franchisee the opportunity to fully control the defense of such claim and any compromise, settlement resolution or other disposition of such claim, including selection of counsel and make available to Franchisee all relevant information under the City's control. Notwithstanding any provision contained herein and to the contrary, if separate representation to fully protect the interest of both parties is necessary due to a conflict of interest between the City and counsel selected by the Franchisee to represent the City, provided Franchisee is unwilling to replace such conflicted counsel, Franchisee shall pay all reasonable legal expenses incurred by the City in defending itself with regard to any action, suit or proceeding indemnified by Franchisee, but such obligation shall not include reimbursement for the value of any services rendered by City officials or employees. Notwithstanding any provision contained herein and to the contrary, Franchisee shall have no obligation to indemnify or defend the City with respect to any programming provided by the City or from any claim arising from the City's negligence or willful misconduct.

19.4 Each insurance policy shall bear the name of the City as an additional insured. The insurance coverage referred to in this Section 19.0 may be included in one or more policies

covering other risks of Franchisee or of any of its parent companies, affiliates, subsidiaries or assigns.

19.5 All Franchisee insurance policies and certificates of insurance shall stipulate that the coverage afforded under the policies will not be canceled until at least thirty (30) days prior written notice has been given to the City. If any policy is canceled, same shall be replaced forthwith with insurance that meets the requirements of this Agreement so that there is no lapse in coverage.

19.6 Upon request of the City, Franchisee shall furnish to the City copies of certificates of insurance in conformity with the requirements of this Franchise.

19.7 Franchisee shall obtain all insurance required pursuant to this Agreement from companies authorized to do business within the state of New York and approved by the Superintendent of Insurance, which companies shall maintain a rating of at least Best's A-. In the event Franchisee's insurance carrier is downgraded to a rating of lower than Best's A-, Franchisee shall have ninety (90) days to obtain coverage from a carrier with a rating of at least Best's A-. The City may, at any time after reasonable notice, review Franchisee's compliance with the provisions of this Section. Should the policies or certificates of insurance provided by Franchisee hereunder differ from accepted insurance industry forms, the City shall have the right to review and approve or disapprove such policies or certificates, provided such approval shall not be unreasonably withheld.

20.0 RATES AND CHARGES

20.1 Rates and charges imposed by Franchisee for cable television service shall be subject to the approval of the City, the NYSPSC, and the FCC to the extent consistent with applicable State and Federal law.

20.2 Franchisee shall comply with all notice requirements contained in Federal and State law and regulations pertaining to rates and charges for cable television service.

20.3 Franchisee shall not unlawfully discriminate against individuals or classes of individuals in the establishment and application of its rates and charges for service.

21.0 EMPLOYMENT PRACTICES

21.1 Franchisee will not unlawfully refuse to hire, nor will it unlawfully bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, color, national origin, or sex.

22.0 CITY'S RIGHT TO INQUIRE ABOUT AND INSPECT SYSTEM

22.1 The City, at any time, may make reasonable inquiries related to its regulatory responsibilities concerning the operation of the System. Franchisee shall respond to such inquiries forthrightly and in a timely fashion.

22.2 When repeated subscriber complaints cause the City to question the reliability or technical quality of Cable Service, the City shall have the right and authority to test or require Franchisee to investigate, test, analyze, and report on the performance of the System consistent with the requirements of NYSPSC Rule 896 (or any subsequently enacted rule relating to testing and reporting of such tests. Franchisee shall cooperate fully with the City in performing such testing.

- (a) In the event of repeated and persistent complaints about the same aspect of System performance, and testing requested by the City and conducted by Franchisee fails to identify and correct the cause, the City may require that such testing be performed or supervised by a City designee or other person

who is not an employee or agent of Franchisee. Franchisee shall reimburse the City for the reasonable costs of such designee.

- (b) The City may request that the NYSPSC test the System at any time and Franchisee will cooperate fully in the performance of such tests.

22.3 The City shall have the right to inspect all construction work subject to the provisions of this Agreement and to make such tests as it shall find necessary to ensure compliance with the terms of this Agreement and other pertinent provisions of law. The City shall notify Franchisee prior to conducting any inspection of the System, and Franchisee may require that it be present when the City conducts such inspection.

22.4 At all reasonable times and for the purpose of enforcement of this Agreement, Franchisee shall permit examination by any duly authorized representative of the City, of all System facilities, together with any appurtenant property of Franchisee situated within the City and outside of the City if such property is utilized in the operation of the System serving the City.

23.0 CITY'S RIGHT TO INSPECT FRANCHISEE'S BOOKS AND RECORDS

23.1 The City reserves the right to inspect all pertinent books, records, maps, plans, financial statements and other like material of Franchisee, upon reasonable notice and during normal business hours, subject to the provisions of Section 25.4 through 25.6.

23.2 If any of such information is not kept in the City, or upon notice Franchisee is unable to provide the records in the City, and if the City shall determine that an examination of such maps or records is necessary or appropriate to the performance of the City's responsibilities under this Agreement, then all travel and maintenance expenses, in excess of one-hundred (100) miles per day, necessarily incurred in making such examination shall be paid by Franchisee.

24.0 REPORTS TO BE FILED BY FRANCHISEE WITH THE CITY

24.1 Upon request of the City, Franchisee shall make available to the City a copy of any technical, operational, or financial report Franchisee submits to the NYSPSC, the FCC, or other governmental entities that concern Franchisee's operation of the System in the City, subject to the provisions of Section 25.4 through 25.6.

24.2 Upon request, Franchisee shall furnish to the City such additional information and records with respect to the operation of the System in the City and the Cable Service provided to the City under this Agreement, as may be reasonably necessary and appropriate to the performance of any of the rights, functions or duties of the City in connection with this Agreement.

24.3 If any of the records described in this Franchise are proprietary in nature or must be kept confidential under federal, State, or local law, upon written request by the Franchisee, such information shall be treated as confidential, and to the extent consistent with applicable law, such records shall be made available for inspection purposes only to those persons within the City who must have access to such information in order to perform their duties on behalf of the City, subject to the provisions of Section 25.4 through 25.6.

25.0 MANDATORY RECORD KEEPING

25.1 Franchisee shall comply with all record keeping requirements established by Federal and State law and regulation.

25.2 The Franchisee shall maintain a full, complete and up-to-date set of plans, records and "as built" maps showing the exact location of all cable installed or in use in the City, exclusive of subscriber service drops. The City specifically recognizes that "as built" maps

submitted pursuant to this Section 25.2 shall be treated as confidential and proprietary, in accordance with the provisions of this Section 25.0 and applicable law.

25.3 All records, logs, and maps maintained pursuant to this Agreement shall be made available to the City or its designee during Franchisee's regular business hours upon reasonable request, subject to the provisions of Sections 25.4 through 25.6 and applicable privacy laws.

25.4 Except: (a) publicly available information, including materials filed by Franchisee with governmental agencies for which no confidential treatment has been requested; (b) as indicated in writing by Franchisee; or (c) as provided by applicable law, the City shall treat all materials submitted by Franchisee as confidential and proprietary and shall make them available only to those persons who must have access to such information in order to perform their duties on behalf of the City.

25.5 In the event the City receives a request for disclosure of information provided by Franchisee to the City that the City believes in good faith it must provide under law, then the City shall provide Franchisee with written notice of such request as soon as possible prior to disclosure to allow Franchisee to take such measures as it deems appropriate to redact records submitted to the City in an unredacted form and/or to seek judicial or other remedies to protect the confidentiality of such information.

25.6 If Franchisee determines in its sole discretion that information requested by the City contains proprietary or confidential data, or if records requested by the City must be kept confidential under applicable law, Franchisee may present redacted versions of documents responsive to the City's request.

26.0 MUNICIPAL EMERGENCIES

26.1 Franchisee shall comply with the Emergency Alert System (“EAS”) requirements of the FCC and the State of New York, including the NYSPSC’s rules and regulations and the current New York EAS Plan in order that emergency messages may be distributed over the System.

PART V -- FRANCHISEE’S OBLIGATIONS TO SUBSCRIBERS AND CUSTOMER SERVICE REQUIREMENTS

27.0 COMPLIANCE WITH FEDERAL AND STATE LAW AND REGULATION

27.1 Franchisee shall comply with all Federal and State laws and regulations that regulate Franchisee’s customer service responsibilities.

28.0 EMPLOYEE IDENTIFICATION/TRAINING

28.1 Each employee of Franchisee entering upon private property, including employees of contractors and subcontractors employed by Franchisee, shall have on their person, and shall produce upon request, picture identification that clearly identifies the person as a representative of Franchisee and, notwithstanding any local law, shall display such identification when entering upon private property for the purpose of installing, repairing, soliciting or removing services.

28.2 Franchisee shall provide proper training for employees and shall institute policies and procedures that foster courteous and professional conduct.

28.3 Notwithstanding any other provision of law regulating door-to-door solicitation or other sales activities undertaken on public or private property within the City, including any licensing or permit obligations required for such activities, the obligations set forth in this section shall be the sole conditions governing the authorization and identification required for the entrance onto public or private property imposed upon Franchisee or its employees, agents, contractors or

subcontractors for the purpose of selling, marketing or promoting services offered by Franchisee to residents of the City.

29.0 REQUIREMENT FOR ADEQUATE TELEPHONE SYSTEM

29.1 Franchisee shall utilize a telephone system that shall meet, at a minimum, standards set by Federal and State law.

29.2 Franchisee shall have the ongoing responsibility to take reasonable measures to ensure that the telephone system utilized meets the reasonable customer service needs of its subscribers. In evaluating the performance of Franchisee under this section, the City may review telephone systems in use in other jurisdictions by other cable companies, cable industry-established codes and standards, pertinent regulations in other jurisdictions, evaluations of telephone system performance commonly used in the industry, and other relevant factors.

30.0 MISCELLANEOUS PROVISIONS

30.1 To the extent practicable, Franchisee shall ensure that the subscriber's premises are restored to at least their pre-existing condition if damaged by Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service. The Franchisee shall be liable for any breach of provisions of this Agreement by its contractors, subcontractors or agents.

30.2 The City shall have the right to promulgate new, revised or additional reasonable consumer protection standards, and penalties for Franchisee's failure to comply therewith, consistent with the authority granted under Section 632 of the Cable Act (47 U.S.C. Sec. 552).

30.3 Nothing in this Agreement is intended to or shall confer any rights or remedies on any third parties to enforce the terms of this Agreement.

30.4 The City shall, without further consideration, execute and deliver such further instruments and documents and do such other acts and things as Franchisee may reasonably request in order to effect and confirm this Agreement and the rights and obligations contemplated therein.

30.5 This Agreement supersedes all prior agreements and negotiations between Franchisee and the City and shall be binding upon and inure to the benefits of the parties and their respective successors and assigns.

30.6 This Agreement may be executed in one or more counterparts, all of which taken together shall be deemed one original.

31.0 NOTICES

31.1 Notices required under this Agreement shall be in writing and shall be mailed, first class, postage prepaid, to the addresses below. Either party may change the place where notice is to be given by providing such change in writing at least thirty (30) days prior to the time such change becomes effective. The time to respond to notices under this Agreement shall run from receipt of such written notice.

(c) Notices to the Franchisee shall be mailed to:

Cablevision Systems Corporation
1111 Stewart Avenue
Bethpage, NY 11714
Attention: Vice President, Government Affairs

With a copy to:

Cablevision of Wappingers Falls, Inc.
1111 Stewart Avenue
Bethpage, NY 11714
Attention: Legal Department

(d) Notices to the City shall be mailed to:

City of Beacon
1 Municipal Plaza
Beacon, NY 12508
Attention: Mayor

PART VI -- GUARANTEE OF FRANCHISEE'S PERFORMANCE

32.0 PERIODIC PERFORMANCE EVALUATION SESSIONS

32.1 Upon thirty (30) days prior notification by the City, Franchisee shall be prepared to participate in a meeting or series of meetings evaluating the performance of its Cable Service under this Agreement. The timing of such performance evaluation sessions shall be solely in the discretion of the City; however, each such evaluation shall not be initiated sooner than one year after the close of a previously conducted performance evaluation. All performance evaluation meetings shall be open to the public.

32.2 Not less than thirty (30) days prior to any performance evaluation, the City shall provide notice to Franchisee of the topics that it wishes to address. Topics which may be discussed at any performance evaluation shall be within the regulatory authority of the City and reasonably related to the offering of Cable Service in the City and may include System performance, compliance with this Agreement and applicable law, customer service and complaint response, services provided, fees described in this Agreement, free services, applications of new technologies, and judicial, federal or State filings.

32.3 During review and evaluation, Franchisee shall fully cooperate with the City and shall provide such information and documents as the City may reasonably need to perform its review, subject to the provisions of Section 25.0 of this Agreement.

32.4 Each performance evaluation session shall be deemed to have been completed as of the date the City issues a final report on its findings.

32.5 No evaluation session may be the basis of a revocation proceeding, nor shall notice to Franchisee of such a session constitute the notice required under Section 8.2 of this Agreement.

33.0 EFFECT OF CITY'S FAILURE TO ENFORCE FRANCHISE PROVISIONS

33.1 Franchisee shall comply with any and all provisions of this Agreement and applicable local, State and Federal law and regulation.

33.2 Any claims arising out of any actual breach of this Agreement shall be effective from the date such breach is found to have commenced and notice is provided as in Section 8.0. Franchisee's responsibility to cure any such breach shall not be diminished by the failure of the City to enforce any provision of this Agreement, provided however that any action for past liability based on Franchisee's failure to cure such breach, pursuant to the procedures outlined in Section 8.0 and provided however that the claimed breach has occurred no later than three (3) years prior to the City providing notice to Franchisee.

34.0 COMPETITIVE FAIRNESS

34.1 In the event that the City grants or renews another franchise(s), or similar authorization(s), for the construction, operation and maintenance of any communication facility which shall offer services substantially equivalent to services offered by Franchisee over the System, it shall not make the grant or renewal on more favorable or less burdensome terms than are contained herein. The City shall provide Franchisee written notice of any public hearing or other official action related to such proposed grant or renewal of a franchise or similar authorization. If Franchisee finds that a proposed franchise, franchise renewal or similar authorization contains provisions imposing less burdensome or more favorable terms than are imposed by the provisions of this Agreement, then Franchisee will identify those terms to the

City in writing in advance of any vote to adopt the franchise, franchise renewal or similar authorization and, if the City approves such franchise, franchise renewal or similar authorization for the other provider with the identified terms, or any subsequent modification thereof, then those terms shall become the operative terms in this Agreement, in lieu of existing terms, upon the effective date of the other franchise, franchise renewal or agreement.

34.2 In the event that a non-franchised multi-channel video service provides service to residents of the City, the Franchisee shall have a right to petition for amendments to the Franchise that relieve the Franchisee of burdens that create a competitive disadvantage to the Franchisee. Such petition shall: i) indicate the presence of a non-franchised competitor(s); ii) identify the basis for Franchisee's belief that certain provisions of the Franchise Agreement place Franchisee at a competitive disadvantage; and iii) identify the provisions of this Agreement to be amended or repealed in order to eliminate the competitive disadvantage. The City shall not unreasonably deny the Franchisee's petition.

34.3 Nothing in this Section 34.0 shall be deemed a waiver of any remedies available to Franchisee under federal, state or municipal law, including but not limited to Section 625 of the Cable Act, 47 U.S.C. Section 545.

35.0 APPROVAL OF THE NYSPC

35.1 The terms of this Agreement, and any subsequent amendments hereto, are subject to applicable federal, state and local law, the Rules and Regulations of the FCC, the NYSPSC, or its successor agency, and any other applicable regulatory body with appropriate jurisdiction. Further, the terms of this Franchise Agreement and any subsequent amendments are subject to the approval of the NYSPSC, or its successor agency.

IN WITNESS WHEREOF, the parties hereto have hereunto executed this Agreement as of the date written below.

CITY OF BEACON

BY: Randy Casale
Name: Randy Casale
Title: Mayor

**CABLEVISION OF WAPPINGERS
FALLS, INC.**

SH BY: MO
Name: Michael Olsen
Title: Senior Vice President, Legal,
Legislative & Regulatory Affairs

DATE: Sept. 22, 2015

EXHIBITS:

Exhibit A: Municipal Buildings to be Provided Free Cable Service

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

City Hall
One Municipal Plaza
Beacon, NY 12508

J.V. Forrestal Elementary School
125 Liberty Street
Beacon, NY 12508

Beacon Fire Head Quarters
425 Main Street
Beacon, NY 12508

Sargent Elementary School
29 Education Drive
Beacon, NY 12508

Beacon Engine Company
57 East Main Street
Beacon, NY 12508

South Avenue Elementary School
60 South Avenue
Beacon, NY 12508

Beacon Transfer Station
95 Dennings Avenue
Beacon, NY 12508

Glenham Elementary School
20 Chase Road
Beacon, NY 12508

Beacon Water & Sewer Dept.
470 Liberty Street
Beacon, NY 12508

Maintenance Garage
36 North Cedar
Beacon, NY 12508

Beacon Highway Department
23 Creek Road
Beacon, NY 12508

Howland Public Library
313 Main Street
Beacon, NY 12508

Lewis Tompkins Hose Co.
13 South Avenue
Beacon, NY 12508

Beacon Recreation Center
23 West Center Street
Beacon, NY 12508

Beacon Volunteer Ambulance Corp.
One Arquilla Drive
Beacon, NY 12508

Beacon Highway Facility
30 Camp Beacon Drive
Beacon, NY 12508

Beacon Board of Education
10 Education Drive
Beacon, NY 12508

Beacon High School
101 Matteawan Road
Beacon, NY 12508

Rombout Middle School
84 Matteawan Road
Beacon, NY 12508