

**A FRANCHISE RENEWAL AGREEMENT**

**between the**

**Town of Lewisboro,  
Westchester County, State of New York**

**and**

**Cablevision Systems Westchester Corporation**

## **INDEX TO FRANCHISE**

### **PART I -- THE FRANCHISE**

1.0	DEFINITION OF TERMS.....	1
2.0	GRANT OF FRANCHISE .....	5
3.0	NON-EXCLUSIVE NATURE OF THIS FRANCHISE.....	5
4.0	TERRITORIAL LIMITS .....	5
5.0	FRANCHISE SUBJECT TO LAW AND REGULATION.....	5
6.0	CONDITIONS ON USE OF STREETS AND PUBLIC GROUNDS .....	6
7.0	ASSIGNMENT OR TRANSFER OF FRANCHISE .....	8
8.0	DEFAULT, REVOCATION, TERMINATION, ABANDONMENT' .....	8
9.0	SEVERABILITY .....	10
10.0	EFFECTIVE DATE AND TERM.....	10

### **PART II -- THE SYSTEM**

11.0	COMPLIANCE WITH FEDERAL AND STATE LAW AND REGULATIONS	11
12.0	SYSTEM SPECIFICATIONS .....	11
13.0	SYSTEM PERFORMANCE STANDARDS .....	12
14.0	SYSTEM MAINTENANCE AND REPAIR.....	12

### **PART III -- THE SERVICE**

15.0	GENERAL SERVICE OBLIGATION.....	12
16.0	MUNICIPAL AND SCHOOL SERVICE .....	13
17.0	PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS .....	14

### **PART IV -- FRANCHISEE'S OBLIGATIONS TO THE TOWN**

18.0	FRANCHISE FEE .....	17
19.0	INDEMNITY AND INSURANCE .....	17
20.0	RATES AND CHARGES .....	19
21.0	EMPLOYMENT PRACTICES .....	19
22.0	TOWN'S RIGHT TO INQUIRE ABOUT AND INSPECT SYSTEM.....	19
23.0	TOWN'S RIGHT TO INSPECT FRANCHISEE'S BOOKS AND RECORDS ..	20
24.0	REPORTS TO BE FILED BY FRANCHISEE WITH THE TOWN.....	20
25.0	MANDATORY RECORD KEEPING .....	20
26.0	MUNICIPAL EMERGENCIES .....	21

### **PART V -- FRANCHISEE'S OBLIGATIONS TO SUBSCRIBERS AND CUSTOMER SERVICE REQUIREMENTS**

27.0	COMPLIANCE WITH FEDERAL AND STATE LAW AND REGULATION	21
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28.0	EMPLOYEE IDENTIFICATION/TRAINING .....	21
29.0	REQUIREMENT FOR ADEQUATE TELEPHONE SYSTEM .....	22
30.0	MISCELLANEOUS PROVISIONS.....	22
31.0	NOTICE .....	23
	PART VI -- GUARANTEE OF FRANCHISEE'S PERFORMANCE	
32.0	PERIODIC PERFORMANCE EVALUATION SESSIONS .....	23
33.0	EFFECT OF TOWN'S FAILURE TO ENFORCE FRANCHISE PROVISIONS	24
34.0	LEVEL TERMS.....	24
35.0	APPROVAL OF THE NYSPSC .....	25

#### EXHIBIT A: Municipal Buildings to be Provided Free Cable Service

## **A FRANCHISE RENEWAL AGREEMENT**

**between the**

**Town of Lewisboro, Westchester County, State of New York**

**and**

**Cablevision Systems Westchester Corporation**

**WHEREAS**, the Town of Lewisboro (hereinafter referred to as “Town”) has requisite authority to grant franchises permitting and regulating the use of its streets, rights of way, and public grounds; and,

**WHEREAS**, Cablevision Systems Westchester Corporation (hereinafter referred to as “Franchisee”), or, if applicable Franchisee’s predecessor in interest, having previously secured the permission of the Town to use such streets, rights of way, and public grounds under a franchise Agreement that has since expired, has petitioned the Town for a renewal of such franchise; and,

**WHEREAS**, the Town has determined the Franchisee is and has been in substantial compliance with all terms and provisions of its existing franchise and applicable law; and,

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

**WHEREAS**, the Town 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 Town is a basic assumption of the parties in this Agreement;

### **THEREFORE**

The Town 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 “Cable 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 “Cable System” without delay.

**1.6 “Cable 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.

**1.7 “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.

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

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

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

**1.11 “Franchisee”:** Cablevision Systems Westchester Corporation and its lawful successors and assignees.

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

**1.12.1** 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 Cable System in the Town, 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) revenues from the sale or lease of access channel(s) or channel capacity; (iv) fees from video on demand, including pay-per-view; (v) compensation

received by Franchisee that is derived from the operation of Franchisee's Cable 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 Cable 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 Cable System to provide Cable Service within the Town, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Town 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. Subject to Section 34 of this Agreement, for the purpose of calculating franchise fees paid to the LFA, Gross Revenue shall include Subscriber revenue in the Town from DVR functionality.

**1.12.2** Gross Revenue shall not include: Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers; 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 Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, 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 Non-Cable Services in accordance with federal law, rules, regulations, standards or orders, ( provided, however, should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service in the Town by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the Municipality 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 NY PSC approving such amendment), any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable 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 Cable System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Cable 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 LFA 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 city, 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, but not including any other revenue actually received from such Person derived from the provision of Cable Services by Franchisee over the Cable System in the Town, that is otherwise subject to franchise fees under Section 1.12.1 above (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 or Technology Grant payments.

**1.13 “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.

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

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

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

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

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

**1.18.1** 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

**1.18.2** the rights held by Franchisee under the Franchise are transferred or assigned to another Person or group of Persons.

However, notwithstanding Sub-sections 1.18.1 and 1.18.2 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 Cable System within the streets, alleys, and public ways of the Town, as now exist and may hereafter be changed.

**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 Town, 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, the Town, 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 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 Town for permits or construction, or the 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 Town 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 Town 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 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 Cable 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 Town. In the event that any area outside the territorial limits of the Town 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 Town to adopt and enforce laws, rules and regulations. Expressly reserved to the Town is the right to adopt, in addition to the provisions of this Agreement and existing laws, rules, and regulations, such additional laws, rules, 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 Town 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 Town agrees to enforce all applicable law in a non-discriminatory manner against all providers of Cable Service doing business in the Town.

**5.5** Within sixty (60) days of receipt of formal notification of the Town's approval of this Franchise, Franchisee shall file a request for certification of this franchise with the NYSPSC and shall provide the Town with evidence of such filing.

**5.6** The Supervisor, or other person as designated by the Town, shall have responsibility for the continuing administration of the rights and interests of the Town under this Franchise. Notwithstanding the foregoing, however, any award or denial of a franchise, revocation, termination or final notice of default shall require vote of the Town'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** All structures, lines and equipment erected by Franchisee within the Town 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 that may be available to Franchisee, shall be used to the extent 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.

**6.4** 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 Town to the minimum extent necessary to keep same clear of poles, wires, cables, conduits and fixtures. Except during emergencies, Franchisee shall provide advanced notice to the Town prior to any significant tree cutting or removal work in the Town. The Franchisee shall comply with all generally applicable laws of the Town pertaining to the protection of trees in the public rights of way.

**6.5** 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 thirty (30) days, replace and restore such pavement, sidewalk, driveway or surfacing so disturbed to as good a condition as existed before said work was commenced. In the event that any municipal property is damaged or destroyed by Franchisee, such property shall be repaired or replaced by Franchisee within thirty (30) days and restored to as good a condition as existed before said work was commenced.

**6.6** 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 Town, 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.

**6.7** In exercising rights pursuant hereto, Franchisee shall not endanger or interfere with the lives of persons, nor interfere with any installations of the Town, any public utility serving the Town 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. All rights granted for the construction and operation of the System shall be subject to the continuing right of the Town, 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 Town, 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.

**6.8** Nothing in this Agreement shall hinder the right of the Town, 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 Town and provided the Town provides at least thirty (30) days' written notice to Franchisee.

**6.9** Upon notice and payment as set forth herein by a person holding a building or moving permit issued by the Town, 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. 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 consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise.

**7.2** No consent of the Town 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 order to secure indebtedness, for any transaction in which Franchisee retains the right, title or interest in the Franchise granted herein, or for transactions otherwise excluded under Section 1.18 above.

## **8.0 DEFAULT, REVOCATION, TERMINATION, ABANDONMENT**

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

**8.1.1** Franchisee fails, after sixty days (60) prior written notice from the Town, 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

**8.1.2** 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

**8.1.3** Franchisee attempts or does practice a material fraud or deceit in its securing of this Franchise; or

**8.1.4** Franchisee practices fraud or displays repeated negligence in the accurate reporting of information to the Town including but not limited to information pertaining to Franchisee's calculation of the Town's franchise fee; or

**8.1.5** Franchisee fails to pay any legally owed taxes or fees due the Town, unless the amount of such payment is part of a good faith dispute or the failure to pay is caused by inadvertent error; or

**8.1.6** Franchisee fails to maintain adequate insurance as specified in Section 19 of this Agreement; or

**8.1.7** Franchisee fails to obtain the prior approval of the Town for transfer or assignment of the Franchise pursuant to Section 7 of this Agreement.

**8.2** For purposes of this Agreement the term "material provision" or "material provisions" shall mean the following sections of this Franchise (including any referenced definitions in Section 1): Section 7; Section 10; Section 12.3; Section 15; Section 16; Section 17.

**8.3** Notwithstanding the above, no default, revocation or termination shall be effective unless and until the Town 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: Town 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 Town 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 Town. If Franchisee has failed to cure after the expiration of said sixty (60) day period or fails to provide a cure plan that reasonably satisfies the Town, the Town 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 Town 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.

**8.4** 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.

**8.5** In the event of such circumstances as described in 8.4, 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 Town of the existence of circumstances described in Section 8.4. 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 events or conditions.

**8.6** 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 Town and the NYSPSC. Deletion or changes to a programming service or functionality of the System shall not constitute abandonment of service for purposes of this Agreement.

**8.7** Upon expiration, termination or revocation of this Franchise, Franchisee, at its sole cost and expense and upon direction of the Town, 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 Town, 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 as defined in Section 8.2 of this Franchise, 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 (the "Effective Date").

**10.2** Subject to Section 10.3, the term of this Agreement shall be fifteen (15) 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 an operator may provide cable service in the Town, then Franchisee may, at its option, request that the Town modify this Franchise to ameliorate the negative effects of the change on Franchisee or terminate this Agreement without further obligation to the Town. 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

Town 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 amended. In addition, the Franchisee shall take reasonable measures to ensure that the System shall meet or exceed all applicable technical and 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 Town shall be at the option of Franchisee and as further described in this section.

**12.2** All such construction and any subsequent maintenance, repair, or improvement of said System shall use materials of good and durable quality and shall be performed in a safe, workmanlike, thorough, and reliable manner.

**12.3** Franchisee's System shall provide for a minimum channel capacity of not less than 77 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 Franchisee's 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 Town. 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 Town, 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 that Franchisee is authorized to serve, subject to the provisions of Section 15.1.2.

### **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 the rules and regulations of the federal and state regulatory agencies having jurisdiction, including but not limited to 47 CFR §76.601. Franchisee shall not be deemed to be out of compliance with this Section 13 to the extent another user of radio spectrum interferes with the signal quality provided by Franchisee to Subscribers within the Town 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 Town, 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 service within the Town upon the lawful request of any and all persons who are owners or tenants of residential property within the Town, subject to the following:

**15.1.1** 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 Town and situated within one-hundred and fifty (150) feet from the trunk or feeder cable shall receive such service at the standard installation charge. Underground installations and aerial installations in excess of 150 feet shall be charged to subscribers at cost.

**15.1.2** All commercial structures within the territorial limits of the Town 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 charge for the provision of said service.

**15.1.3** Franchisee shall extend the System to provide service to all areas of the Town along public rights-of-way which have a density of fifteen (15) homes per linear mile of aerial cable or greater, or areas with less than 15 homes per linear mile of aerial cable where residents agree to a contribution-in-aid-of construction as per the standards established in Section 895.5 of the rules and regulations of the NYSPSC.

**15.1.4** 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 and State law.

**15.2** 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 of this Agreement, upon written request from the Town, Franchisee shall provide, without charge within the Town, one service outlet activated for Basic Service to each School, Public Library, and such other Municipal Office Buildings as may be designated by the Town as provided in Exhibit A attached hereto; provided, however, that if it is necessary to extend Franchisee's trunk or feeder lines more than five hundred (500) 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 five hundred (500) 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 five hundred (500) 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.

**16.2** Franchisee shall continue to provide without charge basic cable modem service to Town Hall, 11 Main Street, South Salem, NY 10590, 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 and be modified from time to time.

**16.3** Upon written request from the Town, Franchisee shall provide without charge basic cable modem service to one building for every School and Public Library in the Town, 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.

**16.4** As used in this Agreement, the terms:

**16.4.1** "School" shall mean those educational institutions within the Town chartered by the New York State Board of Regents pursuant to the New York Education Law.

**16.4.2** "Public Library" shall mean a library established for free public purposes by official action of a Town, 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.

**16.4.3** "Municipal Office Buildings" shall mean the Town Hall, its police, fire or ambulance corps buildings, and other Town owned buildings used for municipal governmental purposes, which are listed in **Exhibit A**.

**16.5** Subject to Section 16.5.1 below, Franchisee shall provide to the Town a one-time grant in the total amount of Seven Thousand Dollars (\$7,000.00) payable within sixty (60) days of the Effective Date (the "Technology Grant"). The Technology Grant shall be used solely for the technology related capital needs of the Town.

**16.5.1** To the extent permitted by and consistent with applicable law, Franchisee may, in its sole discretion, pass through to Subscribers the costs of the Technology Grant provided in this Section 16.5.

## **17.0 PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS**

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

**17.2** Franchisee shall provide the Town, and the residents of the Town with equitable access to all non-commercial 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.

**17.4** Administration and Use of Public Access Channel. The public access channel shall be operated and administered by the entity designated by the Town, or until such designation is made, by Franchisee; provided, however, that the Town may designate such entity at any time by a resolution duly adopted by the Town, or by written notice of the Town or such person authorized to provide such notice on behalf of the Town.

**17.5** Government Access Origination Site:

**17.5.1** At any time during the term of this Agreement, upon one hundred eighty (180) days prior written notice to the Franchisee, the Town may designate one (1) municipal site within the then currently serviceable area of the Town (as determined in Article 15 of this Agreement) as an access origination site for the government access channel (the "Government Access Origination Site"). Upon such designation by the Town of the Government Access Origination Site, Franchisee shall relocate all access equipment belonging to the Town which is at that time located at Franchisee's head-end (if any), to the Government Access Origination Site within a reasonable period of time to allow activation of said site pursuant to Section 17.6 of this Agreement. Franchisee shall provide reasonable technical assistance to the Town during the activation of the Government Access Origination Site pursuant to this Section 17.5.1.

**17.5.2** At any time during the term of this Agreement, but no earlier than the third (3<sup>rd</sup>) anniversary of the Effective Date, upon one hundred eighty (180) days prior written notice to the Town, Franchisee may remove all access equipment owned by the Town located at Franchisee's head-end (if any), and, either: (i) at the Town's request, relocate such equipment to the Government Access origination Site; or (ii) if the Town does not request relocation of such equipment to the Government Access Origination Site, dispose of such equipment as Franchisee determines is appropriate.

**17.6** Subject to: (i) Section 17.5 of this Agreement; and (ii) the successful completion of all required site preparation work by the Town and provision of access to Franchisee for equipment installation and provisioning, Franchisee shall, without charge to the Town, provide

upstream PEG channel transmission connections between its video channel aggregation point and the Government Access Origination Site in order to permit the government access signal to be correctly routed from the Government Access Origination Site described in Section 17.5 above to the government access channel for distribution to Subscribers.

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

**17.8** Subject To Subsections 17.8.1, 17.8.2 and 17.8.3 below, Franchisee shall provide to the Town for use in support of the production of local PEG programming a PEG grant in the amount of Forty Three Thousand Dollars (\$43,000) (the "PEG Grant") payable in two (2) installments as follows: (i) the first (1<sup>st</sup>) installment of the PEG Grant in the amount of Twenty Eight Thousand Dollars (\$28,000) shall be due within sixty (60) days of the Effective Date; and (ii) the second (2<sup>nd</sup>) installment of the PEG Grant in the amount of Fifteen Thousand Dollars (\$15,000) shall be due on the eight (8<sup>th</sup>) anniversary of the Effective Date.

Notwithstanding anything herein to the contrary, if the Town notifies Franchisee of its option to designate a Government Access Origination Site pursuant to Section 17.5.1 of this Agreement on or after the third (3<sup>rd</sup>) anniversary of the Effective Date but prior to the eighth (8<sup>th</sup>) anniversary of the Effective Date, then Ten Thousand Dollars (\$10,000) of the second (2<sup>nd</sup>) installment of the PEG Grant described in this Section 17.8 shall be payable to the Town by the Franchisee within sixty (60) days of the Town providing such notice to the franchisee, and the remaining Five Thousand Dollars shall be due and payable on the eight (8<sup>th</sup>) anniversary of the Effective Date .

**17.8.1.** The Town shall impose an equivalent obligation to the obligation contained in this Section 17.8 on all new and renewed providers of cable service in the Town. 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 17.8, Franchisee's obligations under Section 17.8 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.

**17.8.2** The PEG Grant shall be used solely by the Town 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 Town.

**17.8.3** Upon written request by the Franchisee, the Town 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 Town and the amounts, if any, reserved for future capital expenditures for such purposes.

**17.9** 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 TOWN**

##### **18.0 FRANCHISE FEE**

**18.1** Beginning sixty (60) days after the Effective Date of this Agreement, Franchisee shall pay to the Town during the term of this Agreement an annual sum equal to five percent (5%) of Franchisee's annual Gross Revenue, less any amounts owed to any federal or state regulatory agencies. Such payment shall be made on a quarterly basis for the periods January 1 through March 31, April 1 through June 30, July 1 Through September 30, and October 1 through December 31. Each such payment shall be due no later than sixty (60) days following the end of each calendar quarter.

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

**18.4.** 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 Town from any claims against either or both which may arise directly or indirectly as a result of Franchisee's performance hereunder:

<b>19.1.1</b> Personal injury or death:	\$500,000 per person
	\$500,000 per occurrence
<b>19.1.2</b> Property damage:	\$500,000 per occurrence
<b>19.1.3</b> Excess liability or umbrella coverage:	\$10,000,000.

**19.2** The Town shall impose at least the same insurance obligations as those in this Section 19 on all new and renewed providers of Cable Service in the Town. 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, Franchisee's obligations under this Section 19 shall thereafter be reduced to an equivalent amount.

**19.3** Franchisee shall indemnify and hold harmless the Town, its officers, employees, and agents acting on behalf of the Town, 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 CableSystem 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 Town 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 by making available to Franchisee all relevant information under the Town's control. Notwithstanding any provision contained herein and to the contrary, Franchisee shall have no obligation to indemnify or defend the Town with respect to any programming provided by the Town or from the Town's negligence.

**19.4** Each insurance policy shall bear the name of the Town as an additional insured. The insurance coverage referred to in this Section 19 may be included in one or more policies covering other risks of Franchisee or 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 Town. If any policy is canceled, it 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 Town, Franchisee shall furnish to the Town 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 Town 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 Town shall have the right to review and approve 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 Town, 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, rules, and regulations pertaining to rates and charges for cable television service.

**20.3** Franchisee shall offer a discount of \$1.50 off the monthly service charge to senior citizens, sixty-two (62) years of age and older, who are the heads of household, and receive the broadcast basic stand-alone cable television service from Franchisee. Such a discount shall not be available to senior citizens with other discounts on cable television service. The Franchisee may, at its discretion, regularly require participating senior citizens to furnish proof of qualification in such form as it may determine to be necessary to demonstrate eligibility for such senior citizen discount program. Customers who receive a level of service beyond the basic service tier, including any premium channel service, shall not be eligible for the discount. Administrative or other good faith errors by Franchisee in administration of a senior discount shall not be deemed a material breach of this Agreement.

## **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 TOWN'S RIGHT TO INQUIRE ABOUT AND INSPECT SYSTEM**

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

**22.2** When repeated Subscriber complaints cause the Town to question the reliability or technical quality of Cable Service, the Town shall have the right and authority to test or require Franchisee to 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 Town in performing such testing.

**22.3** In the event of repeated and persistent complaints about the same aspect of System performance, and testing requested by the Town and conducted by Franchisee fails to identify and correct the cause, the Town may require that such testing be performed or supervised by a Town designee or other person who is not an employee or agent of Franchisee. Franchisee shall reimburse the Town for the reasonable costs of such designee.

**22.3.1** The Town may request that the NYSPSC test the System at any time and Franchisee will cooperate fully in the performance of such tests.

**22.3.2** The Town 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. Town shall notify Franchisee prior to conducting any inspection of the System, and Franchisee may require that it be present when the Town 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 Town, of all System facilities, together with any appurtenant property of Franchisee situated within the Town and outside of the Town if such property is utilized in the operation of the System serving the Town.

### **23.0 TOWN'S RIGHT TO INSPECT FRANCHISEE'S BOOKS AND RECORDS**

**23.1** The Town 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.

**23.2** If any of such information is not kept in the Town, or upon notice Franchisee is unable to provide the records in the Town, and if the Town shall determine that an examination of such maps or records is necessary or appropriate to the performance of the Town's responsibilities under this Agreement, then all travel and maintenance expenses, in excess of one-hundred miles (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 TOWN**

**24.1** Upon request of the Town, Franchisee shall make available to the Town 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 Town, subject to the provision of Section 25.4.

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

### **25.0 MANDATORY RECORD KEEPING**

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

**25.2** The Franchisee shall maintain a full and complete set of plans, records, and “as built” maps showing the exact location of all cable installed or in use in the Town, exclusive of Subscriber service drops. The Town 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 and applicable law.

**25.3** All records, logs, and maps maintained pursuant to this Agreement shall be made available to the Town or its designee during Franchisee’s regular business hours upon reasonable request, subject to the provisions of Section 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 Town 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 Town.

**25.5** In the event the Town receives a request for disclosure of information provided by Franchisee to the Town that the Town believes in good faith it must provide under law, then the Town 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 Town 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 Town contains proprietary or confidential data, or if records requested by the Town must be kept confidential under applicable law, Franchisee may present redacted versions of documents responsive to the Town’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 Town, 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 Town.

## **29.0 REQUIREMENT FOR ADEQUATE TELEPHONE SYSTEM**

**29.1** Franchisee shall utilize a telephone system that shall meet, at a minimum, the 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 Town 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** Franchisee shall ensure that the Subscriber's premises are restored to 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 Town shall have the right to promulgate new, revised or additional 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 Town 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 Town 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 NOTICE**

**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.

Notices to the Franchisee shall be mailed to:

Cablevision Systems Corporation  
1111 Stewart Avenue  
Bethpage, NY 11714  
Attention: Vice President, Suburban New York

With a copy to:

Cablevision Systems Westchester Corporation  
1111 Stewart Avenue  
Bethpage, NY 11714  
Attention: Legal Department

Notices to the Town shall be mailed to:

Town Clerk  
Town of Lewisboro  
11 Main Street  
P.O. Box 500  
South Salem, NY 10590

## **PART VI -- GUARANTEE OF FRANCHISEE'S PERFORMANCE**

### **32.0 PERIODIC PERFORMANCE EVALUATION SESSIONS**

**32.1** Upon thirty (30) days prior notification by the Town, 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 Town; however, each such evaluation shall not be initiated sooner than one year after the close of a previously conducted performance evaluation, absent repeated and material customer complaints. All performance evaluation meetings shall be open to the public.

**32.2** Not less than thirty (30) days prior to any performance evaluation, the Town 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 Town and reasonably related to the offering of Cable Service in the Town, 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 Town and shall provide such information, and documents, as the Town may reasonably need to perform its review, subject to the provisions of Section 25 of this Agreement.

**32.4** Each performance evaluation session shall be deemed to have been completed as of the date the Town 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 8.3 of this Agreement.

### **33.0 EFFECT OF TOWN'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. Once a breach of a provision or provisions is identified by the Town and Franchisee is finally adjudged to have breached a provision or provisions as provided in this Agreement, the revocation provisions of this Agreement shall pertain as applicable.

**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. Franchisee's responsibility to cure any such breach shall not be diminished by the failure of the Town 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 and provided however that the claimed breach has occurred no later than three (3) years prior to the Town providing notice to Franchisee.

### **34.0 COMPETITIVE FAIRNESS**

**34.1** In the event that the Town grants one (1) or more 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 the System, it shall not make the grant on more favorable or less burdensome terms. If the agreement(s) granting said other franchise(s) impose(s) provisions that are less costly or burdensome or more favorable than those imposed by the corresponding terms of this Agreement, then upon written notice from Franchisee identifying such corresponding terms and their counterparts in such other agreement, the Municipality agrees not to enforce such corresponding terms in this Agreement beyond the requirements or obligations imposed by the less costly or more favorable counterpart provisions in such other agreement.

**34.2** In the event that a non-franchised multi-channel video programmer/distributor provides service to residents of the Town, the Franchisee shall have a right to petition for Franchise Agreement amendments 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; iii) identify the provisions of this Agreement to be amended or repealed in order to eliminate the competitive disadvantage. The Town shall not unreasonably deny Franchisee's petition and so amending the Franchise Agreement.

**34.3** Nothing in this Section 34 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 NYSPSC**

**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, 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.

*[signature page follows]*

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

**Town of Lewisboro**

By: 

Peter Parsons, Town Supervisor

Date: 2/4/2015

**Cablevision Systems Westchester Corporation**

(S)

By: 

Michael Olsen, Senior Vice President - Legal  
Legislative & Regulatory Affairs

Date: 6.11.15

#### EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

## **EXHIBIT A**

### **MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE**

1. Vista Fire Department, 377 Smithridge Road, South Salem, NY 10590
2. South Salem Fire Department, 1190 Route 35, South Salem, NY 10590
3. Goldens Bridge Fire Department, 254 Waccabuc Road, Goldens Bridge NY 10526
4. Lewisboro Parks & Recreation Department, 99 Elmwood Road, South Salem, NY 10590
5. Lewisboro Town House, 11 Main Street, South Salem, NY 10590
6. Lewisboro Highway Department, 11 Main Street, South Salem, NY 10590
7. Lewisboro Library, 15 Main Street, South Salem, NY 10590
8. Lewisboro Police Department, 20 North Salem Road, Cross River, NY 10518
9. Lewisboro Volunteer Ambulance Corps, 777 Route 35, Cross River, NY 10518
10. Goldens Bridge Community Center, 65 Old Bedford Road, Goldens Bridge, NY 10526
11. Katonah Elementary School, 106 Huntville Road, Katonah, NY 10536
12. Lewisboro Elementary School, 79 Bouton Road, South Salem, NY 10590
13. Meadow Pond Elementary School, 185 Smith Ridge Road, South Salem, NY 10590
14. Increase Miller Elementary School, 186 Waccabuc Road, Goldens Bridge, NY 10526
15. John Jay Middle School, 40 North Salem Road, Route 121, Cross River, NY 10518
16. John Jay High School, 60 North Salem Road, Route 121, Cross River, NY 10518