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Town of
Brookhaven
Long Island

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MUNICIPAL ASSISTANCE

Felix J. Grucci, Jr., Supervisor

May 29, 1997

97-V-0192

Steven A. Shaye, Chief
Municipal Assistance Section
Communications Division
New York State Public Service Commission
Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

Dear Mr. Shaye:

Thank you for meeting with me this morning. I enclose for your review a copy of the proposed Franchise Agreement for Suffolk Cable Corp.

If you have any further questions or concerns regarding this matter, please feel free to contact me.

Very truly yours,

Annette Eaderesto
Deputy Town Attorney

AE:cah

JUN -3 P3:57

Department of Law
Emily Pines, Town Attorney
3233 Route 112 • Medford • NY 11763 • Phone (516) 451-6500 • Fax (516) 698-4489
Litigation papers are NOT to be served by FAX except by express prior written permission

CABLE TELEVISION FRANCHISE AGREEMENT

BETWEEN

TOWN OF BROOKHAVEN
Brookhaven Town Hall
3233 Route 112
Medford, New York
11763

AND

SUFFOLK CABLE CORPORATION
1600 Motor Parkway
Hauppauge, New York
11788

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P R E A M B L E

WHEREAS, Suffolk Cable Corporation, presently located at 1600 Motor Parkway, Hauppauge, New York, was granted a ten year non-exclusive franchise by the Town of Brookhaven to build, operate and maintain a cable television system within the Town of Brookhaven which expired on or about _____, and

WHEREAS, Suffolk Cable Corporation filed with the Town of Brookhaven an application for renewal of its franchise with the Town of Brookhaven noticing same pursuant to 9 N.Y.C.R.R. Section 591.2, and

WHEREAS, the Town Board of the Town of Brookhaven held a duly noticed public hearing as to the renewal of said franchise on _____ at ____m. at 3233 Route 112, Medford, New York 11763, and

WHEREAS, the Town Board of the Town of Brookhaven has reviewed the performance of Suffolk Cable Corporation under the recently expired franchise and has ascertained the future needs and expectations of the community relative to cable television service, and

WHEREAS, in addition to the renewal application, the review has included consideration of the solicitation of comments from residents of the Town of Brookhaven concerning the performance of Suffolk Cable Corporation, its system, trouble call records, and subscriber complaints filed by the residents of

the Town of Brookhaven with the New York State Commission on Cable Television, a synopsis of the results of technical performance tests performed by said Commission on the subject system, and appropriate financial information concerning Suffolk Cable Corporation, and,

WHEREAS, the Town of Brookhaven and Suffolk Cable Corporation have negotiated this Franchise Agreement, agreeable to both parties, which substantially complies with 9 N.Y.C.R.R. Section 595.1 and otherwise fulfills the needs of the Town of Brookhaven with respect to cable television, and

WHEREAS, by Town Board resolution dated _____, the Town Board of the Town of Brookhaven decided to renew Suffolk Cable Corporation's franchise with the Town of Brookhaven and granted Suffolk Cable Corporation a non-exclusive cable television franchise within the Town of Brookhaven, and

WHEREAS, Suffolk Cable Corporation, concurrently by its Board of Directors' resolution dated _____ or other duly authorized reciprocal authorization, accepted the Town of Brookhaven's decision to renew said franchise and accepted the Town of Brookhaven's grant of a non-exclusive cable television franchise within the Town of Brookhaven, pursuant to the promises, covenants, conditions and obligations herein contained.

NOW, THEREFORE, the Town of Brookhaven, a municipal corporation of the State of New York, having its principal offices at Brookhaven Town Hall, 3233 Route 112, Medford, New

York, 11763 and Suffolk Cable Corporation, a New York corporation, having an office at 1600 Motor Parkway, Hauppauge, New York, 11788, in consideration of the mutual promises, covenants, conditions and obligations as contained herein, the parties agree as follows:

1. SHORT TITLE

This franchise shall be known and may be cited as the Suffolk Cable Corporation Franchise.

2.0. DEFINITIONS

For the purpose of this franchise, the following terms, phrases, words, abbreviations, and their derivations, shall have the meaning stated herein. When not inconsistent with the context, words used in the present tense shall include the future; words used in the plural number shall include the singular number; and vice versa. The word "shall" is always mandatory and not merely directory.

"Affiliate", as used in provision 2.0 definition of "Gross Annual Receipts", shall mean any entity, under common ownership, management and control with the Grantee, directly or indirectly associated with the Grantee by any legal, financial or business relationship whatsoever, for the purpose of providing cable television service. For the purpose of this paragraph, the term "Common ownership" shall mean to own an equity interest (or the equivalent thereof) of more than 10%.

"Approved" or "Approval" shall mean a positive decision or determination of the franchising authority rendered pursuant

to the terms of this franchise favoring the applicant's request.

"Assignee", "Transferee" or "Successor in Interest"

shall mean a person who has assumed control or has been assigned this franchise by the Grantee.

"Basic Cable Service" is the carriage of broadcast signals locally available and such other programming as the Grantee elects to carry. The Town would urge the Grantee to carry the following channels, but understands if a mutual agreement cannot be reached: CBS, NBC, YNY, ABC, WOR/UPN, WPIX/WB, WNET, WLIW, WLIG and local access. The Town acknowledges that for the Grantee to carry these channels the law requires that the broadcaster and the Grantee reach a mutual agreement.

"Cable System, "Cable Television System" or "System"

shall mean a system of antennae, cables, amplifiers, towers, microwave links, waveguides, laser beams, optical fibers, satellites, dish antennas, converters, conductors, equipment or facilities, designed and constructed for the purpose of producing, receiving, amplifying, storing processing or distributing audio, video, digital or other forms of electronic or electrical signals.

"Channel" shall mean a designated frequency band within the total capacity of the cable which is capable of carrying video, audio, digital or other electronic signals, or some combination thereof.

"Collection Charge" shall mean a reasonable fee or charge imposed upon a subscriber by the Grantee for its efforts

at collecting or attempting to collect an account due.

"Conditional Approval" or "Conditionally Approved" shall mean a positive decision or determination of the franchising authority rendered pursuant to the terms of this franchise favoring the applicant's request, providing further that the applicant complies with the conditions promulgated by the franchising authority.

"Disapproved" or "Disapproval" shall mean a negative decision or determination of the franchising authority rendered pursuant to the terms of this franchise denying the applicant's request.

"FCC" shall mean the Federal Communications Commission.

"Franchise" shall mean the grant of certain non-exclusive rights and privileges by the Town to the Grantee.

"Franchising Authority" shall mean the Town Board of the Town of Brookhaven.

"Grantee" shall mean Suffolk Cable Corporation, its assignee, transferee, or successor in interest, or a subsequent assignee, transferee, or successor in interest taking thereunder, providing the subject assignment and/or change over control of the franchise has been approved or conditionally approved by the Town, or is otherwise not violative of the terms of this Franchise Agreement. Grantee shall include its representatives, agents, servants, employees and/or independent contractors.

"Gross Annual Receipts" shall mean any and all compensation(s) received for the twelve (12) months, or pro-rata portion thereof, coinciding with each year of the term of this

franchise, or pro-rata portion thereof, directly or indirectly by the Grantee, and any affiliate of the Grantee (provided said compensation of said affiliate is derived from the grant of authority of this franchise), from whatever source derived, from its operation within the franchise area as defined in provision 3.5 of this Franchise Agreement, including, but not limited to any and all income received from subscribers or users in payment of installation charges and for programs received (whether as part of Basic Service, Pay Cable service or otherwise) and/or transmitted, converters, leased channels, leased goods or equipment, advertising and carrier service revenue, any other goods, equipment and/or service producing revenue, and any other monies that constitute income in accordance with the system of accounts approved by the State Commission. The only exclusions from gross receipts shall be: (A) Any compensation received by the Grantee which has in fact been refunded or credited to subscribers or users, or (B) Any taxes on goods, equipment, leases for goods or equipment, and/or services furnished by the Grantee, imposed directly on any subscriber or user by any statute, law, ordinance or governmental unit, and collected by the Grantee for such governmental unit. Any amount, fee or sum imposed directly or indirectly upon any subscriber or user, whether or not collected directly or indirectly by the Grantee for the franchise fee for this franchise, Article 6 of the New York State Real Property Tax Law, or licensing fees, copyright fees or royalty payment required by federal, state or local laws, shall not constitute an exclusion under provision (B) hereof, or

any other exclusion, and shall constitute gross receipts as defined herein.

If at some future time during the term of this franchise the franchisee forms or becomes a part of a company which sells programming, equipment and/or advertising, etc., the revenues which are derived from sales within the Town of Brookhaven franchise area shall be included in the Gross Revenue definition of Operating Income.

"Late Charge" shall mean a charge which is added by the Grantee to a subscriber's account or bill for nonpayment of a previously due account.

"Person" shall mean any person or individual, firm, partnership, association, corporation, company or other organization or entity, or combination thereof, of any kind.

"Provision" shall mean any provision or subprovision thereof, any section, subsection or subdivision thereof, or any paragraph or subparagraph thereof.

"Public Access Channel" shall mean any channel available to the general public for programming.

"Representative" shall mean any person, agent, servant, employee and/or independent contractor representing either the Town or the Grantee.

"Service Outage" shall mean a loss of picture or sound on all basic subscriber channels or on one or more auxiliary programming channels, and which is not caused by the subscriber's television receiver, nor the subscriber.

"State" shall mean the State of New York.

"State Commission" shall mean the New York State Commission on Cable Television.

"Subscriber" shall mean any person who purchases or receives any good or service by means of, or in connection with the Grantee's cable system, including a person or entity not required to pay any charge due to an exemption from said charge by this Franchise Agreement.

"Town" shall mean the Town of Brookhaven. The Town shall include its representatives, agents, servants, employees, and/or independent contractors.

"Town Attorney" shall mean the Brookhaven Town Attorney.

"Town Clerk" shall mean the Brookhaven Town Clerk.

"Town Comptroller" shall mean the Brookhaven Town Comptroller.

"Town Engineer" shall mean the Brookhaven Town Engineer.

"Unapproved" shall mean that the franchising authority has not rendered a decision or determination of either approval or disapproval pursuant to the terms of this franchise either favoring or denying the applicant's request.

3.0 GRANT OF NONEXCLUSIVE CABLE TELEVISION FRANCHISE AND RESERVATIONS

3.1 Grant of Authority. The Grantee is hereby granted by the Town, where it has the right to do so, the nonexclusive franchise, right and privilege to construct, erect, install, operate and maintain in, upon, along, across, above, over and

under the streets, public ways and public places now laid out or dedicated, and all extensions thereof, and additions thereto in the franchise area, poles, wires, cables, underground conduits, manholes and other television and radio conductors and fixtures necessary for the installation, maintenance and operation of a cable television system for the interception, sale and distribution of audio, video, digital and other forms of electronic and electric signals either separately, or in conjunction with any public utility or other cable television system in the Town. No privilege nor power of eminent domain shall be deemed to be bestowed by this grant of authority other than that conferred pursuant to statutory law.

3.2 Use of Public Ways. The right to use or occupy the streets, public ways and public places shall not be exclusive, and the Town reserves the right to grant similar or other uses of said streets, public ways and public places to any persons at any time during the term of this franchise and any extensions and/or renewals thereof.

3.3 Conflict with Public Works. The rights and privileges granted herein shall not be in preference or hindrance to the right of the Town or other authority having jurisdiction, to perform or carry on any public works or public improvements, and should the cable television system in any way interfere with the construction, maintenance or repair of such public works or improvements, upon reasonable notice by the Grantor or other authority having jurisdiction to the Grantee as circumstances dictate the Grantee shall, at its own expense, expeditiously

protect or relocate its system or part thereof, as reasonably directed by the Town or other authority having jurisdiction.

3.4 Exercise of Police Power. All rights and privileges granted hereby are subject to the police power of the Town to enforce local laws, ordinances, rules and regulations necessary to the health, safety and general welfare of the public. In addition to the provisions contained in this Franchise Agreement and existing applicable local laws, ordinances, rules and regulations the Town reserves the right to adopt such additional local laws, ordinances, rules and regulations as it shall find necessary in the exercise of its police power; provided, however, that the same are reasonable and not materially in conflict with the privileges granted in this Franchise Agreement. The Grantee shall at all times during the term of this franchise and any extensions and/or renewals thereof, be subject to all lawful exercise of the police power of the Town.

3.5 Franchise Area. This franchise is granted to the Grantee for and within the corporate boundaries of the Town, excluding any incorporated villages therein during the term of this franchise and any extensions and/or renewals thereof. Furthermore, the franchise area shall include any area legally annexed to the Town, and shall exclude any area which legally becomes an incorporated village or legally secedes from the Town, during the term of this franchise and any extensions and/or renewals thereof.

3.6 Favorable Terms. In the event that the Town of

Brookhaven approves or permits a System to operate in the Town of Brookhaven on terms more favorable or less burdensome than those contained in this Franchise, such more favorable or less burdensome terms shall be applicable in this Franchise.

3.7 Request for Non-Franchised Competitive Relief. In the event that a non-franchised multi-channel video programmer provides services to the Town, the Grantee shall have a right to request Franchise Agreement amendments that relieve the Grantee of regulatory burdens that create a tangible competitive disadvantage to the Grantee. In requesting amendments, the Grantee shall file a petition seeking to amend the franchise. Such petition shall: i) indicate the presence of a non-franchised competitor(s); ii) identify the basis for Grantee's belief that certain provisions of this Franchise Agreement place Grantee at a competitive disadvantage and provide necessary documentation; iii) identify the regulatory burdens to be amended or repealed in order to eliminate the competitive disadvantage. This request for relief shall be reasonably considered by the Grantor. If the Grantor finds there is evidence to support this request, a public hearing will be scheduled regarding this request following the Grantor's procedures for same. The Grantor shall reasonably and expeditiously consider the Grantee's petition after a public hearing. The Grantee agrees not to seek a change to this agreement prior to January 1, 1998 and will not effect more than a total of six (6) changes during the duration of this franchise. Petitions shall not be filed until: i) six (6) months

after relief has been denied or ii) fifteen (15) months after relief has been granted.

3.8 Door to Door Solicitation. The Grantee is hereby exempted from the provisions of any local law or ordinance governing door to door solicitation which requires Grantee or Grantee's representatives to pay a fee or to obtain a permit. Grantee shall also be exempted from any provisions of such local law or ordinance to the extent noted below:

A. Grantee shall be permitted to solicit until 5:00 p.m. during Eastern Standard time and until 7:30 p.m. during Daylight Savings Time.

B. Grantee shall be exempt from any distance limitation contained in such ordinance.

Grantee shall notify the Town in writing of the general locations its representatives shall be soliciting on a monthly basis.

4.0 TERM, EFFECTIVE DATE, APPROVAL AND PROOF OF APPROVAL, TERMINATION AND VALUATION, AND RENEWAL.

4.1 Term. The term of the grant of this franchise shall be ten (10) years, and shall be deemed to run from and to include _____ through and to include _____, unless the franchise is otherwise terminated pursuant to provisions 4.5 or 4.6, the Expiration, and Revocation provisions of this Franchise Agreement, then the term of the grant of this franchise would concurrently run to and end with the effective date of the expiration or revocation. The term of this Franchise Agreement and the provisions thereof, shall be deemed to run

concurrently with the term of the grant of the franchise, and shall be deemed to be the terms and conditions of the franchise as stated in this provision. The term of the grant of this franchise, and the term of this Franchise Agreement and the provisions thereof, as stated in this provision shall control the Town and Grantee, notwithstanding a subsequent effective date as to the same.

4.2 Effective Date. The grant of this franchise and this Franchise Agreement and the provisions thereof, shall take full force and effect upon the date of the duly authorized execution of this Franchise Agreement by the Town and the Grantee.

4.3 Approval and Proof of Approval.

(A) The terms of this franchise are subject to the approval of the State Commission. The Grantee shall diligently file and follow-up requests for all necessary operating authorization with the State Commission and the F.C.C. within sixty (60) days from the date the franchise is awarded.

(B) Within twenty (20) days after the execution of this Franchise Agreement, the Town and the Grantee shall respectively furnish each other with a certified copy of the extract of the minutes of the Board meeting or other duly authorized documentation adopting and incorporating the subject resolution and the resolution itself, authorizing this franchise, this Franchise Agreement and the provisions thereof, and the authorization of the execution thereof.

4.4 Termination. The franchise granted the Grantee

shall terminate by expiration or revocation.

4.5 Expiration. This franchise shall automatically terminate by expiration at the end of _____, unless it is otherwise terminated pursuant to provision 4.6, Revocation, or extended, or renewed.

4.6 Revocation.

(A) In addition to all of its other rights and powers which are hereby deemed reserved, the Town may revoke this franchise to the Grantee and all rights and privileges thereunder pursuant to and in accordance with provision 4.7 (B), Manner of Termination by Revocation Pursuant to Provision 4.6, and its provisions thereunder, should any of the hereinafter stated events which shall constitute a default under this franchise occur. Upon such revocation, in addition to all of its other rights and powers which are hereby deemed reserved, the Town shall have the option to purchase the cable system, or to require the Grantee to remove, at its own expense, all portions of the cable system from all streets, and/or public ways and/or public places within the franchise area as hereinafter stated. Said events shall be:

(1) Substantial violation or substantial noncompliance by the Grantee with any reasonably material provision of this Franchise Agreement.

(2) Substantial violation or substantial noncompliance by the Grantee with any applicable local law, ordinance, resolution, rule, or regulation, or reasonable order, direction or determination of the Town or its representatives, or

of the franchising authority or its representatives.

(3) Any deliberate or intentional attempt to evade, or deliberate or intentional evasion of any material provision of this Franchise Agreement, or any deliberate or intentional attempt to perpetrate, or deliberate or intentional perpetration of any fraud or deceit upon the Town by the Grantee or its direct or indirect parent or subsidiary.

(4) Other Events:

(a) Unapproved or disapproved assignment of franchise;

(b) Unapproved or disapproved change of control over franchise due to change of control and/or acquisition and/or merger and/or consolidation;

(c) Voluntary or involuntary (with Grantee's actual or constructive knowledge) dissolution;

(d) Foreclosure, repossession, liquidation, sale, transfer and/or assignment of substantial or material assets;

(e) Insolvency, meaning the inability to pay debts as they become due;

(f) Receivership and/or trusteeship due to alleged mismanagement, any type of insolvency or bankruptcy;

(g) Voluntary and/or involuntary (with Grantee's actual or constructive knowledge) filing pursuant to any Chapter under the Bankruptcy Code; of the Grantee or its direct or indirect parent or subsidiary, provided further, that said events would with reasonable

probability have a direct, substantial or material effect upon this franchise.

(B) Regardless of whether or not the Town chooses to revoke the Grantee's franchise pursuant to provisions 4.6 (A) and 4.7 (B), and their provisions thereunder, the Town reserves its rights to take any action it deems necessary in order to protect its interests as to any of the events referred to in provision 4.6 (A) and its provisions thereunder.

4.7 Manner of Termination.

(A) Manner of Termination by Expiration.

Termination by expiration shall be self-operating and shall automatically occur upon the expiration of the term of the franchise.

(B) Manner of Termination by Revocation

Pursuant to Provision 4.6. Should any of the events specified in provision 4.6 (A) occur, and the Town chooses to contemplate the revocation of this franchise, it shall be done in the following manner:

(1) Notice and Town Waiver. If the Town chooses to contemplate the revocation of this franchise, written notice to this effect, stating the particular event therefor, shall be served by the Town upon the Grantee, at the address stated in the Preamble of this Franchise Agreement. Said notice shall be served within thirty (30) days after either the occurrence of the event, or the actual knowledge thereof is ascertained by the Town, whichever is later in time. Should the Town not comply with this time limit, the Town shall waive its

right to contemplate said revocation, and waive its right to revoke this franchise pursuant to the particular event which has occurred.

(2) Opportunity to Cure. If the subject event is pursuant to provisions 4.6 (A)(1), (2), (4)(a), or (4) (b), the Grantee may choose to cure the same, either completely or to the greatest extent objectively possible prior to the hearing therefor, and if the same is presented by the Grantee at the hearing, it shall be considered by the franchising authority in its deliberations.

(3) Hearing. On or after thirty (30) days after service of the notice referred to in provision 4.7 (B)(1), the franchising authority shall hold a hearing regarding the potential revocation. Written notice thereof shall be served upon the Grantee at least ten (10) days prior thereto, at the address stated in the Preamble of this Franchise Agreement. The franchising authority, the Town, and the Grantee shall have the power to retain experts, subpoena witnesses, administer oaths, and require the production of books, papers and other evidence which it deems necessary or material for the hearing. Any facts which the Town and the Grantee desire to proffer to the franchising authority shall be presented at the hearing. The Town and the Grantee shall have the right to introduce documents and witnesses for the purpose of giving testimony, and shall have the right and opportunity of cross-examination. Furthermore, the Town and the Grantee shall also supply for the other party, such witnesses and information under its direct or indirect control,

as may be subpoenaed at least ten (10) days prior to said hearing by the other party.

(4) Consideration. The franchising authority shall consider the evidence adduced at the hearing by the Town and the Grantee, prior to rendering its decision.

(5) Decision. Within thirty (30) days after the hearing is completed, the franchising authority shall render its decision by either revoking or not revoking this franchise to the Grantee, and the rights and privileges granted thereunder. The decision shall be reasonably based upon the franchise authority's reasonable findings, which shall also be stated or incorporated into said resolution. The effective date of said decision, and said revocation, if any, shall be the date when the formal resolution is rendered.

4.8 Valuation of Property Removal.

4.9 Valuation. If, upon revocation pursuant to provision 4.6, the Town exercises its option to purchase the cable system, the value calculated pursuant to the provisions of this provision 4.9, Valuation, upon the effective date of such revocation, shall constitute the agreed purchase price.

Furthermore, said agreed purchase price shall be the average value of three (3) independent appraisals to be performed by three (3) appraisers, mutually acceptable to the Town and to the Grantee. Said appraisals and appraisers shall value said cable system and shall be paid in accordance with provisions 4.9 (A) and (B), as the circumstances dictate.

(A) Valuation Upon Revocation. In the event of

purchase by the Town upon revocation of the franchise, the purchase price shall be the fair market value of the cable system.

(B) Payment of Appraisers for Appraisals. If the franchise is terminated by revocation and the Town exercises its option to purchase the cable system, the full cost of said appraisals shall be paid for by the Grantee.

4.10 Cable System Removal. If upon revocation of the franchise, the Town exercises its option to require the Grantee to remove its cable system, upon the failure of the Grantee to complete said removal within six (6) months of the Town's revocation date, the Town may deem any of said property not removed to have been abandoned by the Grantee. The Town shall consider any reasonable request by Grantee for an extension of time to remove its system upon application by Grantee within the initial six (6) month period.

4.11 Renewal.

(A) Privilege and Notice. Only if this franchise has not been terminated in any manner other than provision 4.5, Expiration, and it appears imminent that this franchise shall terminate by said expiration, the Grantee shall have the privilege to request by written notice remitted to and received by the Town Clerk during the six month period beginning thirty-six months before the franchise expiration that the Town entertain the consideration of renewing the Grantee's franchise. This privilege shall not be deemed an option of renewal and shall not be subject to the legal ramifications of an option of

renewal. Should this franchise be terminated in any manner other than provision 4.5, Expiration, after the Grantee has exercised this privilege, this privilege shall automatically terminate, as of the effective date of said other termination, regardless of the Grantee's exercise of same, and regardless of any proceeding and/or action undertaken pursuant to this provision 4.11, Renewal, all of which shall automatically be deemed null and void, and of no force and effect.

(B) Terms and Conditions. During the course of renewal negotiations, the terms and conditions of this franchise shall apply to the Grantee and the Town until a decision is rendered as to franchise renewal by the franchising authority. Should renewal negotiations continue after the termination of this franchise pursuant to provision 4.5, Expiration, the terms and conditions of this franchise shall continue to apply to the Grantee and the Town, as if this franchise was still in effect, excepting the term specified in provision 4.1, until the franchising authority renders a decision as to said renewal.

(C) Negotiations. Negotiations pursuant to this provision, 4.11, shall be conducted in good faith by both the Grantee and the Town.

(D) Public Notice and Public Hearing. Upon the exercise of this privilege by the Grantee, and prior to the franchising authority's decision as to renewal of the Grantee's franchise, the franchising authority shall have the Town Clerk publish a notice to the effect of Grantee's request and advertise a public hearing pertaining thereto in the official Town

newspaper and a local newspaper of general circulation, and the franchising authority shall hold a public hearing as to the Grantee's request.

(E) Consideration. The franchising authority on behalf of the Town shall include but shall not be limited to the following factors in its deliberations as to the Grantee's renewal request: The interests of the Town's citizens, subscribers, the Town, and the Grantee; the Grantee's overall performance over the term of this franchise; the extent of the Grantee's compliance with the terms and conditions of this franchise; the public hearing; whether or not the Town and the Grantee, without third party resolution, can reach a mutual agreement as to the terms and conditions of a proposed franchise renewal; other factors mandated by then current federal, state and local laws, rules and regulations; and other factors deemed pertinent by the franchising authority.

(F) Decision. The franchising authority shall render its decision either approving or disapproving the Grantee's request by formal resolution setting forth its findings therein. Said decision shall be reasonably based upon said findings. A decision of approval shall have the proposed franchise agreement incorporated into the respective resolution, the terms and conditions of which shall have been previously and duly approved by the Grantee. Said decision shall further be subject to all other approvals mandated by then current federal, state and local laws, rules and regulations.

(G) Reservation of Rights. The franchising

authority on behalf of the Town hereby reserves all of its rights, including but not limited to approval or disapproval of said renewal request, franchise renewal itself, and/or the grant of another cable television franchise to a third party.

5.0 FRANCHISE FEE

5.1 Fee. For the duration of and as consideration for this franchise and the rights and privileges granted hereunder, the Grantee shall pay to the Town an annual amount equal to five percent (5%) of the Grantee's gross annual receipts, as defined in provision 2.0 of this Franchise Agreement, less the amount for the same time period paid or payable to the State Commission pursuant to New York State Executive Law Section 817.

5.2 Payments and Accompanying Documentation.

(A) Payments. Payments of the franchise fee shall be computed on a calendar year basis by the Grantee and shall be due at the close of December 31 for the year from which they are due, and shall be paid within ninety (90) days, thereafter.

(B) Accompanying Payment Documentation. Each payment shall be accompanied by a report, certified under oath by an officer or general manager of the Grantee, showing the basis for the computation and such other relevant facts as the Town may require, or within a reasonable period of time, not to exceed thirty (30) days, a report from an independent auditing company shall be submitted. The Town shall have a reasonable right to approve the brokerage firm.

5.3 Payment Audit. The Town shall have the right to

request and to audit the books and records of the Grantee, for each year and pro-rata portion thereof, of the term of the franchise. The purpose of said audit shall be to verify the payment and accompanying documentation referred to in provision 5.2, of this Franchise Agreement. The audit may be made by the Town and/or an independent Certified Public Accountant on behalf of the Town, selected by the Town. The costs of the audit shall be borne by the Town. The Grantee shall make said books and records available to the Town during reasonable hours at either its business office, or at another reasonably accessible location within the New York suburban area. The Town shall conduct the audit so as to cause reasonable, minimum interference with the Grantee's normal business operations.

5.4 Conditions of Acceptance. No acceptance of any payment shall be construed as an accord and/or satisfaction that said payment is in fact the correct amount due and payable, nor shall said acceptance of payment be construed as a release of any claim or waiver of any right that the Town may have for further or additional amounts due and payable under the provisions of this franchise; and the Town herewith reserves all of its rights pertaining to any such claim.

5.5 Real Property Tax Deduction. The franchise fee paid pursuant to provision 5.1 (A) and (B) of this Franchise Agreement shall be allowed as a credit pursuant to, and to the extent provided in New York State Real Property Tax Law Section 626.

5.6 Annual Report. The Grantee shall submit upon

request to the Town an annual financial report on or about the end of its fiscal year or within a reasonable time thereafter for each year of the term of the franchise. Submitted along with said annual financial report shall be such other reasonable information as the Town shall request in writing with respect to the Grantee's priorities and expenses related to its operations within the franchise area. Said annual financial report may be prepared by the Grantee. The Grantee shall submit certified copies of its annual financial report to the State Commission, any other relevant annual financial report, and any Securities and Exchange Commission Form 10-K in order to partially fulfill this requirement.

6.0 OWNERSHIP, CONTROL AND ASSIGNMENT.

6.1 Grantee Ownership.

(A) The Grantee shall at all times during the term of this franchise and any extensions or renewals thereof, be the full and complete owner of, or have full and complete possessory rights to, all facilities and property, real and personal, of the cable system. The Grantee shall not enter into or be a party, voluntarily or involuntarily with knowledge, to any transaction concerning or affecting the ownership as to the same, or any portion thereof, without serving written notice upon the Town informing the Town of same, at its principal offices at the address stated in the Preamble of this Franchise Agreement at least thirty (30) days, or as soon as it is practicable, prior to the closing of said transaction.

(B) The restrictions on transfer of ownership of

the facilities and property of the cable system shall not apply to liens, hypothecations, pledges or mortgages placed on facilities and property by Lessors in the ordinary course of business or by Lenders, the disposition of worn-out or obsolete facilities or personal property in the normal course of constructing, operating, maintaining and repairing the system, provided such facilities and property are replaced with facilities and property capable of performing all functions of the facilities and property being disposed.

6.2 Present Status. The Grantee, Suffolk Cable Corporation, a New York corporation, warrants and represents that it is a wholly owned subsidiary of Petra Cablevision Corp.

6.3 Change of Control and Notice.

(A) Change of control shall mean an effective change of direct or indirect ownership and/or control of the Grantee (which for purposes of this Franchise Agreement shall mean 10% or more) acquired by one or more persons, who did not already directly or indirectly own and/or control the Grantee singularly or collectively. Change of control shall also be deemed to mean an effective change of direct or indirect ownership and/or control of the Grantee, by means of acquisition, and/or merger, and/or consolidation. The Grantee shall serve a written notice upon the Town informing the Town of same, at its principal offices at the address stated in the Preamble of this Franchise Agreement at least thirty (30) days prior to the consummation of said change of control.

(B) The sole exception in mitigation of the

minimum thirty (30) day notice shall be an effective change of direct or indirect control of the Grantee or, and of which the Grantee had neither actual, nor constructive knowledge. However, the Grantee shall serve said written notice upon the Town in compliance with this provision 6.3, Change of Control and Notice, as soon as the Grantee acquires either actual or constructive notice of the effective change of control noted in this exception.

6.4 Other Change of Control and Notice. Other change of control for the purpose of the notice specified in this provision 6.4, Other Change of Control, only, shall mean any other effective change of direct or indirect control of the Grantee, not stipulated in provision 6.3 of this Franchise Agreement, including but not limited to the appointment of a receiver or trustee, in receivership, reorganization or bankruptcy. The Grantee shall serve a written notice upon the Town informing the Town of same, at its principal offices at the address stated in the Preamble of this Franchise Agreement as soon as said Grantee ascertains actual or constructive knowledge as to the imminence of said other effective change of direct or indirect control, but in no event later than five (5) days after the same has occurred.

6.5 Change of Control Over Franchise and Assignment of Franchise.

(A) General Policy. The grant of this franchise, this Franchise Agreement and the provisions thereof to this particular applicant, has been predicated upon a prior fifteen

(15) year relationship between the Town and Suffolk Cable Corporation, and as the result of comprehensive investigation, review and negotiation with Suffolk Cable Corporation in conformity with federal and state laws, rules and regulations. Therefore, the Town hereby reserves all of its rights, prerogatives and options as to a change of control over this franchise for assignment of this franchise or any part thereof, including but not limited to a reasonable conditional approval or a reasonable disapproval of the same.

(B) Restriction of Change of Control and of Assignment. The Grantee, its direct or indirect parent, or direct or indirect subsidiary, as the case may be, shall not directly or indirectly assign, transfer nor otherwise change control of this franchise or any part thereof without its strict compliance with this provision, including but not limited to approval as stated in this provision, 6.5, Change of Control over Franchise and Assignment of Franchise.

(1) Change of control over the franchise shall be deemed to occur pursuant to and contemporaneously with the change in control as to ownership, as defined in provision 6.3 (A).

(2) Taking provision 6.5 (B) (1) into account, the sole exception in mitigation of an unapproved change of control over the franchise shall be that specified in 6.3 (B), to the extent stated therein, analogized to this provision, 6.5 (B)(2).

(C) Manner and Form of Request. Should the

Grantee desire to reasonably assign, transfer or otherwise change control of this franchise or any part thereof, at least ninety (90) days prior to the date which it desires to effectuate same the Grantee and the potential assignee, transferee or successor in interest shall each prepare and submit to the franchising authority through the Town Clerk a detailed and comprehensive application duly executed by a duly authorized and appropriate official of each entity and acknowledged, stating the reasons for the request, the date for the desired effectuation thereof and the reasons for that selection of said date. Additionally, in the application of the potential assignee, transferee or successor in interest, it shall fully submit to the franchising authority through the Town Clerk the mandated, suggested and recommended information and explanation thereof as mandated, suggested and recommended in the federal and state law and rules and regulations, which the franchising authority must or may consider, shall submit all documentation required of the Grantee in this Franchise Agreement, and shall expeditiously submit any other information which the franchising authority may reasonably request of said potential assignee, transferee or successor in interest. Either applicant may submit for consideration, any other factors or information which it considers germane (i.e., "in-house" assignment or change of control). In consideration of its decision, in addition to the information submitted, the franchising authority shall reasonably take into account, the applicant's responsiveness to the franchising authority's reasonable requests for other information, the reasonable

timeliness and the reasonable completeness of all of the information submitted.

(D) Public Participation. Upon such a request and as a consideration of same, the franchising authority shall have the Town Clerk publish a notice to the effect of such request and advertise a public hearing pertaining thereto in the official Town newspapers and a local newspaper of general circulation, and the franchising authority shall hold a public hearing affording public participation regarding such a request. Prior to said publication the Grantee shall pay the Town Clerk the actual costs of said notice, and the Town Clerk shall thereafter remit said payment to said publications.

(E) Franchising Authority Action as to the Grantee. Where the Grantee and the potential assignee, transferee or successor in interest have made a reasonable request, the franchising authority shall, within ninety (90) days after the Grantee and the potential assignee, transferee or successor in interest have complied with provision 6.5 (C), Manner and Form of Request, including but not limited to the submission by the potential assignee, transferee or successor in interest of any other information which the franchising authority may reasonably request, by duly authorized resolution either reasonably disapprove, reasonably approve conditionally, or reasonably approve said request.

(1) In the case of a conditional approval the franchising authority on behalf of the Town reserves its rights and may reasonably impose upon the Grantee and/or the

potential assignee, transferee or successor in interest any reasonable conditions it deems appropriate in order to safeguard the Town's best interests. Reasonable conditions shall be deemed to include but not be limited to a reasonable performance bond, a reasonable guaranty, reasonable estimated franchise fee payments placed in escrow and/or reasonable changes in the Franchise Agreement. Failure of the Grantee and/or the potential assignee, transferee or successor in interest to timely meet and to maintain any of said reasonably imposed reasonable conditions, and the same fail to cure said failure within thirty (30) days after the Town serves written notice thereof upon the Grantee, said conditional approval shall automatically become invalidated and abate. Should this contingency occur any assignment, transfer or other such change of control of this franchise made shall at or before the time of said failure be deemed unapproved pursuant to the terms and conditions of this franchise.

(2) The franchising authority's resolution of conditional approval or approval of said request shall be further conditioned upon an agreement of acceptance of said conditional approval or approval duly authorized and executed by the Grantee, and the potential assignee, transferee or successor in interest as the case may be.

(3) At such time as the franchising authority on behalf of the Town may conditionally approve or approve a proposed assignment, transfer or otherwise change of control of this franchise, or any part thereof, such approval shall be contingent upon the concurrence of the federal or state

regulating agencies having jurisdiction, if such concurrence is then required by law.

(F) Subsequent Change of Control over Franchise and Assignment of Franchise. Any subsequent change of control over the franchise and/or subsequent assignment of the franchise shall be subject to, and shall comply with each and every term and condition of this Franchise Agreement.

7.0 COMPLIANCE WITH APPLICABLE LAW AND POLICE POWERS

7.1 Non-Discriminatory Employment Practices. The Grantee shall not refuse to hire or employ, nor bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions or privileges of employment in violation of any law or statute, or the Constitution of the United States or the Constitution of the State of New York, including but not necessarily limited to the basis of age, race, creed, color, national origin, sex or religion.

7.2 Grantee Subject to Applicable Law and Police Powers.

(A) As to its uses and/or operations, including but not limited to the construction, erection, installation, operation and maintenance of the cable system, within the franchise area, the Grantee shall be subject to and comply with all applicable local laws, ordinances, rules and regulations, currently in effect, or which may be hereinafter passed, for the health, safety and general welfare of the public.

(B) Should the Town, or the franchising authority on behalf of the Town, or the representatives of either the Town

or the franchising authority deem that any use, operation or facility of the Grantee, including but not limited to any antenna, cable, earth satellite receiving facility, electronic conductor, pole, tower or wire, is either an imminent threat or a danger to life or property, the Town reserves the right to require and order the Grantee to timely abate or remove the aforementioned item providing said imminent threat or danger by actual notice (to be confirmed in writing as soon as practicable thereafter if said actual notice is oral), to the Grantee at its principal offices at the address noted in the Preamble of this Franchise Agreement. After said notice, if the Grantee fails or refuses to act within a reasonable period of time as the facts and circumstances dictate, the Town, the franchising authority on behalf of the Town, or the representatives of either the Town or the franchising authority shall have the power to abate or remove said imminent threat or danger at the sole expense of the Grantee, without compensation to it for said removal, or liability for damages to the Grantee resulting therefrom.

(C) As to its uses and/or operations including but not limited to the construction, erection, installation, operation and maintenance of the cable system, the Grantee shall be subject to and comply with all applicable federal, state and local statutes, laws, local laws, ordinances, rules and regulations.

8.0 CABLE SYSTEM IMPROVEMENTS

8.1 Intent and Policy. It is agreed between franchising authority and the Grantee, that the Grantee provide

the citizenry of the Town of Brookhaven with the best cable television service and equipment commensurate with the needs of the franchise area and as economically feasible and reasonable. This shall be construed to mean both reasonable qualitative and quantitative improvements of the Grantee's cable system during the term of this franchise, and shall be manifested by the Grantee's reasonable upgrading and expansion of its system throughout the franchise area.

Taking into account the prior relationship between the Town and the Grantee over the past fifteen years and the cable system improvements made during that time period, in the spirit of good faith and in order to foster continued positive improvement, this Franchise Agreement does not demand collateral security "per se" to insure performance, nor provide punitive provisions in the nature of a penalty, fine or liquidated damages against the Grantee should it not comply generally with the terms of the Franchise Agreement, and particularly the economically reasonable and feasible upgrading and expansion of its cable system in the franchise area. However, it shall be the policy of the franchising authority to continually review the performance of the Grantee as to its compliance with the terms of the Franchise Agreement over the term of this franchise, not only generally, but particularly as to the Grantee's economically reasonable and feasible upgrading and expansion of the cable system in the franchise area. Said performance shall be a factor in the franchising authority's present and future deliberations

as to cable television within the franchise area.

8.2 Upgrading of Hardware and Software. The Grantee shall provide, maintain, upgrade and expand the cable system in the franchise area with the current state-of-the-art technical hardware and software associated with the industry, as commensurate with the needs of the franchise area and as economically reasonable and feasible. Grantee shall advise the Town in writing what upgrading and expansion has occurred over the prior year, what upgrading of this type is anticipated for the current year, and the Grantee's priorities and expenses attributable to the same for each year within the franchise area.

8.3 Addition and Activation of Channels. During the franchise term, the Grantee shall contemplate the further expansion of its 66 channels and activation of its channel capacity commensurate with the needs of the franchise area, subject to the capability of the Grantee's cable system, and as economically reasonable and feasible.

8.4 Expansion by Addition to Cable Portion of Physical Plant.

(A) Over the term of this franchise of ten (10) years the Grantee shall expand its cable system in the franchise area in order to serve more potential subscribers by adding at least approximately forty (40) street miles of cable plant. Said approximate forty (40) street miles of cable plant shall include all street mileage built by the Grantee in the franchise area, over the term of this franchise and shall include all street

mileage attributable to provision 16.0, Primary Service Area.

(B) This expansion shall be averaged to approximately four (4) street miles for each year of the franchise term. Where the Grantee expands more than four (4) street miles for a year of the term of the franchise, the Grantee in the fulfillment of this provision, shall be given a credit for any other year where there was less than four (4) street miles of expansion. However, this credit shall be subject to the restrictions that approximately ten (10) street miles of said expansion shall be completed after approximately two and one-half (2-1/2) years, approximately twenty (20) street miles of said expansion shall be completed after approximately five (5) years, approximately thirty (30) street miles of said expansion shall be completed after approximately seven and one-half (7-1/2) years, and approximately forty (40) street miles shall be completed by the end of the tenth (10th) year of the term of the franchise. Should the franchise terminate prior to the end of the full ten (10) year term, the Grantee shall have completed its pro-rata share of said expansion for the actual term of its franchise.

(C) If there should come a time during the ten (10) year term of this franchise that there are not sufficient areas needing to be built to meet the specifications of 8.4 A and B, the Town will consider waiving the requirements on a year to year basis. Nothing herein shall require the Grantee to over build another cable provider, unless the Grantee has an interest in doing so. Such waiver would be upon written request of the franchisee, which shall include appropriate evidence of inability

to meet Sections 8.4 A and B.

(D) On or about June 30 of each year of the term of the franchise, a report shall be submitted to the Town, advising the Town of said actual expansion of said street mileage and of the anticipated expansion of said street mileage of the upcoming year of the term of the franchise.

8.5 "As-Built" Drawings and Maps. The Grantee shall make available to the Town upon the Town's request, its "as-built" drawings and maps, which shall accurately represent the cable system as actually constructed. Should the Town from time to time reasonably request a copy of a reasonable number of said "as-built" drawings and maps for its needs, the Grantee shall provide the Town with the same without cost, within a reasonable time thereafter. The Grantee shall also provide the Town through the Town Clerk by August 31, 1994 with two (2) sets of "master" drawings and maps showing the franchise area and which shall accurately depict the cable system where it is constructed, and where and when it is anticipated that the cable system shall be expanded. Said drawings and maps shall be updated on or about June 30 of each succeeding year of the term of this franchise and shall accurately reflect any actual changes to said cable system.

8.6 Provision of Service. The Grantee shall in a reasonably and timely manner, make available upon the request of an owner or one in possession of any improved property which abuts, adjoins or is accessible to any public right-of-way along which the system's cable has been installed and energized, the

full range of cable services, subject to subscriber rates and installation charges therefor, provided, however, that if the subject property is located within an area where said system has been installed pursuant to provision 16.0, Primary Service Area, and the time provision pertaining thereto is still running, this provision, 8.6, for service for said person shall be conditioned upon said person's participation and compliance with the line extension agreement pertaining to said area.

8.7 Abandonment of Service.

(A) Abandonment Prohibited. The Grantee is hereby prohibited from abandoning any service, or portion thereof, unless it complies with the provisions of this Franchise Agreement and the New York State Executive Law Sec. 826 and all appropriate State Commission rules and regulations thereunder. Service as to this provision, 8.7, Abandonment of Service, shall be deemed to mean and incorporate that definition last attributed to the state definition and interpretation thereof pursuant to said section of law and said rules and regulations thereunder.

(B) Request for Abandonment. Should the Grantee desire to abandon any service or portion thereof, it shall serve written notice upon the Town through the Town Clerk, at least six (6) months prior to the time when it desires to effectuate said abandonment.

(C) Notice. At least ten (10) days prior to the date of the public hearing required pursuant to provision 8.7

(D), the franchising authority shall cause the Town Clerk to have published in a newspaper of general circulation in the Town and

in the official Town newspapers, specifying the Grantee's request and the Grantee's reasons or justifications for said request. Prior to said publication, the Grantee shall pay the Town Clerk the actual cost of said notice, and the Town Clerk shall thereafter remit said payment to said publications.

(D) Public Hearing. Within two (2) months of the service of said request, the franchising authority shall hold a public hearing as to the Grantee's request of abandonment. At the public hearing the Grantee shall explain its reasons and justifications for said request.

(E) Consideration. In consideration for said request, the franchising authority on behalf of the Town shall consider the Grantee's interests, including but not limited to unreasonable financial loss and the data submitted in explanation and justification for said request, as well as the Town's and the subscribers' interests.

(F) Decision. The franchising authority shall render its decision by formal resolution incorporating either a written consent or disapproval within one (1) month after the public hearing required pursuant to provision 8.7 (D), and shall cause the Town Clerk to remit same to the Grantee and the State Commission. Any consent by the franchising authority of the Grantee's request shall be subject to the written consent of the State Commission, which shall be further subject to any terms, conditions or requirements which the State Commission deems necessary to protect the public interest.

(G) Reservation of Rights. The franchising

authority on behalf of the Town hereby reserves its rights to either approve or disapprove the Grantee's said request.

(H) Effective Date. The effective date of the abandonment of any service, or any portion thereof, by the Grantee, shall be the date that the State Commission imposes.

9.0 OPERATION, MAINTENANCE AND SERVICE OF SYSTEM.

9.1 General Policy and Compliance.

(A) The Grantee shall operate and maintain the cable system and render efficient service to subscribers.

(B) All work involved in the construction, erection, installation, operation, maintenance and/or repair of the cable system shall be performed by the Grantee in a safe, thorough and reliable manner.

(C) The Grantee shall construct, erect, install, operate, maintain and/or repair its cable system using materials of good, safe and durable quality.

(D) The cable system, wherever situated or located, shall be kept and maintained by the Grantee at all times in good order and repair.

(E) The construction, erection, installation, operation, maintenance and/or repair of the cable system by the Grantee as well as goods and/or materials therefor used by the Grantee, shall comply with all applicable and relevant safety codes, including but not limited to the National Electrical Safety Code and/or the National Electric Code and the rules and regulations of the F.C.C. and the State of New York, including but not limited to the State Commission, as the same may exist or

may hereafter be changed, amended or adopted.

(F) The Grantee shall comply with all federal, state, local and Town statutes, laws, local laws, ordinances, rules and regulations in the construction, erection, installation, operation, maintenance and/or repair of the cable system, as the same may exist or may hereafter be changed, amended or adopted.

9.2 Town and Public Utility Installations. The Grantee shall operate, maintain and service its cable system in such a manner so it shall not interfere with any installations of the Town or any public utility serving the Town or the residents of the Town.

9.3 Appropriate Permission. As a condition precedent to the operation, maintenance and/or service of the cable system including but not limited to the construction, erection, installation, operation, maintenance and/or repair of the cable system, the Grantee shall secure legally appropriate and adequate permission of any person, as necessary, or as reasonable caution and prudence dictates. The Grantee shall hold the Town harmless and defend and indemnify the Town from any and all liability and damages from the Grantee's failure to secure same.

9.4 Restoration of Property. Any Town or other public or private property which is damaged or destroyed, directly or indirectly caused by the construction, erection, installation, operation, maintenance and/or repair of the Grantee, shall, at its own expense be promptly repaired or replaced by the Grantee, and restored to serviceable condition. The Grantee shall hold

the Town harmless and defend and indemnify the Town from any and all liability from the Grantee's failure to comply with this provision, any and all damages resulting therefrom, except to the extent such damage results from willful misconduct of the Town or any Town representative.

9.5 Operations Hold Harmless. The Grantee shall hold the Town harmless and defend and indemnify the Town from any and all liability and damages directly or indirectly resulting from the Grantee's operation, maintenance and service of the cable system, including but not limited to the construction, erection, installation, operation, maintenance and/or repair thereof.

9.6 Performance Standards.

(A) The signal of any television or radio station carried on the cable system shall be carried without material or foreign EMI degradation in quality within the limits imposed by the technical state-of-the-art, and with a quality of not less than that prescribed by the rules and regulations of the F.C.C. and the State Commission.

(B) The Grantee shall operate the cable system so that there will be no interference with television reception, radio reception, telephone communications, microwave communications, or other installations which are now installed and in use either by the Town or any person in the Town.

9.7 Grantee's Personnel, Office and Phone.

(A) Personnel.

(1) The Grantee shall, at all times, have sufficient personnel to provide safe, proper and adequate service

for the administration, operation, maintenance and repair of the cable system.

(2) The Grantee shall maintain a repair department comprised of qualified technicians, service vehicles and equipment to provide prompt and efficient repair service.

(3) During normal business hours the Grantee's business office shall be staffed by at least one (1) person in charge of the Grantee's operation in the franchise area.

(4) At least one (1) person in charge of the Grantee's operation in the franchise area shall be available by telephone during such hours as the business office is closed. The Grantee shall advise the Town Clerk of said person and telephone number and any changes thereto during the term of this franchise. Should a rotating duty officer system be used, the Grantee shall provide the Town Clerk with a duty roster, reasonably ahead of time, subject to change along with one uniform telephone number through which the duty officer may be reached.

(B) Office.

(1) The Grantee shall locate and maintain an office in the Town.

(2) The Grantee's present business office is located and maintained at 1600 Motor Parkway, Hauppauge, New York 11788. The Grantee shall give ample prior notice to the Town and its subscribers within the franchise area of any change

of location of said office.

(3) Grantee's Records.

(a) The Grantee shall keep and retain all of its records including but not limited to any and all corporate records, financial records, programming logs, complaint files or logs, including billing and trouble call processing, correspondence files or logs, engineering records of its franchise area operations and/or up to date cable system maps of suitable scale showing the location of all broadcast receiving sites, local origination studios, repeater amplifiers, trunk and distribution lines, and interconnecting facilities which pertain to the Grantee's operations within the franchise area, at said business office, or at such other place as the Grantee shall designate in writing to the Town. All of the aforestated records shall be kept by the Grantee as aforementioned, for the statutory time period of seven (7) years, and all corporate and financial records shall be kept for the statutory time period of seven (7) years.

In the absence of any of the above customer related records, the Grantor's or the customer's statement will be accepted as true and the Grantee will comply with such statements, by providing refunds and/or correcting the records.

(b) The Town reserves, and shall have the right to inspect, audit and/or copy the records specified in provision (a), above, and/or all other pertinent books, records, maps, plans, financial statements and other like materials of the Grantee, upon reasonable written notice and during normal

business hours. Upon such a request by the Town the Grantee shall expeditiously make said records available to the Town at said business office. The Grantee shall not be obligated to release or make available to the Town or its representative personally identifiable information about any subscriber in violation of the law, unless such release is authorized by the subscriber. Any records not kept or maintained at said business office shall be expeditiously made available by the Grantee to the Town at said business office upon said request by the Town.

(c) The Town shall only use the information derived from the aforestated records in its relationship with the Grantee, pursuant to and in accordance with this Franchise Agreement. Other than said usage, the Town shall keep said information confidential. However, the Town's divulgence of said information in compliance with the law, shall not be deemed a violation of this provision, 9.7 (B) (4) (c), and the Town shall not be liable to the Grantee therefor.

(4) Hours. Said Grantee's business office shall be open to the public at least from eight o'clock a.m. to six o'clock p.m., Monday through Friday and nine o'clock a.m. to four-thirty p.m. on Saturdays of each week, except Sundays and holidays.

(5) Telephone.

(a) The Grantee shall make available a listed local or toll free 800 or 888 telephone number so that subscribers' complaints, requests and trouble calls for repairs or adjustments may be received twenty-four (24) hours a day,

seven (7) days a week. In the event that said calls must be made outside the subscribers' area code, the calls shall be toll free.

(b) The Grantee shall obtain, operate and maintain a telephone system capable of, and adequately staffed so as to accommodate the average number of complaints, requests and trouble calls received daily for all areas served through said telephone system, including but not limited to the franchise area.

(c) Provided that said telephone number is not busy, the Grantee telephone system and staff shall answer same within 30 seconds in accordance with FCC rules. Upon answering the telephone, if the Grantee cannot speak with the subscriber within a reasonable amount of time in order to ascertain full information as to the complaint, request and/or trouble call, and to resolve the same, the Grantee shall briefly acknowledge the call, complaint, request and/or trouble call, and obtain the subscriber's name and telephone number, and shall advise the subscriber that the Grantee shall return the subscriber's call and respond to the same within a reasonable time thereafter or the same day, whichever is greater. Thereafter, the Grantee shall respond accordingly.

(d) Provisions 9.7 (B) (6) (b) and (c), above, and particularly the telephone system, staffing thereof and the time limits stated herein, shall be subject to reasonable application and indulgence as to the Grantee, due to the above average or extraordinary subscriber demand as the circumstances

dictate.

10.0 CONDITIONS OF USE OR OCCUPANCY OF STREETS, PUBLIC
WAYS OR PUBLIC PLACES

10.1 Reservation of Rights.

(A) Regulation. This provision 10.0 and any of its provisions thereunder shall neither be construed as to deprive, the Town of any rights or privileges which it now has, or may hereafter have, to regulate the use and control of its streets, public ways or public places.

(B) Inspection. This provision, 10.0 and any of its provisions thereunder shall neither be deemed to waive, nor waive, which the Town hereby reserves, the right to inspect any and all of the Grantee's actions and work for compliance with the applicable local laws, ordinances, codes, rules and regulations of the Town and the provisions of this Franchise Agreement.

(C) Town Not Liable to Grantee. The Town reserves its rights and shall not be liable to the Grantee for the exercise thereof pursuant to this provision, 10.0, and any of its provisions thereunder.

(D) Conditions Hold Harmless. The Grantee shall hold the Town harmless and defend and indemnify the Town from any and all liability and damages, directly or indirectly resulting from either the Grantee's failure to meet the conditions of this provision, 10.0 and any of its provisions thereunder, or the Grantee's exercise of its rights and/or privileges pursuant to this provision, 10.0 and any of its provisions thereunder, except to the extent of willful misconduct of the Town or any Town

representative.

10.2 Consent and Compliance.

(A) Permission of Utilities. The Grantee shall apply when and as legally appropriate and necessary to NYNEX, the Long Island Lighting Company, and any other utility for permission to use their respective facilities.

(B) Easements and Rights-of-Way. The Grantee at its sole expense shall obtain and maintain all easements and rights-of-way necessary for its cable system.

(C) Permits. The Grantee shall timely secure any and all necessary permits from any governmental entity or utility issuing same, as a condition precedent to the use or occupancy of the Town's streets, public ways or public places.

(D) Code Compliance. The Grantee shall comply with provisions 9.1 (E) and 9.1 (F), and including but not limited to applicable electric or other applicable public utilities codes for the joint use of pole lines and underground trenches or conduits.

10.3 Other Conditions of Use or Occupancy.

(A) Surface Disturbance or Traffic Interference. The performance of any work pertaining to the cable system which requires the disturbance of the surface of any street, public way, and/or public place, and/or which may interfere with traffic shall not be undertaken until or unless the Grantee has obtained the permission for the performance of said work, and the approval of the manner in which said work shall be performed, by the

appropriate Town official or body.

(B) Approval of Wire-holding Structures. Prior to the construction, erection or installation of any poles, underground conduits or other wire-holding structures, the Grantee shall obtain any necessary permit or approval of the appropriate Town official or body that the same complies with any requirements which may now or hereafter exist with regard to the location, height, type and any other requirement for said wire-holding facility.

(C) Attachment to Town Poles. The Grantee shall have the right to attach its wires to existing poles owned by the Town without payment of additional annual rental fees to the Town, provided that the Grantee obtain prior approval from the franchising authority therefor, and provided that the Grantee shall pay the Town, in advance, for all costs of rearrangement of existing wires for any necessary purpose, including but not limited to the achievement of clearness as specified by the National Electrical Code. This provision, 10.3 (C), shall run concurrently with the term of this franchise and shall not apply retroactively.

(D) Minimal Interference. The Grantee's components of the cable system within the Town shall be located so as to cause minimal interference with the use of streets, public ways and/or public places, and to cause minimal interference with the rights or reasonable convenience of property owners or occupants of property that adjoins any of said streets, public ways and/or public places. Existing facilities

or structures of the NYNEX or the Long Island Lighting Company or of any other public utility which may be available to the Grantee shall be used as often and to the extent as is practicable in order to minimize said interference.

(E) Cable Location.

(1) In any portion of the franchise area where the cable or wire facilities of the public utilities are installed underground, the Grantee shall install its cable distribution system underground.

(2) In any portion of the franchise area where the cable or wire facilities of the public utilities are installed aerially and underground, the Grantee may exercise its prerogative as to whether it shall install its cable distribution system aerially or underground.

(3) In any portion of the franchise area where public utility lines are aerially placed at the time of the installation of the cable system, if subsequently during the term of the franchise such utility lines are relocated underground, the Grantee shall similarly relocate its cable distribution system underground at its sole expense.

(4) Poles shall not be installed for the sole purpose of supporting a portion of the cable distribution system without reasonable written justification to, and the approval of the Town through the franchising authority or other appropriate Town official or body to which said jurisdiction is delegated. Any disapproval as to the same shall be based upon

reasonable grounds.

(F) Plant and Foliage Control. The Grantee shall have whatever reasonable right and authority which the Town, in turn, may have to control trees and bushes upon and overhanging the streets, public ways and/or public places in the Town by reasonably trimming, cutting, keeping clear or removing the same so as to keep the same away from the components of the Grantee's cable system.

(G) Restoration of Surface. Should the Grantee either directly or indirectly cause the disturbance of pavement, sidewalk, driveway or other surfacing, the Grantee shall, at its own cost and expense in a manner reasonably directed and approved by the franchising authority or other appropriate Town official or body, expeditiously replace and restore all pavement, sidewalk, driveway or surfacing so disturbed, in as good condition as before said disturbance was made. Should the Grantee fail to expeditiously implement said restoration, or should the Town, or the franchising authority on behalf of the Town, or the representatives of either the Town or the franchising authority deem that said disturbance constitutes an unwarranted potential liability risk or an imminent threat or danger to life or property, the Town reserves the right to require and order the Grantee to timely abate and restore said disturbance by actual notice to the Grantee at the address noted in the Preamble of this Franchise Agreement. After said notice, if the Grantee fails or refuses to act, the Town, the franchising authority on behalf of the Town, or the representatives of either

the Town or the franchising authority shall have the power to perform said restoration at the sole expense of the Grantee, without compensation to it for said removal, or liability for damages to the Grantee resulting therefrom.

(H) Adequate Precautions. Any disturbance, opening, obstructions, or other potential safety hazard in the streets, public ways and/or public places or other Town or public property made by the Grantee, shall be guarded and protected at all times by the placement of adequate barriers, fences, boardings, or other protective and/or warning devices at the sole expense of the Grantee. During the periods of dusk and darkness, said protective devices shall be clearly designated by working warning lights.

(I) Cable System Relocation. If at any time during the term of this franchise, if the franchising authority finds that a portion of the cable system interferes with the Town's streets, public ways, public places, easements, roads, street grade, sewer or water installations, or other public conveniences, or any proposed changes thereof or extensions thereto, the Grantee shall, upon written notice by the Town given at least sixty (60) days in advance, remove or relocate said portion of said cable system at the Grantee's own expense. Should the Grantee fail or refuse to comply with said notice of the franchising authority, by the expiration of the aforesated time period, except when said failure or refusal is caused by circumstances reasonably beyond the Grantee's control (i.e., severe adverse weather conditions), the Town, the franchising

authority on behalf of the Town, or the representatives of either the Town or the franchising authority shall have the power to remove or relocate said portion of the cable system, without compensation to the Grantee for said removal or relocation, or liability for damages to the Grantee resulting therefrom. When said exception is applicable said appropriate persons may grant a reasonable time extension after considering the totality of the circumstances involved with said relocation notice.

(J) Building Moving Permit. Upon the timely request of any person holding a building moving permit issued by the Town or other governmental agency, the Grantee shall temporarily remove, raise or lower its wires to permit the moving of the subject building. The actual expense of said temporary removal, raising or lowering of wires shall be paid by the person requesting the same. The Grantee shall have the authority to require the payment therefor in advance. The Grantee shall be given no less than ten (10) working days notice in advance to arrange for said temporary wire changes, and the Grantee shall be granted a reasonable discretion (i.e., adverse weather conditions, coordination with other utilities), as to its time for compliance with said request.

11.0 GRANTEE SUBSCRIBER RELATIONS

11.1 Installation and Repair.

(A) Installation of Equipment. No cable, line, wire, amplifier, converter or other piece of equipment owned, leased or controlled by the Grantee shall be installed on any property by the Grantee without first securing the written

permission of the owner or tenant in possession of said property, and written permission of the holder of any easement for utility lines or similar purposes except in accordance with the law. If said permission is later revoked, whether by the original or subsequent owner or tenant in possession, the Grantee shall expeditiously remove any of its equipment which is both visible and removable, and shall promptly restore said property to its original condition.

(B) Grounding of Subscriber Drops. In addition to any other compliance mandated by this Franchise Agreement or other law, the Grantee shall pay particular attention to and comply with the National Electrical Code (NFPA No. 70-1971; ANSI CI 1971) Article 820-3 regarding the grounding of subscriber drops at building entry points, or shall have complied with the applicable grounding code provision in effect at the time of the installation.

(C) Service Information. Whenever it is necessary to interrupt service for the purpose of making repairs, adjustments, or installations, the Grantee shall do so at such time as will cause minimal inconvenience as is reasonably possible to the subscribers and, unless said interruption is unforeseen and immediately necessary, it shall give as reasonable notice thereof as is practicable to the affected subscribers.

11.2 Subscriber Rights.

(A) Non-discrimination. The Grantee shall not deny service, access or otherwise discriminate against subscribers, programmers, or any other person in violation of any

law or statute, or the Constitution of the United States or the Constitution of the State of New York, including but not necessarily limited to the basis of age, race, creed, color, national origin, sex or religion.

(B) Rights, Monitoring and Subscriber Lists.

(1) Privacy. The Grantee shall be vigilant with regard to possible abuses of the right of privacy and other human rights of any subscriber, programmer or other person resulting from any device or signal associated with the cable system. The Grantee shall take such actions as are necessary to prevent unauthorized access to personally identifiable information collected by Grantee and not limited to means of any wire or radio communications service provided using any of the facilities of the operator that are used in the provision of cable service.

(2) Monitoring. The Grantee, on its own volition shall not tap, nor arrange for the tapping of any cable, line, signal input device, or subscriber outlet or receiver for any purpose whatsoever, other than the legitimate technical testing and auditing for verification of theft of services, without the prior written consent of all affected parties. Devices to prevent or to counteract the same such as electronic locks, scramblers, or warning lights shall be provided by the Grantee as problems are identified, the technology becomes available, and reasonable financial arrangements can be made.

(3) Subscriber Lists. Neither the Grantee nor the Town, nor the franchising authority shall sell lists of

the names and addresses of its subscribers, or any list which identifies by name or address, subscriber viewing habits or any other individual and identifiable habits or transactions, to any person or agency for any purpose whatsoever. Moreover, the Grantee shall only use said information, in the normal course of its business.

11.3 Inside Wiring.

(A) Cable Home Wiring. The internal wiring contained within the premises of a subscriber which begins at the demarcation point. Cable home wiring does not include any active elements such as amplifiers, converters or decoder boxes or remote control units.

(B) Demarcation Point.

(1) For new and existing single unit installations, the demarcation point shall be a point at (or about) twelve inches outside of where the cable wire enters the subscriber's premises.

(2) For new and existing multiple unit installations, the demarcation point shall be a point at (or about) twelve inches outside of where the cable wire enters the subscriber's dwelling unit, but shall not include loop through or other similar series cable wire.

(3) Scope. The provisions of this subpart sets forth rules and regulations for the disposition, after a subscriber voluntarily terminates cable service, of that cable home wiring installed by the Grantee or its contractor within the premises of the subscriber. The provisions do not apply where

the cable home wiring belongs to the subscriber, such as where the Grantee has transferred ownership to the subscriber, the Grantee has been treating the wiring as belonging to the subscriber for tax purposes or the wiring is considered to be a fixture by state or local law in the subscriber's jurisdiction. Nothing in this subpart shall affect the Grantee's rights and responsibility under Section 76-617 to prevent excessive signal leakage while providing cable service, or the Grantee's right to access the subscriber's property or premises.

(4) Disposition of Cable Home Wiring. Upon voluntary termination of cable service by a subscriber, Grantee shall not remove the cable home wiring unless it gives the subscriber the opportunity to acquire the wiring at the replacement cost, and the subscriber declines. The cost is to be determined based on the replacement cost per foot of the cabling multiplied by the length in feet of the cable home wiring. If the subscriber declines to acquire the cable home wiring, the Grantee may remove it if it wishes within thirty (30) days or abandon such wiring.

(C) Effective October 1, 1993, there shall be no monthly charge for additional outlets in a residence; this does not include the monthly cost for converters, decoder boxes, or any premium service that a subscriber wishes to add to each additional outlet. Under the Cable Law if there is an additional cost to provide regulated services to the additional outlets, the Town understands there could be a cost, and such would be done in

accordance with the law.

(1) If said subscriber contracts with the franchisee or their contractor for the installation, there may be a one-time installation fee.

11.4 Trouble Call Processing. The Grantee shall advise its subscribers upon installation, annually and when any change is made of the telephone number of the telephone referred to in provision 9.7 (B) (6) of this Franchise Agreement, which the Grantee shall make available to its subscribers for trouble calls. In the event that a trouble call must be made outside the subscriber's area code, the Grantee shall arrange that said calls shall be toll free. Investigation action shall be initiated on the same day a trouble call is received by the Grantee, if possible, but in no case later than within twenty-four (24) hours, as per FCC regulations. The Grantee shall maintain a report as to each trouble in accordance with the 9 N.Y.C.R.R., Sections 596.8 (c), (d) and (e). Said report shall be kept by the Grantee for a period of at least two (2) years from the event to which it relates.

11.5 Subscriber Complaints. The Grantee shall provide each subscriber with written notice of its procedure for reporting and resolving subscriber complaints at the time of initial installation, whenever there is a change by the Grantee of said procedure, and at least on an annual basis. The Grantee shall include in said written notice the statement that a subscriber may file a complaint in any form with the State Commission, and shall further state the State Commission's

address, the State Commission's toll free telephone number if there is one, or the State Commission's other telephone number if there is no toll free telephone number. The Grantee shall also include in said written notice its telephone number, and the Town's address for the reporting and resolution of subscriber complaints. Finally, should a subscriber's complaint be filed pursuant to 9 N.Y.C.R.R., Section 590.5, the Grantee shall comply with the contents of said section.

11.6 Grantee's Billing Practices.

(A) Notification of Billing Practices.

(1) The Grantee shall notify each of its subscribers, in writing, of its billing practices and payment requirements. The notice shall describe and define, as a minimum, billing procedures including but not limited to payment requirements to avoid discontinuance of service, procedures pertaining to discontinuance of service including but not limited to disconnection and reconnection and the fee for reconnection, late charges if any, advance billing options if any, and procedures to be followed in billing disputes and refund or credit to be given for service outages.

(2) Notice shall be given to each subscriber at the time of initial installation, whenever there is a change in the Grantee's billing practices and/or rate changes, and to all subscribers annually.

(3) Copies of the Grantee's current billing practices and billing requirements, copies of same when and as revised and updated, shall be promptly filed with the State

Commission and the Grantee's business office specified in provision 9.7 (B) (2) of this Franchise Agreement, in the office of the Town Clerk of the franchising authority, and the Grantee shall provide same upon request by a subscriber.

(B) Late Charges and Collection Charges.

(1) Any late charge permitted by law if imposed upon a subscriber, shall be itemized on the subscriber's bill.

(2) The Grantee shall not impose a collection charge upon any subscriber, except in accordance with provision 13.4, Installation Reconnection and Disconnection, of this Franchise Agreement, and as permitted by law.

(C) Billing Disputes.

(1) The Grantee shall establish procedures for the prompt investigation of any billing complaint registered by a subscriber. Said procedures shall provide that the subscriber has at least thirty (30) days from the date of the receipt of the bill by said subscriber, for said subscriber to register a billing complaint, and said procedures shall further specify that a billing complaint may be registered either orally or in writing. The procedures may provide that the subscriber remit the undisputed portion of the bill in question pending resolution of the portion in dispute.

(2) The Grantee shall not discontinue its cable service solely due to nonpayment of the portion in dispute during the period allowed by this provision, 11.6 (C), for

investigation of billing dispute.

(3) The Grantee shall notify the subscriber, in writing, of the result of its investigation of the billing complaint within twenty (20) working days of the registration of the complaint.

(4) If the subject complaint is not resolved to the satisfaction of the subscriber within thirty (30) days of the date that it is registered with the Grantee, the complainant may refer the matter to the State Commission in accordance with the provisions of 9 N.Y.C.R.R., Section 590.5 referred to in the notice required by provision 11.5 of this Franchise Agreement. If said referral is not made by the subscriber within fifteen (15) days of the date of receipt of the Grantee's notification specified in provision 11.6 (C) (3), above, or within thirty (30) days of the date that it is registered with the Grantee, whichever date is later in time, the Grantee may commence its disconnection procedures in accordance with provision 11.6 (F) of this Franchise Agreement.

(5) Notwithstanding provision 9.7 (B) (4) (a), of this Franchise Agreement the Grantee shall retain in its business office referred to in provision 9.7 (B) (2) of this Franchise Agreement, all billing complaint records and files for at least one (1) year after the registration of a complaint.

(D) Advanced Billing.

(1) The Grantee shall notify its subscribers in its notification of billing practices referred to in provision 11.6 (A) of this Franchise Agreement, of any advanced billing

options available.

(2) The Grantee shall give a subscriber, upon the request of a subscriber, the option of paying monthly. Use of coupon books for the remittance of monthly payments shall satisfy the monthly payment option request. If such coupon books are used by the Grantee, no other bills for service are required to be sent out by the Grantee. The Grantee shall advise each subscriber of this option in its notification pursuant to provision 11.6 (A) of this Franchise Agreement.

(E) Credit for Service Outage.

(1) The Grantee shall give credit, for any service outage that consists of four (4) hours or more. No credit shall be for less than twenty-four (24) hours. If the Grantee can determine the extent of the outage, it must automatically issue credit to those affected subscribers. Others still have 90 days to apply for credit if they have lost service. The four (4) hour period shall commence at the time that the Grantee first becomes aware of the outage.

(2) Credit shall be prorated by multiplying the applicable monthly service rate by a fraction whose numerator equals the number of days of the outage and whose denominator equals the number of days in the month of the outage. In no case shall the refund be less than twenty-four (24) hours credit.

(3) The Grantee shall be responsible for every service outage as required pursuant to State law, rules and regulations and shall provide credit to each affected subscriber, who has notified the Grantee pursuant to provision 11.6 (E) (1)

of this Franchise Agreement, within ninety (90) days of an outage.

(F) Discontinuance of Service for Nonpayment.

(1) A subscriber shall not be considered delinquent in payment and the Grantee shall not consider a subscriber delinquent in payment until at least forty-five (45) days have elapsed after mailing of the bill or account, or until at least fifteen (15) days have elapsed after the completion of all of the services rendered for the entire current period billed for in the subject bill or account, whichever is later in time, and payment has not been received by the Grantee. The Grantee shall give the subscriber credit as of the date of receipt of said payment whether or not it is able to post same as of that date.

(2) The Grantee shall not discontinue service for nonpayment of bills rendered for service until:

(a) The subscriber is delinquent in payment for cable television service; and

(b) At least five (5) days have elapsed after written notice of discontinuance has been served personally upon a subscriber; or

(c) At least five (5) days have elapsed after a subscriber has either signed for or refused a certified letter, postage paid by the Grantee, containing a notice of discontinuance addressed to such person at the premises where service is rendered.

(3) The notice of service discontinuance

shall clearly state the amount in arrears, the total amount required to be paid to avoid discontinuance of service, and the date by which and the place where such payment must be made, which shall at least in the alternative be at the Grantee's business office as noted in provision 9.7 (B) (2) of this Franchise Agreement.

(4) The Grantee shall not disconnect service due to the subscriber's nonpayment pursuant to provision 11.6 (F), and its provisions thereunder, on a Sunday, public holiday or a day when the business office of the Grantee is not open for business.

(5) The Grantee's receipt of a subsequently dishonored negotiable instrument in response to a notice of discontinuance shall not constitute payment, and the Grantee shall not be required to issue an additional notice prior to discontinuance.

(6) At the time of the disconnection of service, the technician shall make one more attempt to secure payment of the full amount in arrears.

11.7 Negative Option Promotional Practices.

(A) The Grantee shall not bill any subscriber for any service not affirmatively requested by the subscriber.

(B) For the purposes of this provision, 11.7, a subscriber's affirmative request need not be in writing, but the Grantee relying upon an oral affirmative request shall keep accurate records of the date on which, and the employee to whom,

the request was made.

(C) For the purposes of this provision, 11.7, a subscriber shall be deemed to have affirmatively requested a service if (1) the subscriber voluntarily makes payment for such service after an initial free trial period, and (2) there was included, in the notice or advertising material describing the service, a statement clearly advising the subscriber that he has incurred no obligation to pay for such service and that he need not take any action to avoid incurring any such obligation.

11.8 Sales Promotions. Nothing contained in this provision or any provision in this Franchise Agreement shall be construed to prevent the Grantee from offering, on a non-discriminatory basis, sales promotions or other discounts not specified in this Franchise Agreement.

12.0 HOLD HARMLESS, LIABILITY AND INSURANCE

12.1 Hold Harmless.

(A) By its acceptance of this franchise, the Grantee expressly agrees that for the term of this franchise, any extensions and renewals thereof and any matters pertaining to this franchise, any extensions and renewals thereof, regardless of when the matter arises, the Grantee shall protect, defend, pay, indemnify and hold harmless the Town of Brookhaven, its officers, employees, servants, agents and independent contractors, from and against any and all losses, claims, demands, payments, suits, actions, arbitrations, proceedings, recoveries, judgments, levies and executions of every kind, nature and description brought or recovered against the Town of

Brookhaven, its officers, employees, servants, agents and independent contractors, by reason of or arising directly or indirectly out of this franchise or the grant thereof, or any act or omission, including but not limited to the construction, erection, installation, operation, maintenance, service or repair of the cable system, whether or not any act or omission complained of is authorized, allowed or prohibited by this franchise, or of any failure to comply with any law, code, local law, ordinance, rule or regulation, or of any matter pertaining to royalties, license fees, patent or copyright infringement, licenses, leases or contract, or libel, slander, defamation or violation of right of privacy, of the Grantee, its officers and directors, employees, servants, agents and independent contractors. This provision, 12.1 (A) shall exclude any deliberate and illegal acts of the Town of Brookhaven, its officers, employees, servants, agents and independent contractors.

(B) The Grantee shall have the right to provide the Town, its officers, employees, servants, agents and independent contractors with counsel as to any matter specified in provision 12.1 (A). However, should it appear that the interests of the Town and the Grantee potentially conflict or diverge, or should a claimant's potential recovery exceed applicable policy limits, or a matter occurs which the Grantee's insurer declines to provide a defense or coverage, the Town shall have the right to obtain its own counsel. Accordingly, should the Town provide its own defense, the Grantee shall pay all

applicable expenses so incurred. These expenses shall include all out-of-pocket expenses, including but not limited to reasonable attorney's fees, and other services rendered by the Town, the franchising authority, its officers and employees.

(C) The Grantee's Comprehensive Public Liability and Property Damage Insurance shall be endorsed to include the language of provision 12.1 (A) of this Franchise Agreement.

If the Grantee cannot obtain said verbatim endorsement, it shall produce an affidavit, duly sworn to and acknowledged by the Grantee's insurance agent, stating that said agent has diligently sought and has failed to obtain said verbatim endorsement, and that it is impossible to obtain the same, and that it is concurrently submitting with said affidavit, on the Grantee's behalf, the closest alternative endorsement that it could obtain. Said alternative endorsement shall thereafter be subject to the approval of the Town and the Town's insurance agents for sufficiency.

12.2 Insurance.

(A) By its acceptance of this franchise, the Grantee expressly agrees that it shall obtain, fully pay for, and maintain for and during the term of this franchise, and any extensions and renewals thereof, all of the types of insurance in, at least, the amount specified in this provision, 12.2 and each and every one of its provisions thereunder.

(B) The Grantee shall not permit any subcontractor to commence any work related to, or under this franchise until and unless said subcontractor obtains and

maintains for at least the term of its work related to, or under this franchise all of the types of insurance in, at least, the amounts specified in this provision, 12.2, and each and every one of its provisions thereunder except Owner's and Contractor's Protective Public Liability. This provision, 12.2 (B), may be fulfilled by naming a subcontractor as an insured on all of the required policies of the Grantee for at least the term of the subcontractor's work related to, or under this franchise.

(C) Type and Minimum Amounts.

(1) Workers Compensation. The Grantee shall obtain as required by law, in at least the legally required amounts Workers Compensation Insurance, including disability benefits and any other legally required employee benefits for all of his employees, and in the case of the Grantee subcontracting any work, the Grantee shall require the subcontractor to comply with this provision 12.2 (C) (1), as to all of the subcontractor's employees, unless said employees are covered by the protection afforded by the Grantee.

(2) Comprehensive Public Liability and Property Damage Insurance. The Grantee shall obtain Comprehensive Public Liability and Property Damage Insurance with a Personal Injury Liability Insurance Endorsement which shall protect it and/or any subcontractor performing any work and/or operation related to this franchise in any way from claims for personal and/or bodily injury, accidental and/or wrongful death, and/or property damage, whether said work and/or operation be by the Grantee, by any subcontractor and/or by any person directly and/or indirectly

retained and/or employed by either of them, and the minimum amounts of said insurance shall be as follows. These minimums may be met through excess liability or umbrella insurance coverage.

Personal and/or Bodily Injury	\$5,000,000.00 per person
Including Accidental and/or	
Wrongful Death	\$5,000,000.00 per occurrence
Property Damage	\$5,000,000.00 per occurrence

(3) Comprehensive Automobile Liability and Property Damage Insurance. The Grantee shall obtain Comprehensive Automobile Liability and Property Damage Insurance with a Personal Injury Liability Insurance Endorsement which shall protect it and/or any subcontractor performing any work and/or operation related to this franchise in any way, including but not limited to the use, occupancy and/or operation of any vehicle, from claims for personal and/or bodily injury, accidental and/or wrongful death, and/or property damage, whether said work and/or operation be by the Grantee, by any subcontractor, and/or by any person directly and/or indirectly retained and/or employed by either of them, and the minimum amounts of said insurance shall be as follows. These minimums may be met through excess liability or umbrella insurance coverage.

Personal and/or Bodily Injury	\$5,000,000.00 per person
Including Accidental and/or	
Wrongful Death	\$5,000,000.00 per occurrence
Property Damage	\$5,000,000.00 per occurrence

(4) Owner's and Contractor's Protective Public Liability and Property Damage Insurance. The Grantee shall obtain and furnish to the Town an Owner's and Contractor's Protective Public Liability Insurance Policy with a Personal Injury Liability Insurance Endorsement for, and naming the Town of Brookhaven as the sole

insured. This insurance must fully cover the legal liability of the Town of Brookhaven, as Owner. The coverage provided under this policy shall not be affected if the Town performs work, in connection with this franchise, either for, or in cooperation with the Grantee, or another, or as an aid thereto, pursuant to this franchise, by means of its own agents, servants, employees or independent contractors, or if the Town directs or supervises the work to be performed by the Grantee. The minimum amounts of said insurance shall be as follows. These minimums may be met through excess liability or umbrella insurance coverage.

Personal and/or Bodily Injury	\$5,000,000.00 per person
Including Accidental and/or	
Wrongful Death	\$5,000,000.00 per occurrence
Property Damage	\$5,000,000.00 per occurrence

(D) Additional or Name Insured. As to the insurance required pursuant to provision 12.2 (C) (1) of this Franchise Agreement, the additional insured thereon shall be solely the Grantee. As to the insurance required pursuant to provisions 12.2 (B) (C) (2) and (3), the additional insureds shall be the Grantee and the Town of Brookhaven. As to the insurance required pursuant to provisions 12.2 (C) (4) of this Franchise Agreement the named insured shall be solely the Town of Brookhaven.

(E) Proof of Carriage of Insurance. The Grantee shall furnish the Town with certificates of binders evidencing the insurance required in provisions 12.2 (C) (1), (2) and (3) of this Franchise Agreement and with the full original insurance policy, including the declarations thereto of the insurance required pursuant to provision 12.2 (C) (4) of this Franchise Agreement. As to this last type of required insurance, the Grantee may furnish the Town

initially with a binder therefor to be expeditiously followed up with the policy as stated herein. All of said certificates, binders, and policy, as to the Grantee, shall be promptly furnished to the Town, but in no event later than thirty (30) days after the grant of this franchise. All of said certificates, binders, and policy, as to the Grantee's subcontractors shall be promptly furnished to the Town. Each certificate, binder, and the insurance policy shall bear the policy numbers of each policy, the insurance carrier's name of each policy, the expiration date of each policy and the limits of liability of each policy. Each certificate, binder and the policy shall be endorsed to provide the Brookhaven Town Clerk located at Brookhaven Town Hall, 205 South Ocean Avenue, Patchogue, New York, 11772, with any notice of cancellation as to any policy at least thirty (30) days prior to the actual date of said cancellation. Finally, the insurance policy required pursuant to provision 12.2 (C) (4) of this Franchise Agreement shall be stamped "premium paid" and initialled by the Grantee's insurance agent or insurance carrier.

(F) Approval. All of the insurance coverage required of the Grantee and required of the Grantee's subcontractors by the Town pursuant to this provision, 12.2 and any and all of its provisions thereunder, shall be written by insurance carriers licensed to do business and issue said insurance coverage in the State of New York, and all of said required insurance shall be subject to approval by the Town through the Town Attorney's Office as to the substance and form of the policies, binders and certificates

of insurance.

13.0 RATES

The Town acknowledges that at this time it does not have the authority to regulate any rates, but those for the basic service tier; however, the procedures listed below will be used for the basic service tier (upon authorization by the FCC) and will be used for all other rates if during the term of this franchise the federal regulations change to allow such regulation.

13.1 Initial Schedule of Rates. This schedule shall include all items approved by the FCC for local government regulation and those items not regulated by any other agency, but not necessarily limited to installation and monthly service charges for providing basic subscriber services to residential, commercial and agency subscribers. However, nothing contained herein shall be construed to prevent the offering on a non-discriminatory basis of sales promotions or other discounts not specified either in this provision or any other provisions of this Franchise Agreement.

13.2 Advance Payment and Refund. The Grantee may require subscribers to pay for each month of service in advance at the beginning of each month. No other advance payment or deposit of any kind shall be required by the Grantee of any subscriber for services. Advance payment programs may be made available by the Grantee at the subscriber's option. However, in the event that a subscriber terminates service in advance of any period for which a prepayment has been made the Grantee shall refund any portion of the unused prepayment to said subscriber within sixty (60) days of said subscriber's notice of termination which may be either oral or

written. Excepted from this provision, 13.2 Advance Payment and Refund, shall be any advance payment or deposit made pursuant to provision 16.0 Primary Service Area, and its provisions thereunder, and a reasonable payment or deposit for equipment provided by or through the Grantee, if the potentially refundable portion payment or deposit is placed in an interest bearing account for the subscriber's benefit.

13.3 Rate Changes.

(A) Request for Change. Either the Grantee or the Town may request a rate change. The notice requesting same shall be written, contain the text and set forth the substance of the proposed rate change and shall contain reasonable written justification of reasonable particularity therefor.

(1) In no event shall such a request by either the Town or the Grantee, be made more often than one (1) year from the effective date of a grant of the prior request of that party, by either the Town, State Commission or other agency, administrative or judicial, last exercising its jurisdiction with respect thereto.

(2) Additionally, in no event shall such a request be made more often than two (2) times in one (1) year from the effective date of the final denial of the prior request of that party made by the last of said aforestated entities exercising jurisdiction with respect thereto.

(B) Notice. Upon a request for a change in rates, the franchising authority through the Town Clerk shall cause to be published a notice of public hearing as to the same at least ten (10) days prior thereto, containing the contents required by the New York

Code of Rules and Regulations in a local newspaper of general circulation and in the official Town newspapers. The party initiating the request shall pay the cost of the publication of said notice.

(C) Public Hearing. Within sixty (60) days of the receipt by the Town of said request, if by the Grantee, or within sixty (60) days after service of said request upon the Grantee, if by the Town, the franchising authority shall hold a public hearing on the matter.

(D) Consideration. Prior to rendering a decision upon any request for a change in rates, the franchising authority shall consider the interests of the subscribers, the Town, the Grantee, and the community-at-large. The franchising authority may elicit data or information from the proponent of the request which said proponent shall timely supply.

(E) Decision. Within ninety (90) days of the receipt by the Town of said request, if the proponent is the Grantee, or within ninety (90) days of service of said request upon the Grantee, if the proponent is the Town, the franchising authority shall render a decision by resolution upon the requested change.

(F) Reservation of Rights. The Town through the franchising authority hereby reserves all of its rights to either reasonably approve, or reasonably disapprove a request for a rate change, or certify that the Town and the Grantee are unable to agree upon the rates and defer the request to the State Commission for decision.

(G) Commission Approval and Effective Date. No

amendment approved by the franchising authority on behalf of the Town shall be effective and no change effected by any amendment may be implemented, until the State Commission shall have adopted an order approving such amendment. Unless the order shall otherwise provide, Grantee is the effective date of the amendment shall be the date of the State Commission action. For the purposes of this provision, 13.3 (G), the mailing to subscribers of bills reflecting a rate change shall be deemed the implementation of such rate change.

13.4 Installation, Reconnection and Disconnection. The

Grantee may charge subscribers for the installation of service outlets and for the reconnection of service outlets, provided it does so in accordance with this provision, 13.0, and all of its provisions thereunder. However, the Grantee shall not charge for the disconnection of any installation or outlet. Finally, when the Grantee is at a subscriber's residence or place of business to disconnect service, and the subscriber at that time pays the amount in arrears in lieu of disconnection, the Grantee may add a reasonable collection charge to the subscriber's bill.

13.5 Free Installation and Service.

(A) Installation and Basic Service. Upon written request which shall not be unreasonably denied and within forty-five (45) days thereof, the Grantee shall provide without an installation charge or monthly service charge basic cable service, and a standard aerial service drop connection or standard underground service drop connection, as appropriate to Brookhaven Town Hall and other Town buildings, all police and fire stations, volunteer ambulance service, all public school buildings, all public colleges and universities,

and all public library buildings, in those instances where the buildings housing the same or the property owned or possessed by the same either abuts or is accessible to a right-of-way along which trunk and/or feeder cable has been installed and energized.

(B) Conditions and Limitations.

(1) Provision 13.5 (A) shall be limited to the installation of one standard drop at a single point in the building reasonably convenient to use, and shall not require the wiring of an entire building.

(2) Where there is more than one (1) building at one (1) location of the aforestated entities, provision 13.5 (A) shall apply only to one (1) building thereon selected by the Grantee.

(3) If any of the aforementioned entities wish to avail themselves of the benefits of this provision, 13.5, and the provisions thereunder, and said entity does not own, but merely occupies or possesses the subject building, it shall advise the Grantee accordingly, and obtain from the building owner and furnish to the Grantee the building owner's written permission for said installation.

(4) Provision 13.5 (A) shall be limited to the Grantee providing without cost, between the cable referred to in provision 13.5 (A) and the subject building, a standard aerial service drop connection of a maximum of one hundred and fifty (150) feet, or a standard underground service drop and connection of a maximum of sixty (60) feet, as appropriate.

(5) In the event that service calls or repairs are required for any location where installation has been made

without charge, the Grantee shall only be obliged to make those repairs necessary to effect delivery of a signal to the aforementioned single point in the building.

(C) Other Services. Should any of the aforestated entities desire any good or service of the Grantee in excess of that stipulated in provisions 13.5 (A) and (B), and any provisions thereunder, including but not limited to the wiring of a building for service in excess of that stipulated, (i.e. more than one drop or entire building wired) wiring more than one building at a particular location, footage in excess of the one hundred fifty (150) foot standard aerial service drop connection or sixty (60) foot standard underground service drop and connection, or repairs in excess of those stipulated in provision 13.5 (B) (5), and it is legally permissible for the Grantee to provide said good or service, the same shall be provided by the Grantee to any of the aforestated entities, at a mutually agreeable cost between said aforementioned entity and the Grantee, which shall not exceed the amount authorized to be charged an analogous subscriber not within the ambit of this provision, 13.5 and its provisions hereunder.

(D) Non-Abutting, Non-Accessible and/or Unenergized Cable. Should any entity qualify for this provision, 13.5 and the provisions hereunder, but for the fact that its location does not abut or is not accessible to a right-of-way along which a trunk and/or feeder cable has been installed and energized, or if said entity's location abuts or is accessible to a right-of-way along which a cable and/or feeder cable has been installed, but not energized, said entity and the Grantee may work out a mutually

agreeable solution and cost which may rely upon or be analogized to the line extension formula, provision 16.0 and its provisions thereunder, which would bring the cable system to the point where said entity would be eligible for the benefits of this provision, 13.5 and its provisions hereunder, provided such a solution is reasonable and economically feasible.

14.0 EMERGENCY

14.1 Emergency Power. Grantee's cable system shall incorporate equipment at its head end which will be capable of providing standby power thereto for a minimum of four (4) hours upon failure of the power furnished the Grantee by its utility company.

14.2 Emergency Town Use.

(A) In the event of a major public emergency, disaster, or danger, or an imminent threat thereof, as determined by the Supervisor of the Town, the Town's designated representative, or other person authorized by law, and upon the demand of the Grantor by any of the aforestated persons, the Grantee shall immediately make available its cable system, including all required facilities, employees and equipment as is necessary and reasonably available for use by the Town, or other governmental agencies authorized by law, to use and/or operate same under the Grantee's supervision, during the course of said emergency, disaster, danger and imminent threat thereof as is reasonable and feasible. This emergency alert service shall be made available by the Grantee to the Town at all times. The Town may request that the Grantee install equipment at a location for origination other than the Grantee's studio, provided said request, including the other proposed location is reasonable and feasible.

The Grantee shall not impose a charge upon the Town and not charge any other governmental agency for this service, except for a reasonable installation and removal charge for said equipment, for use and/or operation at a location for origination other than the Grantee's studio. During the period of time when said equipment is located at a location for origination other than the Grantee's studio, at the request of the Town or other governmental user, said user shall be responsible for the loss or damage to said equipment. Any time used by the Town pursuant to this provision, 14.2 Emergency Time Use, and its provisions hereunder, shall not apply to the time allotted to the Town in provision 15.6 (B).

(B) Said emergency alert alphanumeric signal, and/or audio, and/or video shall be made, on the local origination/access channel on basic service. Additionally, should the Grantee also incorporate into its cable system emergency override capabilities, so that an alpha-numeric message can appear on all channels, the Grantee shall use the same to advise the viewing public of such an emergency, on the local origination/access channel for further details.

(C) In the event of said emergency use the same shall not constitute a taking and/or eminent domain, and the Grantee shall waive any claim therefor, provided that the Town or other governmental agency return use and operation of the channels, facilities, employees and equipment to the Grantee once correlative time of the emergency, disaster, danger and imminent threat has ended.

(D) For the period of said emergency disaster or danger, or imminent threat thereof, the Town shall hold harmless and

indemnify the Grantee from any claims, damages or penalties resulting from Town use of the channel for said emergency alert.

15.0 PUBLIC ACCESS

15.1 Intent. One of the prime ideas upon which the concept of cable television was predicated was, and still is community involvement. It is the intent of the Town that community involvement in the form of local participation in community programming be encouraged, and grow as the cable television industry grows.

15.2 Public Access Channel. The Grantee shall provide a minimum of one access channel for public access. Although this channel need not be exclusively devoted to public access, the Grantee shall grant public access priority, and shall provide for a reasonable portion of time to public access for Town residents and groups, commensurate with the demand therefor.

15.3 Public Access Policy. The Grantee shall proffer a reasonable policy as to public access which shall be non-discriminatory and prohibit access for commercial purposes. Said policy may include reasonable conditions such as the rules and regulations of the Federal Elections Commission, and as to the use and operation of the cable system, its equipment, supervision by its employees, and reasonable costs therefor. Furthermore, said costs shall be reasonable and consistent with the goal of affording users a low cost means of television access.

15.4 Instruction and Operation.

(A) Instructional Assistance. The Grantee shall make personnel available for instructional assistance in the use of cable

system equipment available for public access program production.

(B) Operation and Production. The Grantee shall provide an operator during normal operating business hours at its studio for program playback on the cable system, but the Grantee shall not be obliged to produce a program.

15.5 Studio and Equipment. The Grantee shall maintain a fixed studio which shall be made available for the production and transmission of live access cablecast programs and the production and transmission of programs recorded on tape or film. The Grantee shall own and maintain said facilities, along with the requisite equipment for the accomplishment thereof.

15.6 Town Access. Insofar as this provision, 15.6, Town Access, is inconsistent with provision 15.3, Public Access Policy, this provision, 15.6, Town Access, shall prevail. In addition to any other rights or privileges of provision, 15.0 and any of its provisions hereunder, the Town shall have the following rights and privileges:

(A) For any reason or normal use of the system's public access facilities or equipment during normal business hours or emergency situations, the Grantee shall not charge the Town any amount which it may impose for the use or operation of the cable system, facility, equipment, or employees pursuant to provision, 15.0 and any of its provisions hereunder.

(B) In addition to the time which the Grantee shall allow Town residents and groups for the public access channel, the Grantee shall make available to the Town approximately fifteen (15) hours per week on its public access channel, as the Town may

request. The approximate fifteen (15) hours shall be apportioned as follows: approximately ten (10) hours Monday through Friday and approximately five (5) hours Saturday and Sunday; approximately two (2) hours per day Monday through Friday between the hours of 3:00 p.m. and 8:00 p.m., and approximately five (5) hours Saturday and Sunday between 11:00 a.m. and 8:00 p.m. Said specific allotments as to any specific day are subject to the Grantee's reasonable approval due to the Grantee's other priorities, provided the Grantee allows equivalent credit within the same time frame, within a two week time period and that the Grantee substantially adheres to this provision, 15.6 (B). This reasonable discretion given the Grantee shall be balanced with its overall responsibility to grant public access priority.

(C) The Town shall provide the Grantee with its programming schedule and as feasible its tape, at least two (2) weeks prior to its requested date to be shown, subject to reasonable and occasional exceptions, in order to allow the Grantee adequate time in arranging its overall schedule.

(D) In addition to previously recorded programming, the Town may submit and the Grantee shall accept during the time reserved for Town programming, live programming from the Grantee's facilities; providing that the Town shall provide the Grantee with reasonable prior notice for scheduling and any necessary technical preparation.

(E) In addition to any other studios, facilities and equipment which the Grantee now has or shall obtain over the term of this franchise, including but not limited to that obtained in keeping

up with innovative technologies and the latest state-of-the-art, as economically reasonable and feasible, the Grantee shall obtain, own or lease, and maintain the following equipment which it shall loan to the Town, or let the Town use, under and with the Grantee's conditions, supervision and training, which the Grantee deems appropriate of the Town's representatives, in order to safeguard its investment:

- (1) One 3/4" insert edit-video cassette recorder.
- (2) One character generator titler with eight page memory.
- (3) One low cost "time base" signal corrector for duplicating.

(F) The time allotted the Town in provision 15.6 (B) hereof, shall not be diminished by the Town's usage and/or operation of the Grantee's cable system pursuant to provision 14.0, Emergency, and any of its provisions thereunder.

(G) As to the Town's use of the public access channel pursuant to this provision 15.0, Public Access, and all of its provisions hereunder, the Town shall hold harmless and indemnify the Grantee from any claims, damages, or penalties resulting therefrom.

16.0 PRIMARY SERVICE AREA

The primary service area shall consist of any and all areas which are adjacent to the existing cable plant of the franchisee and as such the franchisee is required to provide service upon request

within a reasonable period of time (not longer than one (1) year).

17.0 COMPLIANCE WITH LAWS

The Terms of this franchise shall comply with all applicable federal and state statutes, laws, rules and regulations.

18.0 MATERIAL PROVISIONS AND SEVERABILITY

The Town and the Grantee deem that the provision 2.0 definition of "Gross Annual Receipts" and provision 5.1 shall be deemed material. The Town and the Grantee shall cooperate and work jointly as required to uphold said provisions as they are currently written. Should either or both of said provisions be held invalid as they are currently written, by a court or regulatory agency of competent jurisdiction, the remaining provisions of this Franchise Agreement shall remain in full force and effect until the Franchise Agreement can be amended as hereinafter stated. However, at and during this time, this Franchise Agreement shall be subject to expeditious renegotiation between the Town and the Grantee, and expeditious amendment, not only as to the provision or provisions which have been declared invalid, but also as to any other provision which needs to be added, changed, modified or deleted, so as to accomplish the intent and substance of the invalidated provision or provisions. Should any other provision of this Franchise Agreement be held invalid by a court or regulatory agency of competent jurisdiction, the remaining provisions of this Franchise Agreement shall remain in full force and effect.

Said provisions deemed material for the purposes of this provision, 18.0, shall not be deemed to limit the classification of these provisions and any other provisions of this Franchise Agreement

as material as to any other provision of this Franchise Agreement.

19.0 COMMUNICATIONS AND REPORTS AND FILINGS

19.1 Communications to Town. All communications from the Grantee to the Town, including but not limited to notices or service of process relating to this franchise for the operations thereunder, shall be addressed to the Town to the attention of the Brookhaven Town Clerk at its address stated in the Preamble of this Franchise Agreement with a copy to the Town Attorney at its current offices, or as otherwise designated in writing by the Town to the Grantee.

19.2 Court and Regulatory Agency Reports and Filings. The Grantee shall submit upon request to the Town Attorney copies of all pleadings, petitions, applications, reports, communications and documents of any kind, except tax returns, submitted by the Grantee to any federal, state and local courts, regulatory agencies and other governmental bodies, as well as copies of all decisions, correspondence and actions by and from any federal, state and local courts, regulatory agencies and other governmental bodies relating to or affecting the Grantee's cable television operations within the franchise area.

19.3 Other Reports and Filings. In addition to any items stated in provision 19.2 of this Franchise Agreement the Grantee shall remit on an annual basis a copy of the annual report on form 10-K of any direct or indirect parent and subsidiary of the Grantee to the Town, upon request by the Town.

19.4 Communications to Grantee. All communications from the Town to the Grantee, including but not limited to notices or service of process relating to this franchise for the operations

thereunder, shall be addressed to the Grantee at its current address stated in the Preamble of this Franchise Agreement, or as otherwise designated in writing by the Grantee to the Town.

20.0 NEW YORK LAW

This Franchise Agreement and its provisions hereunder shall be construed under, and subject to the laws of the State of New York as the same now or hereafter shall exist.

21.0 ADMINISTRATIVE OFFICES

The Supervisor of the Town who is a member of the franchising authority shall be responsible for the continuing administration of this franchise.

22.0 COMMUNITY LIAISON

The Town, the Grantee and any subscriber shall recognize any individual appointed from time to time by the franchising authority, as a liaison between the Town, the Grantee and any subscriber for the purpose of accommodating any outstanding complaints, as to any of the above persons. The following procedures may be followed with regard to subscriber complaints:

(A) Once a complaint is received either in written or verbal form from a subscriber the community liaison will contact the Grantee.

(B) The community liaison will contact the Grantee concerning a subscriber complaint either in written or verbal form. The Grantee has ten (10) business days to respond to the complaint.

(C) The Grantee shall deal directly with the community liaison and will not contact the subscriber during this

process, unless approval is received from the community liaison.

(D) If it is necessary to see confidential records, a letter of authorization from the resident will be provided.

(E) While the complaint is being handled by the Grantee and the community liaison, no action can be taken towards the subscriber, i.e. disconnection, late fees, etc.

The Town's community liaison may handle other items deemed necessary by the Town of Brookhaven.

IN WITNESS THEREOF, the parties hereto have caused this agreement to be executed by their duly authorized officers and their seals to be hereunto affixed this day of , 1995.

(SEAL)

TOWN OF BROOKHAVEN

By: _____

SUFFOLK CABLE CORPORATION

(CORPORATE SEAL)

By: _____