

ATTACHMENT D

**DOCUMENTS SUBMITTED BY VERIZON AS PART OF,
OR IN SUPPORT OF, ITS APPLICATION**

1. 12/5/07 Correspondence from Verizon's outside counsel, Nia McDonald of Wiley Rein LLP, to Village Clerk, Carol Pogrell, enclosing Verizon's application for a cable television franchise and Verizon's proposed franchise agreement
2. 12/6/07 Correspondence from Verizon's outside counsel, Nia McDonald of Wiley Rein LLP, to Great Neck/North Shore ("GNNS") Commission counsel, A. Thomas Levin, enclosing copy of letter transmitting Verizon's application to Cablevision
3. 12/11/07 Correspondence from Verizon's outside counsel, Nia McDonald of Wiley Rein LLP, to Village Clerk, Carol Pogrell, enclosing revised Exhibit A to the franchise agreement
4. 12/12/07 Correspondence from Verizon's Senior Vice President, Monica Azare, to Village Mayor, Ronald Cooper, regarding the December 20 public hearing and enclosing an information sheet outlining the benefits of Verizon FiOS TV service and copies of Verizon's application and proposed franchise agreement
5. 12/17/07 Correspondence from Verizon's outside counsel, Gabrielle Stormo of McGuireWoods LLP, to GNNS Commission counsel, A. Thomas Levin, regarding proposed changes to section 2.12 of the franchise agreement
6. 12/18/07 Correspondence from Verizon's outside counsel, Gabrielle Stormo of McGuireWoods LLP, to Village Clerk, Carol Pogrell, regarding documents needed for confirmation petition
7. 12/18/07 Correspondence from Verizon's outside counsel, Nia McDonald of Wiley Rein LLP, to GNNS Commission counsel, A. Thomas Levin, enclosing master agreement in clean and blackline format and exhibits
8. 12/18/07 Correspondence from Verizon's outside counsel, Nia McDonald of Wiley Rein LLP, to GNNS Commission counsel, A. Thomas Levin, enclosing franchise agreement
9. 12/21/07 Correspondence from Verizon's Director, Cronan O'Connell, to GNNS Commission counsel, A. Thomas Levin, regarding government access channels
10. 2/1/08 Correspondence from Verizon's consultant, Mac Kerbey of Telecommunications Insight Group, to GNNS Commission counsel, A. Thomas Levin, regarding proposed changes to Exhibit D to certain franchise agreements
11. 2/1/08 Correspondence from Verizon's outside counsel, Gabrielle Stormo of McGuireWoods LLP, to GNNS Commission counsel, A. Thomas Levin, enclosing final Exhibit Ds to the GNNS franchise agreements

12. 2/1/08 Correspondence from Verizon's outside counsel, Gabrielle Stormo of McGuireWoods LLP, to GNNS Commission counsel, A. Thomas Levin, enclosing corrected Exhibit Ds to the GNNS franchise agreements
13. 2/1/08 Correspondence from Verizon's outside counsel, Gabrielle Stormo of McGuireWoods LLP, to GNNS Commission counsel, A. Thomas Levin, enclosing corrected Exhibit Ds to the GNNS franchise agreements

Tab 1



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December 5, 2007

Via Federal Express

Ms. Carol Pogrell
Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Re: Application of Verizon New York, Inc. for a Cable Television Franchise

Dear Ms. Pogrell:

Pursuant to our recent conversation with Tom Levin, enclosed please find an updated Application of Verizon New York Inc. to the Village of Lake Success for a cable television franchise. Also enclosed, please find the final cable franchise agreement by and between the Village of Lake Success and Verizon New York Inc. Please make both documents available for public inspection at Village Hall.

Please contact Mac Kerbey at (617) 628-3436, Gabrielle Stormo at (312) 750-5737 or me at (202) 719-4633 if you have any questions.

Very truly yours,

Nia McDonald

NM/

Enclosures

cc: Verizon New York Inc.
A. Thomas Levin, Esq.

APPLICATION FOR A CABLE TELEVISION FRANCHISE
BY VERIZON NEW YORK INC.

Verizon New York Inc. ("Verizon NY") respectfully submits this application form ("Application") and requests the award of a cable television franchise from the Village of Lake Success ("Municipality"). In this application, Verizon NY answers the questions set forth in Title 16, Chapter VIII, Part 894, Section 894.5, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended.

- (1) A description of the cable television system proposed to be constructed including information regarding (a) channel capacity, including both the total capability of the proposed system and the number of channels to be energized immediately; (b) television and radio broadcast signals which Verizon NY intends to carry on its system initially; (c) the extent and type of any origination cable casting to be undertaken, and the facilities, equipment and staff to be employed therein; and (d) the system layout or design, including where applicable: (i) location of antennae and headends; (ii) plans for a two-way capability including a proposed schedule indication when two-way capability will become available from particular points; (iii) location or origination points and origination facilities; (iv) extent and type of automated services to be provided; and (v) number of channels to be utilized for access cablecasting and the facilities, equipment, staff and other support to be available to access users including access utilization or production costs.

In response to the information requested in subsections 1(a) and (d)(i-ii), please see attached Exhibit 1, "Proposed Service Overview, Product Offers and Architecture." In response to question 1(b), please see the sample channel line up set forth in Exhibit 2, "Verizon FiOS TV – New York Area Channel Lineup."

In response to the information requested in subsection 1(c) and 1(d)(iii), Verizon NY does not currently plan to engage in origination cable casting.

In response to the information sought in subsection 1(d)(v), upon request of the Municipality, Verizon NY intends to provide capacity on its basic service tier for up to one (1) dedicated Public Access Channel, one (1) dedicated Educational Access Channel, and up to one (1) dedicated Government Access Channel.

- (2) The terms and conditions under which service is to be provided to educational and governmental entities.

Verizon NY will provide channel capacity to educational and governmental entities under terms and conditions consistent with applicable law, and as may be required by the Municipality.

- (3) The terms concerning rates and construction schedules.

Verizon NY's current cable television service rates and available packages are attached as Exhibit 3.

Verizon NY has completed the construction of its fiber to the premises ("FTTP") network to approximately 98% of the households in the Municipality. A full discussion of the construction requirements and central office conversion requirements to bring FTTP and cable television service to the Municipality is contained in Exhibit 1.

On June 15, 2005, the New York Public Service Commission ("NY PSC") "declared that Verizon NY's FTTP upgrade is authorized under its existing state telephone rights because the upgrade furthers the deployment of telecommunications and broadband services, and is consistent with state and federal law and in the public interest." The NY PSC determined that, unlike a company seeking to build an unfranchised cable television system, Verizon NY already has the necessary authority to use the rights-of-way to provide telecommunications service over its existing network. See Declaratory Ruling on Verizon Communication, Inc.'s Built-Out of its Fiber to the Premises Network, NY Public Service Commission, Case 05-M-0520/05-M-0247, June 15, 2005 at 4.

Verizon NY will continue to adhere to applicable lawful customary time, place and manner permitting requirements of the Municipality.

- (4) An indication of whether Verizon NY will provide service on the same terms and conditions as contained in the existing franchise in effect.

Verizon NY will provide service on terms and conditions consistent with the needs and interests of the Municipality and the level playing field requirement set forth in Title 16, Chapter VIII, Part 895, Section 895.3, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, in that the Verizon NY proposed franchise is comparable in its totality with the incumbent cable television provider's agreement. Verizon NY is applying for a cable television franchise in the Municipality in order to provide the residents of the Municipality with competitive choice.

As more fully described in Exhibit 1, Verizon NY is constructing its FTTP network pursuant to its authority as a common carrier under Title II of the Communications Act of 1934, as amended, and Section 27 of the New York Transportation Corporations Law. For this reason and others, certain terms and conditions may differ between the incumbent cable provider's franchise and Verizon NY's franchise.

- (5) A statement of Verizon NY's experience in the cable television field including, if applicable, the names and professional experience of the persons or organizations who

will be responsible for the construction, installation and operation of the proposed system.

Verizon NY and its predecessor entities have provided telecommunications services in the State of New York for over one hundred years. Consequently, Verizon NY has extensive experience and expertise in the telecommunications field. Generally, the current cable service operation of Verizon NY is similarly based on an extensive history. Specifically, Verizon NY has applied the comprehensive knowledge of current Verizon NY employees in the provision of telecommunications service, including in-depth knowledge and experience of employees who were involved in affiliated enterprises.

Verizon NY was awarded cable television franchise by the following municipalities: (1) Village of Massapequa Park (Nassau County); (2) Village of Nyack (Rockland County); (3) Village of South Nyack (Rockland County); (4) Village of Upper Nyack (Rockland County); (5) Town of Hempstead (Nassau County); (6) Village of Cedarhurst (Nassau County); (7) Town of Oyster Bay (Nassau County); (8) Village of Laurel Hollow (Nassau County); (9) Village of Grand View-on-Hudson (Rockland County); (10) Village of Lynbrook (Nassau County); (11) Town of Clarkstown (Rockland County); (12) Village of Mineola (Nassau County); (13) Village of East Rockaway (Nassau County); (14) Town of Greenburgh (Westchester County); (15) Town of Smithtown (Suffolk County); (16) Village of Irvington (Westchester County); (17) Village of Valley Stream (Nassau County); (18) Town of Huntington (Suffolk County); (19) Village of Farmingdale (Nassau County); (20) Village of Ardsley (Westchester County); (21) Village of Freeport (Nassau County); (22) Village of Dobbs Ferry (Westchester County); (23) Village of Tarrytown (Westchester County); (24) Town of Eastchester (Westchester County); (25) Town of Mount Kisco (Westchester County); (26) Village of Elmsford (Westchester County); (27) Village of Port Chester (Westchester County); (28) Village of Tuckahoe (Westchester County); (29) Town of Orangetown (Rockland County); (30) Village of Piermont (Rockland County); (31) City of White Plains (Westchester County); (32) Village of Airmont (Rockland County); (33) Village of Williston Park (Nassau County); (34) Town of North Hempstead (Nassau County); (35) Village of Rye Brook (Westchester County); (36) Town of Haverstraw (Rockland County); (37) Village of New Hyde Park (Nassau County); (38) Village of West Haverstraw (Rockland County); (39) Town of North Castle (Westchester County); (40) Village of Chestnut Ridge (Rockland County); (41) Village of Bayville (Nassau County); (42) Village of Sands Point (Nassau County); (43) Town of Mount Pleasant (Westchester County); (44) Village of Old Field (Suffolk County); (45) City of Mount Vernon (Westchester County); (46) Village of Spring Valley (Rockland County); (47) Village of Suffern (Rockland County); (48) Village of Scarsdale (Westchester County); (49) Village of Bronxville (Westchester County); (50) City of Yonkers (Westchester County); (51) Village of Floral Park (Nassau County); (52) Town of Islip (Suffolk County); (53) Village of South Floral Park (Nassau County); (54) City of New Rochelle (Westchester County); (55) Village of Haverstraw (Rockland County); (56) Town of Cortlandt (Westchester County); (57) Village of Garden City (Nassau County); (58) Village of Nissequogue (Suffolk County); (59)

Village of Poquott (Suffolk County); (60) City of Peekskill (Westchester County); (61) Village of Buchanan (Westchester County); (62) Village of Mill Neck (Nassau County); (63) Village of Head of the Harbor (Suffolk County); (64) Village of Hillburn (Rockland County); (65) Village of East Williston (Nassau County); (66) Village of Stewart Manor (Nassau County); (67) City of Rye (Westchester County); (68) Village of Centre Island (Nassau County); (69) Town of Newburgh (Orange County); (70) Town of Mamaroneck (Westchester County); (71) Village of Malverne (Nassau County); (72) Village of Mamaroneck (Westchester County); (73) Village of Larchmont (Westchester County); (74) Village of Pelham Manor (Westchester County); (75) Village of the Branch (Suffolk County); and (76) Village of Huntington Bay (Suffolk County).

The NY PSC granted the following Orders and Certificates of Confirmation for Verizon NY's approved franchises: (1) Massapequa Park - December 14, 2005; (2) Nyack - February 8, 2006; (3) South Nyack - February 8, 2006; (4) Upper Nyack - May 18, 2006; (5) Hempstead - May 18, 2006; (6) Cedarhurst - June 22, 2006; (7) Oyster Bay - June 23, 2006; (8) Laurel Hollow - August 24, 2006; (9) Grand View-on-Hudson - August 24, 2006; (10) Lynbrook - September 21, 2006; (11) Clarkstown - September 21, 2006; (12) Mineola - September 21, 2006; (13) East Rockaway - October 19, 2006; (14) Greenburgh - October 19, 2006; (15) Smithtown - November 10, 2006; (16) Irvington - November 10, 2006; (17) Valley Stream - November 10, 2006; (18) Huntington - November 10, 2006; (19) Farmingdale - November 10, 2006; (20) Ardsley - December 15, 2006; (21) Dobbs Ferry - December 15, 2006; (22) Freeport - December 15, 2006; (23) Tarrytown - December 15, 2006; (24) Eastchester - January 19, 2007; (25) Mount Kisco - January 19, 2007; (26) Elmsford - February 16, 2007; (27) Port Chester - March 23, 2007; (28) Tuckahoe - March 23, 2007; (29) Orangetown - April 20, 2007; (30) Piermont - April 20, 2007; (31) White Plains - May 17, 2007; (32) Airmont - May 17, 2007; (33) Williston Park - May 17, 2007; (34) Rye Brook - May 17, 2007; (35) North Hempstead - June 22, 2007; (36) West Haverstraw - June 22, 2007; (37) Haverstraw - June 22, 2007; (38) New Hyde Park - June 22, 2007; (39) North Castle - June 22, 2007; (40) Bayville - June 22, 2007; (41) Chestnut Ridge - June 22, 2007; (42) Sands Point - June 22, 2007; (43) Mount Pleasant - July 19, 2007; (44) Mount Vernon - July 19, 2007; (45) Old Field - July 19, 2007; (46) Spring Valley - July 19, 2007; (47) Scarsdale - August 22, 2007; (48) Yonkers - August 22, 2007; (49) Bronxville - August 22, 2007; (50) Floral Park - August 22, 2007; (51) Islip - August 22, 2007; (52) South Floral Park - August 22, 2007; (53) Cortlandt - September 21, 2007; (54) Haverstraw - September 21, 2007; (55) Nissequogue - September 21, 2007; (56) Poquott - September 21, 2007; (57) City of New Rochelle - September 21, 2007; (58) Suffern - September 21, 2007; (59) Garden City - September 21, 2007; (60) Head of the Harbor - October 18, 2007; (61) Hillburn - October 18, 2007; (62) Peekskill - October 18, 2007; (63) Mill Neck - November 8, 2007; and (64) Buchanan - November 8, 2007.

Furthermore, other subsidiaries of Verizon Communications Inc. were awarded cable television franchises by 852 franchising authorities in California,

Delaware, Florida, Maryland, Massachusetts, New Jersey, Pennsylvania, Texas, Oregon, Rhode Island and Virginia.

- (6) A statement indicating whether Verizon NY or any of its principals owns or operates any other cable television system, directly or indirectly, and a statement indicating the name of any such operations and the name and address of the chief executive officer of the franchising authority in which such system or station is located.

Verizon NY does not own or operate any other cable television system, directly or indirectly.

- (7) A documented plan for financing the proposed system, which plan shall indicate specifically every significant anticipated source of capital and any and all limitations or conditions with respect to the availability of the indicated sources of capital.

Verizon NY intends to finance the construction of the FTTP system and the provision of cable services over the FTTP system through a variety of internally and externally generated funds. Verizon NY is a financially stable company which has provided telecommunications services in New York State for more than a century. Its parent company, Verizon Communications Inc., is a Fortune 20 company, a Dow 30 Industrials company, and had 2006 revenues in excess of \$88 billion. A copy of The 2006 Form 10-K of Verizon Communications Inc. can be accessed via the following internet address:

http://investor.verizon.com/sec/sec_frame.aspx?FilingID=5002107

A copy of the Verizon Communications Inc. 2006 Annual Report to Shareholders can be accessed via the following internet address:

http://investor.verizon.com/financial/quarterly/pdf/06_annual_report.pdf

- (8) A statement indicating whether Verizon NY or any of its officers, directors and persons having a legal or equitable interest in 10% or more of the voting stock: (a) has ever been convicted of a crime involving moral turpitude (including criminal fraud) or is presently under indictment charging such a crime; (b) has ever been held liable by any court of competent jurisdiction in any civil action based on fraud, deceit or misrepresentation; or (c) has ever been punished or censured in any jurisdiction for any violation or attempted violation of any law, rule or order relating to cable television operations.

Verizon NY has no knowledge of any such finding of guilt toward Verizon NY, any person controlling Verizon NY, or any officer, director or major stockholder of Verizon NY.

PROPOSED SERVICE OVERVIEW, PRODUCT OFFERS AND ARCHITECTURE

- Overview of Fiber to the Premises (FTTP) Deployment
- Service Overview
 - Product Offer
 - Service Delivery/Connection Method
- FTTP System Architecture
 - End-to-End Architecture
 - Wide Area Transport

Overview of Fiber To The Premises (FTTP) Deployment

Fiber to the Premises (FTTP) is a key Verizon corporate initiative to provide voice, cable television and very high speed data services. FTTP uses fiber-optic cable and optical electronics to directly link homes and many businesses to the Verizon network. The fiber network being deployed can support cable television and, where appropriate, Verizon will seek to provide cable service to customers. Key objectives include, but are not limited to, the delivery of higher customer satisfaction, superior performance (network, applications & technical support), and an installation process that surpasses the Cable, DBS and DSL experience today.

- Verizon Communications companies began deploying FTTP in twelve states in 2004. Verizon passed six million homes with FTTP in sixteen states by the end of 2006.
- Cable television services deployment will be a subset that is ancillary to the voice and data FTTP services. Select FTTP-enabled wire centers will be deployed for cable service in the first instance.

Service Overview

The FTTP Network will enable provision of a feature rich and fully competitive cable television offering. The major components of the cable television services which Verizon will offer to consumers will include:

- Basic tier, including local and Educational and Government (EG) channels as requested by and as negotiated with the community
- Expanded Service tiers
- Premium channel tiers
- Pay Per View (PPV)
- HDTV channels
- Digital music channels
- Digital Video Recorder (DVR)

- Interactive programming guide (IPG)
- Inside coax cable wire installation

Product Offers

For residential customers, Verizon will initially offer Broadcast Television, High Definition TV (HDTV), Digital Video Recorders (DVR), Interactive Programming Guide (IPG) and Pay Per View (PPV) Movies and Events. The Broadcast Television offering will consist of both a Basic Service tier and an Expanded Service tier. The Basic Service tier will include local, educational/government (EG) channels and select cable channels. The Expanded Service tier will include all channels carried on the Basic Service tier as well as additional cable channels, premium cable channels, Spanish language channels, international channels, digital music channels, an interactive program guide (IPG), HDTV programming (for subscribers with an HD STB) and PPV programming. Customers will be charged a monthly recurring fee for each set top box (STB) based upon model. The customer will be offered the option to upgrade STBs to include support for HDTV, or a combined HD DVR STB for additional monthly fees.

In addition to organizing and informing the customer of the programming line-up, the system is designed from its outset to be an active two-way system for subscriber interaction, if any, required for the selection or use of cable service. The IPG will support on-screen program control, parental controls, timers, search, and ordering of PPV services. Pay Per View allows subscribers to pay for and watch prescheduled programming events on an on-demand basis. PPV movies or events will be selected from the IPG. Authorization for billing will occur at the time of purchase. Events begin at pre-scheduled intervals (i.e., programming is not immediately available). Customers will purchase PPV either as discrete events or in pre-defined packages.

Service Delivery/Connection Method

Connection Method

At initial deployment, an installation and maintenance (I&M) technician will connect the Optical Network Terminal (ONT) to a central point of demarcation where a cable television I&M technician will make final connections to provide the cable television service. After the installation of the ONT, a cable television field technician will test the existing in-home coaxial cable to determine if it is technically acceptable and will connect the service. If no coaxial cable exists or the coaxial cable is unacceptable, the technician will install wiring to the first cable outlet, and will install new coaxial wiring to other locations identified by the customer at the customer's request and expense. The customer may choose to self-install such wiring, or to obtain inside wiring installation service from a third party or Verizon.

Connection Method – Set Top Box

The technician will have a set top box that will need to be installed near the TV. The technician will connect a coaxial cable from the wall outlet to the set top and another coaxial cable from the set top box to the TV. The technician will also connect the customer's VCR and/or DVD device and check for proper operation. A fee may be charged for non-standard installations involving

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multiple components such as surround sound systems or other electronic equipment. This process will be followed for any boxes installed.

When a set top box is installed the technician will call the service center at which point certain services previously ordered by the customer will be activated. A remote command will be issued to the set top box in real time to turn the purchased service(s) on.

Connection Method: - PPV

The set top box provides access to the service. Customers will use their remote control to purchase the programming they desire. Purchases will appear on the monthly bill.

Equipment Changes and Re-Configurations

When a customer changes the in-home configuration (e.g., moving a set top box from one TV to another), the customer will be able to accomplish this change without reconfiguring the set top box.

FTTP System Architecture

End-to-End Architecture

Figure 1 shows the architecture topology for supporting service across multiple market areas. A brief summary of the end-to-end architecture follows. Subsequent sections provide more information on each major component within the planned Verizon FTTP overlay architecture.

Figure 2 shows full build and overlay architecture. FTTP will be built instead of copper facilities in new communities. In existing communities, the existing copper network will continue to serve those customers who have not migrated to the FTTP network. The fiber is deployed from a Central Office location within a wire center area.

Figure 1-High Level End to End Architecture

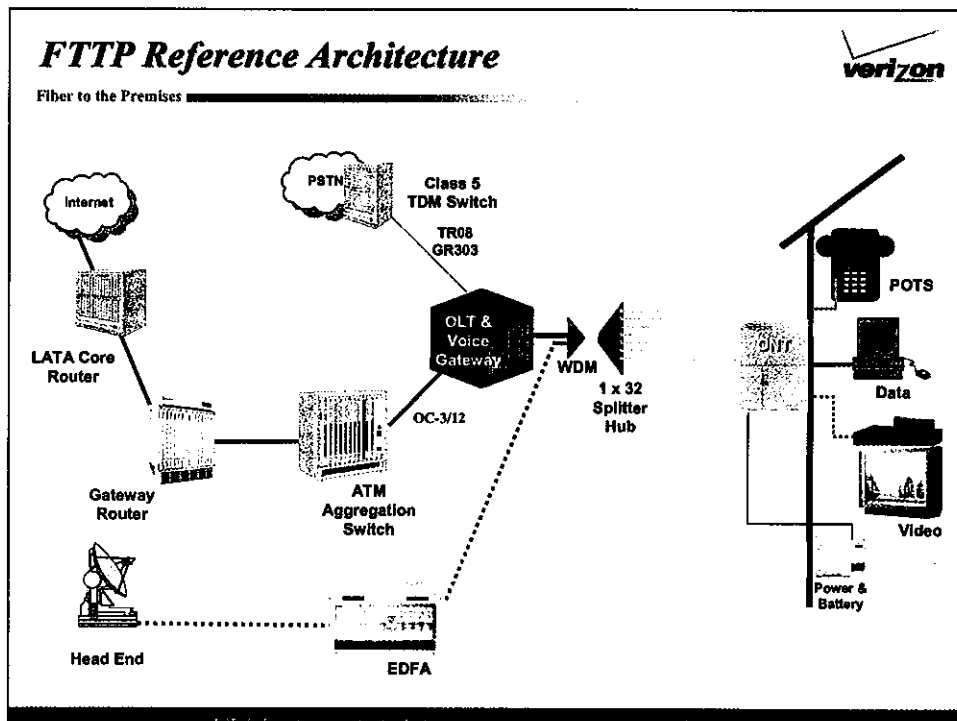
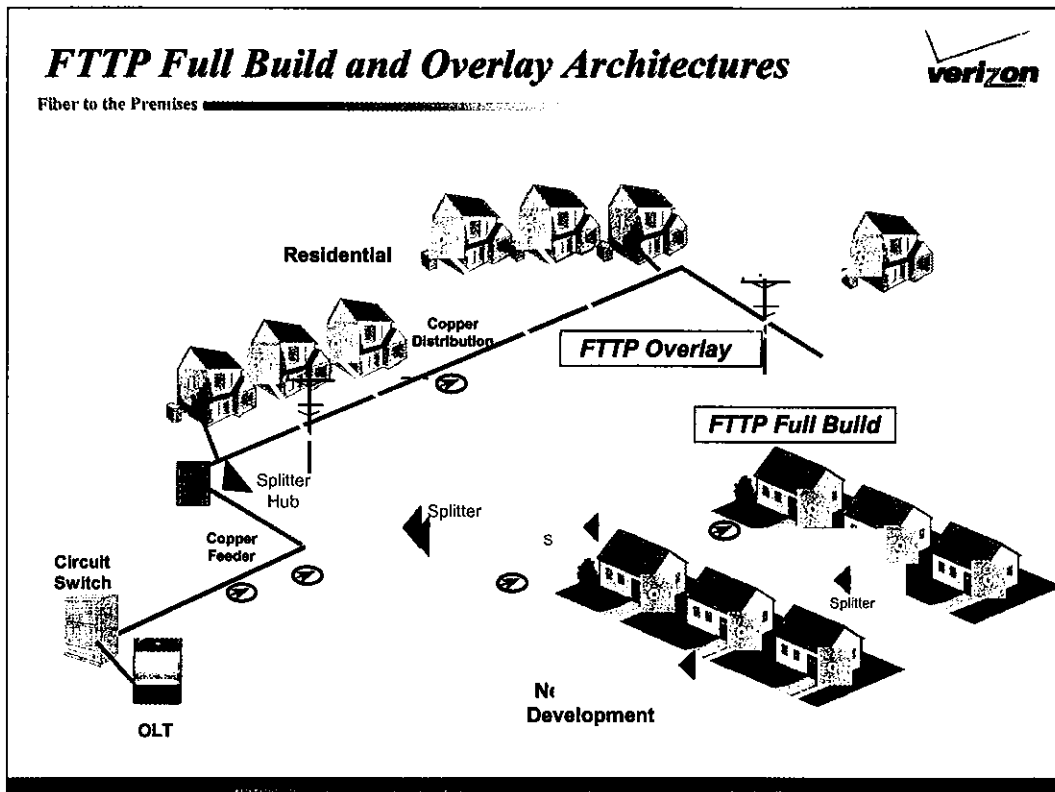


Figure 2-FTTP Full Build and Overlay Architectures



At the national or regional level, a "super" headend (SHE) (Temple Terrace, Florida with a backup in Bloomington, Illinois) shall serve as the single point of national content aggregation (see Figure 1). All content shall be encoded into MPEG2 streams and transported over nationwide SONET services. In each market where Verizon seeks to offer service, the broadcast cable television traffic is off loaded from the long haul network and terminated at a Video Hub Office (VHO). Network redundancy and route diversity shall extend from the SHE to the VHO.

The VHO serves as the metro or local point of aggregation. It is here that off-air and public, educational, and government (PEG) channels (where appropriate) are combined with the broadcast cable television coming from the SHE. Interactive Program Guides (IPG) shall be controlled from this site, also. The service that exits the VHO shall look like the final product viewed by the end user subscriber.

Cable television traffic is converted to optical signals at the VHO and transported over Verizon's metro area, inter-office facilities (IOF) to Video Serving Offices (VSOs). Voice and high-speed data signals are combined with the cable television at this location for final transport to the subscriber premises over Verizon's FTTP Passive Optical Network (PON).

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At the premise, the optical cable television signal is de-multiplexed and converted to an electrical signal, which meets cable television industry standards for cable services. Standard home wiring practices, using coaxial cables, as well as alternative media, shall distribute the signal to cable ready TVs and standard set top boxes.

There will be 24x7 control and surveillance of the cable television platform from a remote location. This Network Operations Center (NOC) will be centrally located and shall be responsible for the operation and maintenance of the Conditional Access System (CAS), which directs the encryption functions performed back at the VHO.

Super Headend (SHE)

A "super" headend (SHE) shall serve as the single point of national content aggregation. At general service availability, Verizon shall deploy a primary SHE and an additional SHE for redundancy.

Both the primary and redundant SHEs will be strategically located to ensure technical and environmental requirements are met.

The key functions of the SHE include:

Content Reception

Signal Processing

Encoding

Network Interface

The majority of cable television sources shall be individual content provider programming. A mix of standard and high definition formats shall be supported. All content shall be encoded into MPEG2 streams, formatted for SONET, and transported via an OC48c to a local point-of-presence (POP) for wide area (national) transport.

Wide Area Transport

In support of the cable television service, Verizon will use OC48c SONET facilities in the POPs serving target cable markets. Where multiple POPs exist within a market, redundancy options shall dictate if a single or multiple POPs shall be designated for supporting the cable television traffic.

In most cases, it is expected that the cable television traffic shall traverse multiple interconnected rings between the SHE and the destination market. Once the cable traffic reaches a POP located in a target market, it will be forwarded to an OC48c SONET interface connected to metro/local SONET facilities. These facilities shall connect the POP to a Video Hub Office (VHO). VHOs are capable of serving multiple communities within a target market. If more than one VHO is required, the metro SONET ring(s) would be deployed to cover multiple sites.

Video Hub Office (VHO)

The VHO serves as the metro or local point of aggregation. The VHO location (Queens, NY) is based on a combination of technical factors, metro fiber/IOF availability, local channel reception characteristics, and municipal regulations (e.g., zoning ordinances).

Under current network design plans, the anticipated functions of the VHO include:

WAN Interface for Cable television Transport

Ad Insertion

PEG Content

Signal Grooming and Multiplexing

Emergency Alert Service

Interactive Program Guide

Conditional Access

Local Content

The VHO shall aggregate three basic sources of content: national broadcast channels, local broadcast channels, and public, educational, & government (PEG) channels. The national content is the traffic sent from the SHE and is delivered via an OC48c SONET interface from the SONETPOP. The local broadcast channels shall be received off-air via antennas or terrestrial fiber transport located at the VHO site. The PEG channels shall be collected via terrestrial connections from each local franchising area (LFA) served by the VHO.

The final collection of content is placed into the RF spectrum between 50 – 870 MHz as either an analog AM-VSB signal or, as part of a digital multiplex, into a 256-QAM modulated carrier. Digital content requiring encryption by the CAS shall also be multiplexed into QAM modulators and combined with other analog and digital carriers. In addition, an out-of-band downstream channel is generated which carries the Interactive Program Guide (IPG), provisioning, and management messages to STBs. The combined RF signal is converted to optics and fed into erbium-doped fiber amplifiers (EDFAs) at egress from the VHO. These optical cable television signals are transported on the 1550 nm wavelength of the G.983-specified Enhancement band to Verizon Video Serving Offices (VSOs).

As noted previously, it is intended that the broadcast cable television traffic/service that exits the VHO shall look like the final product viewed by the end user subscriber.

Metro Area Transport

The optical cable television signals coming from the VHO are transported on the 1550 nm wavelength over fiber available within Verizon's inter-office facilities (IOF).

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Video Serving Office (VSO) & Passive Optical Network (PON)

The Video Serving Office (VSO) is a location within the central office containing FTTP equipment. The VSO that will serve the Village of Lake Success is located in Great Neck, New York. If technically feasible or otherwise appropriate, PEG insertion may occur at these locations in the network.

The key function of the VSO is to combine Broadcast Cable television into the Voice and High Speed Data FTTP Network.

Once in the VSO, the optical cable television signal is sent through an EDFA and then to a Wave Division Multiplexer (WDM) combiner and splitter, which is used to add the cable signal to the voice and high-speed data signals' wavelength (1490nm) – coming from the Optical Line Terminal (OLT) – together with the cable wavelength onto a single optical source. This optical signal is then sent towards the subscriber premises via a PON. The VSO will also play a role in supporting upstream signals from the customer premises for pay-per-view services. Pay-per-view usage data uses the data service's 1310nm upstream wavelength. The upstream data communications shall be sent back to a subscriber database located in the Operations Center located in the VHO.

Customer Premises

At the premise, an Optical Network Terminal (ONT) de-multiplexes the 1550nm optical signal and simply converts it to a voice, data and cable television electrical signal, which meets cable television industry standards for cable services.

LEGAL AUTHORITY TO CONSTRUCT FIBER TO THE PREMISES

Verizon New York Inc. ("Verizon"), as a common carrier under Title II of the Communications Act of 1934 (the "Act"), is constructing its Fiber To The Premises (FTTP) network as an upgrade to its existing telecommunications network. Verizon has the requisite authority to upgrade its network for enhanced voice and broadband services for the reasons discussed, in part, below.

Verizon has the necessary Federal, state and local authorizations to upgrade its Title II telecommunications network, subject to customary time, place and manner permitting requirements. Specifically, Section 27 of the New York Transportation Corporations Law ("New York Telecom Law") grants Verizon the right to place its facilities upon, over or under any public streets within the State of New York. See New York Tel. Co. v. Town of North Hempstead, 41 N.Y.2d 691, 363 N.E.2d 694 (1977); New York Tel. Co. v. City of Amsterdam, 613 N.Y.S.2d 993, 994 (App. Div. 1994) (stating that Section 27 grants "an unconditional privilege to install, maintain and repair" telephone facilities in public streets).

The Title II services to be provided over Verizon's FTTP network are not subject to Title VI of the Act or Article 11 of the New York State Public Service Law ("New York Cable Law"), which regulate cable television service. Verizon plans to utilize FTTP to offer its customers enhanced voice and broadband data services. While FTTP may give Verizon the future capability of providing video service, the network is not subject to Title VI of the Act or the New York Cable Law (including any construction requirements that may be set forth therein) unless and until the network constitutes a "cable system" as defined in Section 602(7) of the Act or a "cable television system" as defined in Section 212(2) of the New York Cable Law. This is triggered only when cable services, such as video programming, are provided to multiple subscribers within a community. As stated in Section 602(7) the Act, "the term 'cable system' ... does not include ... (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of title II of this Act, except ... to the extent that such facility is used in the transmission of video programming directly to subscribers...." (emphasis added) 47 U.S.C. § 522(7)(C). See Nat'l Cable Television Ass'n v. FCC, 33 F.3d 66 (D.C. Cir. 1994) (concluding that the FCC "reasonably interpreted the Act to require that an entity obtain a cable franchise only when that entity selects or provides the video programming to be offered.") Moreover, Section 621(b)(3) of the Act (47 U.S.C. § 541(b)(3)) further specifically prohibits franchising authorities from requiring cable franchises for the provision of telecommunications service or in any way restricting or impeding the provision of such service.

Verizon has the requisite authority as a common carrier under Title II of the Act and Section 27 of the NY Telecom Law to construct its FTTP network. It need not seek supplemental authority to construct the network. However, as provided in Title VI of the Act and the New York Cable Law, a cable franchise would be required prior to Verizon using the FTTP network to provide video programming to multiple subscribers in a local franchise area.

Furthermore, on June 15, 2005, the New York Public Service Commission ruled that Verizon does not need to obtain a cable franchise before constructing its FTTP network. The

EXHIBIT 1
APPLICATION FOR A CABLE TELEVISION FRANCHISE
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Commission found that unlike cable companies, Verizon already has the necessary authority under state law to use the public rights-of-way. Thus, the Commission concluded that Verizon has the right to upgrade its telecommunications network to make it capable of providing cable service. See Declaratory Ruling on Verizon Communication, Inc.'s Built-Out of its Fiber to the Premises Network, NY Public Service Commission, Case 05-M-0520/05-M-0247, June 15, 2005.

EXHIBIT 2
APPLICATION FOR A CABLE TELEVISION FRANCHISE
VILLAGE OF LAKE SUCCESS /VERIZON NEW YORK INC.

VERIZON NEW YORK INC.

VERIZON FIOS TV – NEW YORK AREA CHANNEL LINEUP

**NOTE: ALL INFORMATION PROVIDED
IS FOR THE NEW YORK AREA
AND IS SUBJECT TO CHANGE FOR THE MUNICIPALITY**

Verizon FiOS TV

New York Channel Lineup

EFFECTIVE JULY 2007

FIOS TV LOCAL

- 2 CBS — WCBS-TV 2
- 4 NBC — WNBC-TV 4
- 5 FOX — WNYW-TV 5
- 6 WRNN-TV 62
- 7 ABC — WABC-TV 7
- 8 Superstation — WGN-TV
- 9 My WWOR-TV 9
- 10 WJNY-TV 55
- 11 CW — WPIX-TV 11
- 12 Telemundo — WNUJ-TV 47
- 13 PBS — WNET-TV 13
- 17 WFTV-TV 67
- 18 WMBC-TV 63
- 21 PBS — WLW-TV 21
- 23 PBS — WJUN-TV 50
- 25 NYC-TV
- 27 Local Programming
- 28 PBS — WFME-TV 68
- 30 Local Programming
- 31 ION-TV31
- 32-35 Local Programming
- 37 Public Access
- 38 Public Access
- 40 Local Programming
- 41 Univision — WXTV-TV 41
- 42-44 Local Programming
- 46 Local Programming
- 47 Local Programming
- 48 TV Guide
- 49 Weatherman Local

FIOS TV PREMIER

- 50 USA Network
- 51 TNT
- 52 TBS
- 53 FX
- 54 Splice TV
- 60 ESPN
- 61 ESPN Classic Sports
- 62 ESPN News
- 63 ESPN
- 64 ESPN 2
- 66 YES
- 67 SportsNet NY
- 68 MSG
- 69 Fox Sports Net NY
- 71 Speed Channel
- 72 NFL Network
- 75 VERSUS
- 76 Fox Soccer Channel

PUBLIC/EDUCATION/GOVERNMENT**

- Ardsley/Greenburgh/Roseton/Tarrytown
- 32 Government Access Channel
- 34 Public Access Channel 1
- 35 Government Access Channel 2
- 36 Dobbs Ferry
- 46 Government Access Channel
- 47 Educational Access Channel
- 48 Eastchester
- 40 Eastchester Town Gov. Access 1
- Elmsford
- 30 Public Access
- Lybrook
- 32 Lynbrook Education
- 33 Lynbrook Government 1
- 34 Lynbrook Government 2
- Mineola
- 40 Mineola Education & Government Access
- Port Chester
- 42 Public Access/Local Programming
- 43 Government Access
- 44 Educational Access
- Smithtown
- 27 Smithtown Government

**Subscription to corresponding premium channels and packages required.
***Not all local public, educational and governmental (PEG) channels may be available at the time of installation.
Programming services offered within each package are subject to change, and not all programming services will be available at all times. Blackout restrictions also apply.

LOCAL PLUS

- 860 NBC Weather Plus
- 861 The Tube Music Network
- 864 WNBC 4.4
- 866 WRNN-Rise
- 870 WLW 21
- 871 WLW Create
- 872 13 Kids
- 873 WLW World

VIDEO ON DEMAND**

- ALL FREE
- Home & Leisure
- Info & Education
- Kids
- Marketplace
- Music
- News
- People & Culture
- Pop Culture
- Sports
- Women
- En Español

PAY PER VIEW

- 701 Events
- 702-707 ESPN-NCAA Sports/GamePlan/Full Court

HD

- 801 CW — WPIX HD
- 802 CBS — WCBS HD
- 803 PBS — WNET HD
- 804 NBC — WNBC HD
- 805 FOX — WNYW HD
- 807 ABC — WABC HD
- 808 My WWOR HD
- 825 TNT HD
- 826 ESPN HD
- 827 ESPN 2 HD
- 828 NFL Network HD
- 830 YES HD
- 831 SportsNet New York HD
- 833 HD Net
- 834 HD Net Movies
- 835 Universal HD
- 836 Discovery HD
- 837 Wealth TV HD
- 838 National Geographic Channel HD
- 839 MTV HD
- 840 Food Network HD
- 841 HGTV HD
- 845 Lifetime Movie Network HD
- 851 HBO HD
- 852 Cinemax HD
- 853 Showtime HD
- 854 TMC HD
- 855 Starz HD

- 856 Home & Leisure
- 857 Info & Education
- 858 Kids
- 859 Marketplace
- 860 Music
- 861 News
- 862 People & Culture
- 863 Pop Culture
- 864 Sports
- 865 Women
- 866 En Español

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Shopping

- 130 QVC
- 131 HSN
- 135 Jewelry
- 137 Shop NBC
- 140 Style
- 141 Discovery Health
- 143 Fit TV
- 144 Food Network
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333	Encore Westerns West	537	Contemporary Christian
354	Encore Mystery	538	Gospel
355	Encore Mystery West	539	Radio Disney
356	Encore Drama	540	Sounds of the Seasons
357	Encore Drama West	541	Música Urbana
358	Encore Action	542	Sales y Marketing
359	Encore Action West	543	Rock en Español
360	Encore WAlt	544	Pop Latino
361	Showtime	545	Mediterra
362	Showtime West	546	América
363	Showtime Showcase		
364	Showtime Showcase West		
365	Showtime Too		
366	Showtime Too West		
367	Showtime Beyond		
368	Showtime Beyond West		
369	Showtime Extreme		
370	Showtime Extreme West		
371	Showtime Women		
372	Showtime Women West		
373	Showtime Next		
374	Showtime Next West		
375	Showtime Family Zone		
376	Showtime Family Zone West		
377	The Movie Channel		
378	The Movie Channel West		
379	The Movie Channel Xtra		
380	The Movie Channel Xtra West		
381	Fix		
382	Fix West		
384	Sundance		
385	Independent Film Channel		

☐ Lifestyle ☐ Sports ☐ Arts & Entertainment ☐ Premiums
☐ News & Information ☐ Music Choice/URGE Radio

*A Spanish-language Secondary Audio Program (SAP) is available for selection.
 **Subscription to corresponding premium channels and packages required.
 Programming services offered within each package are subject to change, and not all programming services will be available at all times. Blackout restrictions also apply.

EXHIBIT 3
APPLICATION FOR A CABLE TELEVISION FRANCHISE
VILLAGE OF LAKE SUCCESS /VERIZON NEW YORK INC.

Verizon FiOS TV

Here's everything you need to create your perfect FiOS TV package. First, choose your service. Then, add to it from our selection of digital packages and premium channels below.

Refer to the Channel Lineup for a complete listing of the channels included in each package.

Service	Number of Channels	Monthly Price
FiOS TV Local ¹	15-35	\$12.99
Digital Service (Requires Set Top Box (STB) and Router ²)		
FiOS TV Premier ³	228 + FiOS TV Local	\$42.99
La Conexión ⁴	162 + FiOS TV Local	\$32.99

Now, add more channels for just a few dollars more.

Packages ⁵ (Requires STB)	Number of Channels	Monthly Price
Sports	13	\$7.99
Movies	45	\$12.99
Sports/Movies Combination	58	\$15.99
Spanish Language	25	\$11.99

Premiums ⁶ (Requires STB)	Number of Channels	Monthly Price
HBO ⁶	14	\$15.99
Cinemax ⁶	12	\$15.99
HBO/Cinemax Combination	26	\$25.99
Playboy TV/Playboy TV en Español	2	\$15.99
here!	1	\$7.99

International Premiums ⁷ (Requires STB)	Number of Channels	Monthly Price
International Premium Channels	14	Individually Priced

Video On Demand (VOD) and Pay Per View (PPV) (Requires STB)	Price
On Demand Movies	
New Releases	\$3.99
Library	\$2.99
On Demand Subscriptions	
WWE	\$7.99/mo.
Karaoke	\$7.99/mo.
On Demand Adult	\$14.99/each
PPV Events	Varies
PPV Sports	Varies
ESPN GamePlan — NCAA Football	\$21.99/daily, \$129.99 season*
ESPN FullCourt — NCAA Basketball	\$14.99/daily, \$109.99 season*

Set Top Box (STB)	Monthly Price
Digital Adapter**	\$3.99
Standard Definition (SD)	\$4.99
High Definition (includes HD channels)	\$9.99
Standard Definition Digital Video Recorder**	\$12.99
High Definition Digital Video Recorder (includes HD channels)	\$15.99
SD Home Media DVR (features Multi-Room DVR & Media Manager)**	\$17.99
HD Home Media DVR (features Multi-Room DVR & Media Manager)	\$19.99
Initial Installation	One-Time Charges
Existing Outlet Hookup (up to 3)	No Charge
Additional Outlet/Set Top Box Hookup (existing outlet)	\$19.99
New Outlet Install/Existing Outlet Rewire (per outlet)	\$54.99
Outlet Relocation	\$54.99
FiOS TV Activation Fee with FiOS TV/Internet/Voice Bundle	Free
FiOS TV Activation Fee with FiOS Internet	\$19.99
FiOS TV Activation Fee without FiOS Internet	\$29.99

Subsequent Installations/Charges	One-Time Charges
Premise Visit ⁷	\$49.99
New Outlet Installation (per outlet)	\$54.99
Outlet Relocation (per outlet)	\$54.99
Setup of TV Equipment (new TV with existing STB)	\$49.99
Downgrade of Service from Digital to Analog	\$49.99
Set Top Box Addition or Upgrade (requiring Technician visit)	\$24.99
Set Top Box Return or Downgrade with equipment drop off at Verizon authorized locations	Free
Set Top Box Return or Downgrade (requiring Technician visit)	\$29.99
FiOS TV Full Service Disconnect with equipment drop off at Verizon authorized locations	Free
FiOS TV Full Service Disconnect with Technician visit for equipment retrieval	\$74.99

Other Services and Charges	One-Time Charges
Seasonal Service Suspension (charged at initiation, 1-6 months)*	\$24.99
Replacement Remote — Verizon FiOS TV RC144	\$6.99 + Shipping & Handling
Replacement Remote — Motorola DRC800	\$5.00 + Shipping & Handling
Unreturned/Damaged STB — Digital Adapter	\$175.00
Unreturned/Damaged STB — Standard Definition	\$240.00
Unreturned/Damaged STB — High Definition	\$350.00
Unreturned/Damaged STB — SD Digital Video Recorder (DVR)	\$475.00
Unreturned/Damaged STB — HD Digital Video Recorder (DVR)	\$550.00

*In addition, early subscription and half season prices are available.

**Available Fall 2007.



¹ The Spanish Language package may be added to FiOS TV Local service, but requires a Set Top Box for access. The addition of a Set Top Box with FiOS TV Local service provides access to Video On Demand (VOD) and Pay Per View (PPV), as well as the ability to order Premiums and International Premiums.

² If service is cancelled within the first 12 months, router must be returned or \$99.99 equipment fee applies.

³ FiOS TV Premier includes all FiOS TV Local channels, additional all-digital programming, digital music channels and access to Pay Per View and Video On Demand.

⁴ La Conexión includes all FiOS TV Local channels, digital programming including popular English-language networks and Spanish-language networks, digital music channels, and access to PPV and VOD. La Conexión cannot be combined with the Spanish Language package.

⁵ In order to be eligible for Movies or Sports, FiOS TV Premier or La Conexión is required. 30-day minimum billing period required for all digital packages.

⁶ Subscription VOD is included with all Premiums at no extra charge (where applicable). 30-day minimum billing period required for all Premiums.

⁷ A premise visit charge is assessed when a technician installation is required to set up a new or additional TV with an existing FiOS TV Set Top Box. A premise visit charge is not assessed when adding new, upgrading/downgrading existing, or disconnecting Set Top Box receivers.

⁸ Seasonal service suspension requires a minimum suspension of one month and a maximum suspension of six months.

Service/program availability varies by location and the number of channels within each package are approximations. Pricing applies to residential use only within the United States and is subject to change. Taxes, franchise fees and other terms apply.

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Cable Franchise Agreement
by and between
The Village of Lake Success, NY
and
Verizon New York Inc.

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EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

THIS CABLE FRANCHISE AGREEMENT (the "Franchise" or "Agreement") is entered into by and between the incorporated Village of Lake Success, a validly organized and existing political subdivision of the State of New York (the "Local Franchising Authority" or "LFA") and Verizon New York Inc., a corporation duly organized under the applicable laws of the State of New York (the "Franchisee").

WHEREAS, the LFA wishes to grant Franchisee a nonexclusive franchise to construct, install, maintain, extend and operate a cable system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a "franchising authority" in accordance with Title VI of the Communications Act, (*see* 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended;

WHEREAS, the LFA is a member of the Great Neck/North Shore Cable Commission (the "Commission"), made up of the following fifteen villages: Flower Hill, Great Neck, Great Neck Estates, Great Neck Plaza, Kensington, Kings Point, Lake Success, Munsey Park, North Hills, Plandome, Plandome Heights, Plandome Manor, Russell Gardens, Saddle Rock and Thomaston ("the Members");

WHEREAS, a substantially similar franchise agreement for the provision of cable service has been presented to each of the Members for approval and execution;

WHEREAS, pursuant to the franchises, and pursuant to law, it is the responsibility of each Member to administer and supervise the provisions of the franchise for its own benefit and for the benefit of its residents;

WHEREAS, each of the Members has heretofore determined that the franchises are interrelated, that administration and supervision of the franchises can be best performed in a cooperative arrangement between and among the Members, and that the ability of each Member to provide its residents with adequate cable television service would be enhanced by such a cooperative arrangement;

WHEREAS, the LFA has delegated to the Commission the power and authority to act on behalf of the LFA pursuant to and relating to negotiating the terms and conditions of this franchise agreement between the LFA and Franchisee, pursuant to the intergovernmental agreement (the "Resolution") among the Members executed on or about December 3, 1997, as it exists on the Effective Date;

WHEREAS, Franchisee is in the process of completing the upgrading of its existing telecommunications and information services network through the installation of a Fiber to the Premise Telecommunications Network ("FTTP Network") in the Franchise Area which transmits the Non-Cable Services pursuant to authority granted by Section 27 of the New York Transportation Corporations Law, as amended, and Title II of the Communications Act, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the FTTP Network to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's plans for its Cable System are adequate and feasible in a full public proceeding affording due process to all parties;

WHEREAS, the LFA has found Franchisee to be financially, technically and legally qualified to operate the Cable System;

WHEREAS, the LFA has determined that in accordance with the provisions of the Cable Law, this Franchise complies with NY PSC's franchise standards and the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA's grant of a franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. **DEFINITIONS**

Except as otherwise provided herein, the definitions and word usages set forth in the Cable Law are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1. *Access Channel*: One or more video Channels, which Franchisee shall make available to the LFA without charge for Public, Educational, or Governmental noncommercial use for the transmission of video programming as directed by the LFA.

1.2. *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3. *Basic Service*: Any service tier, which includes the retransmission of local television broadcast signals as well as the PEG Channels required by this Franchise.

1.4. *Cable Law*: Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, to the extent authorized under and consistent with federal law.

1.5. *Cable Service* or *Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6), as amended.

1.6. *Cable System* or *System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7), as amended.

1.7. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4), as amended.

1.8. *Communications Act*: The Communications Act of 1934, as amended.

1.9. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee's affairs.

1.10. *Educational Access Channel*: One or more educational Access Channels available for noncommercial use solely by local public schools and public school districts in the Franchise Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area as specified by the LFA.

1.11. *FCC*: The United States Federal Communications Commission, or successor governmental entity thereto.

1.12. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.13. *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA, and such additional areas as may be annexed or acquired.

1.14. *Franchisee*: Verizon New York Inc. and its lawful and permitted successors, assigns and transferees.

1.15. *Government Access Channel*: One or more governmental Access Channels available for the sole noncommercial use of the LFA.

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

1.16.1. Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) Basic Service;

(ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including without limitation Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) revenues from the sale or lease of access channel(s) or channel capacity; (iv) video-on-demand and pay-per-view; and (v) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Service Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue.

1.16.2. Gross Revenue shall not include:

1.16.2.1. Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers; revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable Franchise Fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing; or any fees or charges

collected from Subscribers or other third parties for any PEG Grant and Administration Grant payments.

1.16.2.2. Except as otherwise provided in Subsection 1.16.1, any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders. Should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment.

1.17. *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(20), as amended.

1.18. *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.19. *Local Franchise Authority (LFA)*: The Village of Lake Success, New York, or the lawful successor, transferee, or assignee thereof.

1.20. *Non-Cable Services*: Any service that does not constitute the provision of Video Programming directly to multiple Subscribers in the Franchise Area including, but not limited to, Information Services and Telecommunications Services.

1.21. *Normal Business Hours*: Those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

1.22. *NY PSC*: The New York Public Service Commission.

1.23. *PEG*: Public, Educational, and Governmental.

1.24. *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.25. *Public Access Channel*: One or more public Access Channels available for the noncommercial use solely by the residents in the Franchise Area on a first-come, first-served, nondiscriminatory basis.

1.26. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.27. *Service Area*: All portions of the Franchise Area where Cable Service is being offered, as described in Exhibit B attached hereto.

1.28. *Subscriber*: A Person who lawfully receives Cable Service of the Cable System with Franchisee's express permission.

1.29. *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46), as amended.

1.30. *Title VI*: Title VI of the Communications Act, Cable Communications, as amended.

1.31. *Transfer of the Franchise*:

1.31.1. Any transaction in which:

1.31.1.1. a fifty percent ownership or other interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.31.1.2. the rights held by Franchisee under the Franchise and the certificate of confirmation issued therefor by the NY PSC are transferred or assigned to another Person or group of Persons.

1.31.2. However, notwithstanding Subsections 1.31.1.1 and 1.31.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.32. *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20), as amended.

2. **GRANT OF AUTHORITY; LIMITS AND RESERVATIONS**

2.1. *Grant of Authority*: Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order

to provide Cable Service. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *The FTTP Network:* Upon delivery of Cable Service, by subjecting the Franchisee's mixed-use facilities to the NY PSC's minimum franchise standards and the LFA's police power, the LFA has not been granted broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities.

2.3. *Effective Date and Term:* This Franchise shall become effective on the date that the NY PSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use itself, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System or Franchisee's FTTP Network.

2.5. *Franchise Subject to State and Federal Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of state and federal law as it may be amended, including but not limited to the Communications Act; provided, however, that nothing herein shall be deemed to restrict the LFA from the reasonable, necessary and lawful exercise of its police powers as referenced in Section 2.8 of this Agreement.

2.6. *No Waiver:*

2.6.1. The failure of the LFA on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require compliance or performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance of this Agreement, nor shall it excuse Franchisee from compliance or performance, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of the Franchisee on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or such performance has been specifically waived in writing.

2.7. Construction of Agreement:

2.7.1. The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545, as amended.

2.8. *Police Powers:* The LFA shall not enact any local laws that are inconsistent with this Franchise, provided, however, that nothing in this Franchise shall be construed to prohibit the LFA's reasonable, necessary and lawful exercise of the police powers, including, without limitation, in addition to the implementation and enforcement of the provisions of this Agreement and existing applicable laws and regulations, the enactment, adoption, implementation and enforcement of such additional laws and regulations as the LFA may deem necessary in the exercise of its police power; provided, however, that such laws and regulations are reasonable, not materially in conflict with the privileges granted in this Franchise and consistent with all federal and state laws, regulations and orders.

2.9. *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to preexisting condition in accordance with the Cable Law.

2.10. *Restoration of Subscriber Premises:* The Franchisee shall ensure that the Subscriber's premises are restored to their pre-existing condition if damaged by the Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service.

2.11. *LFA Designation of Representative:* The LFA's Mayor or designated representatives or representative of the Mayor will be responsible for the continuing administration of the rights and interests of the LFA in the franchise. However, the Franchisee agrees that the LFA may transfer or delegate any such responsibilities to the Commission pursuant to the Resolution; provided, however, that in the event the Commission acts on behalf of the LFA on a particular matter the LFA may not simultaneously exercise its rights on the same matter under this Franchise.

2.12. *Level Playing Field:* In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have determined that the terms of this Agreement, when compared against the terms of that certain cable franchise agreement (the "Incumbent Agreement"), dated June [], 1991, by and between the LFA and the incumbent cable operator, Cablevision Systems Great Neck Corporation ("Cablevision"), does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon Cablevision pursuant to the Incumbent Agreement.

3. PROVISION OF CABLE SERVICE

3.1. *Service Area:*

3.1.1. *Service Area:* Subject to the issuance of all necessary permits by the LFA, Franchisee shall offer Cable Service to significant numbers of Subscribers within residential areas of the Service Area and may make Cable Service available to businesses in the Service Area, within twelve (12) months and shall offer Cable Service to all residential areas of the Service Area within five (5) years, of the Effective Date of this Franchise, or, in both instances, such longer period as may be permitted by the Cable Law, except, in accordance with NY PSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Primary Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density and other requirements set forth in Subsection 3.1.1.1. and Section 3.2. For purposes of Subsection 3.1.1, the Service Area shall be defined to be the Franchise Area.

3.1.1.1. *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than twenty-five (25) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active FTTP Network trunk or feeder line. Should, through new construction, an area within the Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within five hundred (500) feet of trunk or feeder lines, measured from the property line of a Subscriber (including those on private roads), not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed five hundred (500) feet or are in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile and the actual costs incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility.

3.3. *Cable Service to Public Buildings:* Subject to Section 3.1, Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each public school and public library, and such other buildings used for municipal purposes as designated by the LFA in Exhibit A attached hereto; or as designated by the LFA in the future during the Franchise term, upon sixty (60) days prior written notice to the Franchisee; provided however that any new additional buildings added to Exhibit A cannot exceed any more than five (5) buildings per year over the life of the agreement. If it is necessary to extend Franchisee's trunk or feeder lines more than five hundred (500) feet solely to provide service to any such school or public building, the LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than five hundred (500) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

3.4. *Contribution in Aid:* Notwithstanding the foregoing, Franchisee shall comply at all times, with the requirements of Section 895.5 of NY PSC rules and regulations.

4. **SYSTEM FACILITIES**

4.1. *Quality of Materials and Work:* Franchisee shall construct and maintain its System using materials of good and durable quality, and all work involved in the construction, installation, maintenance and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

4.2. *System Characteristics:* During the term hereof Franchisee's Cable System shall meet or exceed the following requirements:

4.2.1. The System shall be designed and operated with an initial analog and digital carrier passband between 50 and 860 MHz and shall provide for a minimum channel capacity of not less than 86 channels on the Effective Date.

4.2.2. The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for the selection or use of Cable Service.

4.3. *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

4.4. *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and the State of New York, including the NY PSC's rules and regulations and the current New York EAS Plan, in order that emergency messages may be distributed over the System.

4.5. *Parental Control:* Upon request by any Subscriber, and where technologically feasible, the Franchisee shall provide such requesting Subscriber with a parental control device at a reasonable rate to be paid by the Subscriber. Such device will, at a minimum, offer as an option that a Person ordering programming must provide a personal identification number or other means provided by the Franchisee only to a Subscriber. Provided, however, that the Franchisee shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls.

5. **PEG SERVICES**

5.1. PEG Set Aside

5.1.1. In order to ensure universal availability of public, educational and government programming, Franchisee shall provide on the Basic Service Tier up to a total of nine (9) shared Access Channels (collectively, "PEG Channels"), as requested by the LFA, to be used collectively by and between the fifteen communities that are the Members of the Commission. The PEG Channels shall be allocated as follows:

- (a) Five (5) full-time shared Public Access Channels:
 - (i) One (1) Great Neck/North Shore Public Access Channel
 - (ii) One (1) Great Neck Library Access Channel
 - (iii) One (1) North Shore Library Access Channel
 - (iv) One (1) Great Neck Park District Access Channel
 - (v) One (1) North Shore Parks Access Channel
- (b) Two (2) full-time shared Government Access Channels:
 - (i) One (1) Great Neck Government Access Channel
 - (ii) One (1) North Shore Government Access Channel
- (c) Two (2) full-time shared Educational Access Channels:
 - (i) One (1) Great Neck Public School District
 - (ii) One (1) Manhasset Area Public Schools

5.1.2. The LFA hereby authorizes Franchisee to transmit such programming within and without LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. Franchisee will not change the channel assignment for the Great Neck/North Shore Public Access Channel except upon at least sixty (60) days advance written notice to the LFA. In the event the channel assignment for the Great Neck/North Shore Public Access Channel is changed, Franchisee will provide notice to subscribers thirty (30) days in advance of such change if such change is within the control of the Franchisee, in accordance with Section 890.8 of NY PSC rules and regulations. If a PEG Channel provided under this Article is not being utilized by the LFA, Franchisee, in accordance with Section 895.4 of NY PSC rules and regulations, may utilize such PEG Channel in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose. In the event that the LFA determines to use PEG capacity, the LFA shall provide Franchisee with prior written notice of such request in accordance with NY PSC rules and regulations.

5.1.3. *Tape Play Back*: Franchisee shall provide the technical ability to play back pre-recorded programming provided to Franchisee consistent with this Section. On behalf of all Members of the Commission, on the date on which Franchisee initiates Cable Service to the Village of Lake Success, Franchisee shall provide the technical ability to play pre-recorded programming generated by Public Access Television Corporation ("PATC"), subject to: (1) the Members provide the pre-recorded programming for Franchisee's receipt at the main telephone room located next to PATC's offices at 1111 Marcus Ave. LL27, Lake Success, NY 11042 ("Main Telephone Room"); (2) Franchisee's access to the Main Telephone Room shall not be subjected to interference from third parties; and (3) the Members provide such cooperation as is reasonably necessary for Franchisee to fulfill such obligations. Franchisee shall transmit programming consistent with the dedicated uses of PEG Access Channels. Franchisee shall comply at all times with the requirements of Section 895.4 of the NY PSC rules and regulations.

5.1.4. Franchisee shall use reasonable efforts to transmit the Town of North Hempstead's public, educational and government programming to the LFA, so long as it has legal authority from the Town of North Hempstead to do so.

5.2. PEG Access Interconnection

5.2.1. LFA shall designate in its sole discretion not more than three (3) site(s) within the Franchise Area for the interconnection of PEG access facilities with the Cable System (each, a "PEG Access Interconnection Site"), as designated on Exhibit D to this Agreement.

5.2.2. Franchisee shall, without charge to the LFA, provide links between its video channel aggregation point and each PEG Access Interconnection Site in order to permit the signals to be correctly routed from the PEG Access Interconnection Sites to the appropriate PEG access channel for distribution to Subscribers. All PEG Access Interconnection Sites shall be operable on or before the dates designated on Exhibit D to this Agreement.

5.2.3. The LFA shall provide to Franchisee at each PEG Access Interconnection Site a suitable video signal and a suitable audio signal for each PEG Channel. Franchisee, upon receipt of the suitable video and audio signals, shall provide, install and maintain in good working order the equipment necessary for transmitting the PEG signal to the channel aggregation site for further processing for distribution to Subscribers. Franchisee's obligations with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of reasonably suitable required space, environmental conditions, electrical power supply, access, pathway, and other facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill such obligations. Should Franchisee determine that it cannot fulfill such obligations as a result of LFA's failure to cooperate or to provide suitable required space, environmental conditions, electrical power supply, access, pathway, or other facilities, it shall so notify LFA in a writing detailing the requirements of Franchisee that will enable it to fulfill its obligations hereunder.

5.2.4. Such upstream PEG Channel transmission provided by Franchisee shall comply with applicable FCC standards governing the transport and distribution of video and audio signals to Subscribers.

5.2.5. If Franchisee makes changes to the Cable System that require improvements to the access facilities or equipment in order to permit the PEG access equipment and facilities to continue to be used as they were intended under the terms of this Agreement, then Franchisee shall, without charge to the LFA, make such changes in either the equipment and facilities referred to in Subsection 5.2.3 or in the Franchisee's video channel aggregation point and distribution equipment and facilities in order to permit the continuation of such intended use.

5.3. *Backup Facilities and Equipment:* Subject to Section 5.2, Franchisee shall design, build, and maintain all PEG upstream feeds, connections, and distribution facilities in order that such feeds function as reliably as Franchisee's Cable System as a whole within the Franchise Area, and are no more likely to fail than is Franchisee's Cable System as a whole within the Franchise Area.

5.4. PEG Support:

5.4.1. *Continuing PEG Support:* The Franchisee shall provide Continuing PEG Support (the "Continuing PEG Support") to each LFA by making payment to PATC. The Continuing PEG Support shall be used to support ongoing operations of PEG access programming. The Continuing PEG Support shall consist of one percent (1%) of the Franchisee's annual Gross Revenues. Each Continuing PEG Support payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation. The Continuing PEG Support payment shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter during the franchise term. Payments made pursuant to this Subsection may be designated by the Members to a different payee, other than PATC subject to the new payee using such payments as provided for in Subsection 5.4.4. Franchisee shall upon 45 days prior written notice, signed by a majority of the Members on the same instrument, make payment to the payee indicated in such notice.

5.4.2. *Upfront PEG Grant:* Franchisee shall provide, on behalf of all Members of the Commission combined, for use in support of the production of local PEG programming an Upfront PEG Grant (the "Upfront PEG Grant") totaling Four Hundred Fifty Thousand Dollars (\$450,000) payable in two installments. The first installment in the amount of Three Hundred Thousand Dollars (\$300,000) shall be payable within sixty (60) days of the Effective Date. The second installment of One Hundred Fifty Thousand Dollars (\$150,000) shall be payable within one year of the payment of the first installment. Such payments shall be paid directly to PATC.

5.4.3. *Annual PEG Grant:* In addition to the Continuing PEG Support and Upfront PEG Grant in Subsections 5.4.1 and 5.4.2 respectively, Franchisee shall pay an Annual PEG Grant (the "Annual PEG Grant") in the amount of two dollars and twelve cents (\$2.12) per month, per subscriber in the Service Area to Franchisee's Basic Service Tier. Calculation of the Annual PEG Grant will commence with the first calendar month during which Franchisee obtains its first Subscriber in the Service Area. Commencing on the fifth anniversary

of the first payment of the Annual PEG Grant, the amount of the grant shall increase to two dollars and forty cents (\$2.40) per month, per subscriber. The Annual PEG Grant payment shall be accompanied by a brief summary of the Subscriber Information upon which it is based. The Annual PEG Grant shall be delivered to PATC within thirty (30) days of each anniversary of the Effective Date or to another payee designated by the LFA pursuant to the notice process in Subsection 5.4.1.

5.4.4. The Continuing PEG Support, Upfront PEG Grant and the Annual PEG Grant shall be used solely by the LFA for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities, and for other PEG costs as may be ascertained by the LFA. In the event both the LFA and Franchisee agree, any portion of the Annual PEG Grant payments may be made in cash or in kind.

5.4.5. The LFA shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 5.4.

5.4.6. The LFA shall continue to impose on all existing cable service providers within the Franchise Area: (i) the financial obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include the same percentage amount for the Continuing PEG Support Grant and total monetary amount for the Upfront PEG Grant as contained in Subsections 5.4.1 and 5.4.2; and (ii) at least all other PEG obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include such PEG obligations at least equivalent to the obligations contained in Subsection 5.4.3. (Annual PEG Grant). Further, the LFA agrees that it shall impose such equivalent obligations as those described above in the franchise agreements of any new providers of cable service in the Franchise Area.

5.5. *Indemnity for PEG:* The LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a PEG facility or Channel. The LFA shall establish rules and regulations for use of PEG facilities, consistent with, and as required by, 47 U.S.C. §531.

5.6. *Recovery of Costs:* To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of any PEG Grant, Administration Grant or any other costs arising from the provision of PEG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the foregoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

5.7. *PEG Interconnection with Existing Cable Operators:* Franchisee shall use reasonable efforts to interconnect its Cable System with the existing cable operator(s). Franchisee shall pursue interconnection negotiations with the existing cable operator(s) to cablecast, on a live basis, Public Access Channel and programming generated by PATC consistent with this Agreement. Interconnection may be accomplished by direct cable, microwave link, satellite or any other reasonable means of connection. Franchisee shall negotiate in good faith with existing cable operator(s) respecting reasonable, mutually convenient, cost-effective, and technically viable interconnection points, methods, terms and conditions. The Franchisee and existing cable operator(s) shall negotiate the interconnection agreement(s) on reasonable terms and conditions. In negotiating reasonable terms and conditions, Verizon's obligation shall be limited to agreeing to build to the interconnection point and paying only the reasonable incremental costs of creating the interconnection point, interconnecting to that point, and any continuing costs of maintaining the interconnection point. If, despite Franchisee's reasonable efforts, Franchisee is unable to interconnect its Cable System with the existing operator(s), Franchisee may file an application with the NY PSC pursuant to Section 223 of Article 11 of the New York Public Service Law, as amended, to effectuate interconnection consistent with the terms of this Agreement. The Members shall make all best efforts to support Franchisee's negotiations with the existing cable operator(s) and the Franchisee's application for interconnection before the NY PSC. If Franchisee is unable to negotiate an interconnection agreement(s) with the existing cable operator(s) for the provision of obtaining the Public Access Channel and programming generated by PATC, the Members shall designate an alternative interconnection point where Franchisee can obtain the Public Access Channel and programming at the closest technically feasible location on Franchisee's Cable System permitting the transmission of high quality signals for the least cost. If the cost of the Members designated interconnection point for PATC content would be unreasonable, not technically feasible, or would cause an unacceptable increase in Subscriber rates, the Members agree that they will provide PATC content directly to Franchisee in accordance with Subsection 5.1.3.

6. **FRANCHISE FEES**

6.1. *Payment to LFA:* Franchisee shall pay to the LFA a Franchise Fee of three percent (3%) of annual Gross Revenue. Notwithstanding the foregoing, if all cable operators providing cable service in the Franchise Area pay the LFA a lower Franchise Fee, Franchisee agrees to pay the same decreased Franchise Fee to the extent permitted by law. If all other cable operators cease the provision of cable service in the Franchise Area during the Term, Franchisee agrees that it will continue to pay the highest Franchise Fee assessed during the time that all cable operators provided cable service. In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

6.2. *Administration Grant:* Franchisee shall provide to the Commission, on behalf of all Members of the Commission combined, a one time administration grant of five

thousand dollars (\$5,000) for the purpose of addressing costs associated with the administration of this Franchise. This grant shall be payable within sixty (60) days of the Effective Date.

6.3. *Supporting Information:* Each Franchise Fee payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation.

6.3.1. *Audit of Franchise Fee Payments:* Subject to the confidentiality requirements set forth in Section 7.1 of this Franchise, Franchisee shall be responsible for making available to the LFA for inspection and audit, at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA, all records necessary to confirm the accurate payment of Franchise Fees, whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's Cable Services operation in the LFA subject to the payment of Franchise Fees under this Agreement, including, by way of illustration and not limitation, any entity that sells advertising on the Franchisee's behalf. Franchisee shall maintain such records for six (6) years, provided that, if the LFA commences an audit within that six (6) year period, Franchisee shall continue to maintain such records for the duration of any audit in progress at the end of that six (6) year period. The LFA shall conduct all audits expeditiously, and neither the LFA nor Franchisee shall unreasonably delay the completion of an audit. The LFA's audit expenses shall be borne by the LFA unless the audit determines that the payment to the LFA should be increased by five percent (5%) or more in the audited period, in which case the reasonable and customary costs of the audit, together with any additional amounts due to the LFA as a result of such audit, shall be paid by Franchisee to the LFA within sixty (60) days following written notice to Franchisee by the LFA of the underpayment, which notice shall include a copy of the audit report; provided, however, that Franchisee's obligation to pay or reimburse the LFA's audit expenses shall not exceed an aggregate of twenty thousand dollars (\$20,000.00) for all Members of the Commission combined. If re-computation results in additional revenue to be paid to the LFA, such amount shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules per annum during the period such unpaid amount is owed. If the audit determines that there has been an overpayment by Franchisee, the Franchisee may credit any overpayment against its next quarterly payment. Said audit shall be conducted by an independent third party and no auditor so employed by the LFA shall be compensated on a success based formula, e.g., payment based on a percentage of an underpayment, if any. The LFA shall not conduct an audit more frequently than once every three (3) years.

6.4. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due.

6.5. *Bundled Services:* If Cable Services subject to the Franchise Fee required under this Article 6 are provided to Subscribers in conjunction with Non-Cable Services, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders. Notwithstanding the foregoing, if the Franchisee bundles Cable Service with Non-Cable Service, the Franchisee agrees that it will not intentionally or

unlawfully allocate such revenue for the purpose of evading Franchise Fee payments under this franchise. The parties agree that tariffed telecommunications services that cannot be discounted by state or federal law or regulation are to be excluded from the bundled discount allocation basis.

6.6. *Section 626 Treatment:* Franchisee agrees that it will not apply the Franchise Fee as an offset against the special franchise tax payable to the LFA pursuant to the N.Y. Real Property Tax Law Section 626 commencing with the next full calendar month following the issuance by the NY PSC of an order confirming this Agreement. The LFA agrees that it shall impose the same full and complete waiver of the special franchise tax offset upon all existing and new providers of Cable Service or cable service (as such term may be defined by other providers) in the Service Area to be expressed in writing in the franchise agreement or the renewal of any existing franchise agreement of each respective cable provider. The operation of this Section 6.6 shall be strictly limited to Franchise Fees lawfully imposed upon Cable Service, and shall not be construed to affect the Franchisee's rights under any provision of State or Federal law regarding the provision of services other than Cable Service.

7. REPORTS AND RECORDS

7.1. *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Following the notice period set forth herein, Franchisee shall make such books and records available to the LFA at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as confidential and shall only disclose it to employees, representatives, and agents thereof who have a need to know, or in order to enforce the provisions hereof. Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

7.2. *Records Required:* Franchisee shall at all times maintain:

7.2.1. Records of all written complaints for a period of six (6) years after receipt by Franchisee. The term "complaint" as used herein refers to complaints about any aspect of the Cable System or Franchisee's cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

7.2.2. Records of outages for a period of six (6) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

7.2.3. Records of service calls for repair and maintenance for a period of six (6) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

7.2.4. Records of installation/reconnection and requests for service extension for a period of six (6) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

7.2.5. A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

7.3. *System-Wide Statistics:* Any valid reporting requirement in the Franchise may be satisfied with system-wide statistics, except those related to Franchise Fees and consumer complaints.

8. **INSURANCE AND INDEMNIFICATION**

8.1. *Insurance:*

8.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

8.1.1.1. Commercial General Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of Franchisee's Cable Service business in the LFA.

8.1.1.2. Automobile Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for bodily injury and property damage coverage.

8.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the State of New York.

8.1.1.4. Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; \$500,000 policy limit.

8.1.1.5. Excess liability or umbrella coverage of not less than ten million dollars (\$10,000,000).

8.1.2. The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance and Employer's Liability Insurance. The LFA is an additional insured under the excess liability or umbrella coverage to the extent it is named as an additional insured on the underlying primary policies.

8.1.3. Each of the required insurance policies shall be noncancellable except upon thirty (30) days prior written notice to the LFA. Franchisee shall not cancel any required insurance policy without submitting documentation to the LFA verifying that the Franchisee has obtained alternative insurance in conformance with this Agreement.

8.1.4. Each of the required insurance policies shall be with sureties qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition.

8.1.5. Within 15 days of the Effective Date, Franchisee shall deliver to the LFA proof of insurance, by means of an endorsement including the LFA as an additional insured, effective as of the day of the initiation of Cable Service in the LFA, in conformity with the terms of this Agreement. In the event any such policy is replaced or extended during the term of this Agreement, within 15 days of such replacement or extension Franchisee shall deliver such proof to the LFA with respect to such replacement or extended policy.

8.2. *Indemnification:*

8.2.1. Franchisee agrees to indemnify the LFA its officers, agents, boards, elected officials and employees, for, and hold it harmless from, all liability, damage, cost or expense arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees, or infringement of copyright or patent rights arising from Franchisee's provision of Cable Services over the Cable System other than PEG facilities and channels, provided that the LFA shall give Franchisee timely written notice of a claim or action for which it seeks indemnification pursuant to this Subsection; and in any event, the LFA shall provide Franchisee with such written notice within a period of time that allows Franchisee to take action to avoid entry of a default judgment and does not prejudice Franchisee's ability to defend the claim or action. Notwithstanding the foregoing, Franchisee shall not indemnify the LFA for any damages, liability or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, attorneys, consultants, independent contractors or third parties or for any activity or function conducted by any Person other than Franchisee in connection with PEG Access, or EAS.

8.2.2. With respect to Franchisee's indemnity obligations set forth in Subsection 8.2.1, Franchisee shall provide the defense of any claims brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the LFA from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA, Franchisee shall have the right to defend, settle or compromise any claim or action arising

hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA and the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

8.2.3. The LFA shall hold harmless and defend Franchisee from and against and shall be responsible for damages, liability or claims resulting from or arising out of the willful misconduct or negligence of the LFA.

8.2.4. The LFA shall be responsible for its own acts of willful misconduct, negligence, or breach, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the LFA for acts of the LFA which constitute willful misconduct or negligence on the part of the LFA, its officers, employees, agents, attorneys, consultants, independent contractors or third parties.

9. **TRANSFER OF FRANCHISE**

9.1. *Transfer:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or for transactions otherwise excluded under Subsection 1.31 above.

10. **RENEWAL OF FRANCHISE**

10.1. *Governing Law:* The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 12.11 below, the Cable Law and Section 626 of the Communications Act, 47 U.S.C. §546, as amended.

10.2. *Needs Assessment:* In addition to the procedures set forth in Section 626 of the Communications Act, 47 U.S.C. §546, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then current Franchise term. Such assessments shall be provided to Franchisee by the LFA promptly so that Franchisee will have adequate time to submit a proposal under Section 626 of the Communications Act, 47 U.S.C. §546 and complete renewal of the Franchise prior to expiration of its term.

10.3. *Informal Negotiations:* Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the LFA

and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

10.4. *Consistent Terms*: Franchisee and the LFA consider the terms set forth in this Article 10 to be consistent with the express provisions of Section 626 of the Communications Act, 47 U.S.C. §546, and the Cable Law.

11. **ENFORCEMENT AND TERMINATION OF FRANCHISE**

11.1. *Notice of Violation*: If at any time the LFA believes that Franchisee has not complied with the terms of the Franchise, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the LFA shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the "Noncompliance Notice").

11.2. *Franchisee's Right to Cure or Respond*: Franchisee shall have sixty (60) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such sixty (60) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which Franchisee reasonably projects that it will complete cure of such noncompliance. Upon cure of any noncompliance, the LFA shall provide written confirmation that such cure has been effected.

11.3. *Liquidated Damages*: For the violation of any of the following provisions of this Franchise, liquidated damages shall be paid by the Franchisee to the LFA. Any such liquidated damages shall be assessed as of the date that is sixty (60) days from the Franchisee's receipt of the Noncompliance Notice, provided that the Franchisee has not cured the noncompliance upon which the Noncompliance Notice was issued, in accordance with the procedures set forth in Sections 11.1 and 11.2 above. On an annual basis from the Effective Date, the Franchisee shall not be liable for liquidated damages that exceed fifteen thousand dollars (\$15,000) in the aggregate for all Members of the Commission combined. Liquidated damages shall be assessed as follows.

For failure to provide Cable Service as set forth in Sections 3.1-3.3.....	\$100 per day for each day the violation continues;
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For failure to maintain the system standards as set forth in Section 4.....	\$50 per day for each day the violation continues;
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For failure to provide PEG Services to residents of the LFA specified in Section 5.1	\$100 per day for each day the violation continues;
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For failure to provide LFA with any reports or records required by the Agreement	
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within the time period required.....\$50 per day for each day the
.....violation continues;

For failure to carry the insurance specified in
Subsection 8.1.1\$100 per day for each day the
.....violation continues;

For a transfer specified in Article 9 without required
approval.....\$100 per day for each day the
.....violation continues.

11.3.1. Any liquidated damages assessed pursuant to this section shall not be a limitation upon any other provisions of this Franchise and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies; provided, however, that in the event that the LFA collects liquidated damages for a specific breach for a specific period of time, pursuant to Section 11.3 above, the collection of such liquidated damages shall be deemed to be the exclusive remedy for that specific breach for such specific period of time only.

11.3.2. The parties agree that each case of non-compliance as set forth in this Section 11.3 shall result in damage to the LFA, compensation for which will be difficult to ascertain. The parties agree that the liquidated damages in the amounts set forth in this Section 11.3 are fair and reasonable compensation for such damage with respect to those violations for which a specific liquidated damage is listed in Section 11.3.

11.3.3. *Public Hearing:* Consistent with Section 11.5 below, (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above, the LFA shall provide Franchisee at least thirty (30) business days prior written notice of a public hearing, which will specify the time, place and purpose of such public hearing, including, whether revocation of this Franchise is a possible consequence at such hearing, and provide Franchisee the opportunity to be heard and to present evidence.

11.4. *Enforcement:* Subject to Section 12.11 below and applicable federal and state law, in the event the LFA, after the public hearing set forth in Subsection 11.3.3, determines that Franchisee is in default of any provision of this Franchise, the LFA may:

11.4.1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

11.4.2. Commence an action at law for monetary damages or seek other equitable relief; or

11.4.3. In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 11.5.

11.5. *Revocation*: Should the LFA seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Subsection 11.3.3, the LFA shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

11.5.1. At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing.

11.5.2. Following the second public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions to the LFA in writing and promptly thereafter the LFA shall provide a written determination to the Franchisee setting forth: (i) whether an event of default has occurred under this Franchise; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The LFA shall also determine whether it will revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that it will revoke the Franchise, the LFA shall promptly provide Franchisee with a written determination setting forth the LFA's reasoning for such revocation. Franchisee may appeal such written determination of the LFA to an appropriate court, which shall, to the extent permitted under applicable law, have the power to review the decision of the LFA *de novo*. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Franchisee's receipt of the written determination of the LFA.

11.5.3. The LFA may, at its sole discretion, take any lawful action that it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

11.6. *Abandonment of Service*: Franchisee shall not abandon any Cable Service or portion thereof without the LFA's prior written consent as provided in the Cable Law.

12. **MISCELLANEOUS PROVISIONS**

12.1. *Actions of Parties*: In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

12.3. *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4. *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in practical difficulties and hardship being placed upon Franchisee that outweigh the benefit to be derived by the LFA and/or Subscribers.

12.5. *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

12.5.1. Notices to Franchisee shall be mailed to:

Verizon New York Inc.
Jack White, Senior Vice President and General Counsel
Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097

12.5.2. Notices to the LFA shall be mailed to:

Office of the Mayor
Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

12.5.3. with a copy to:

Office of the Village Clerk
Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

12.6. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any local laws or parts of local laws that materially conflict with the provisions of this Agreement are superseded by this Agreement.

12.7. *Amendments and Modifications:* Amendments and/or modifications to this Franchise shall be mutually agreed to in writing by the parties and subject to the approval of the NY PSC, pursuant to the Cable Law.

12.8. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

12.9. *Severability:* If any section, subsection, sub-subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise. For purposes of this Agreement, the term "material provision" or "material provisions" shall mean the following: Section 2.3 (Effective Date and Term), Section 2.5 (Franchise Subject to State and Federal Law), Article 3 (Provision of Cable Service) in its entirety, Section 4.2 (System Characteristics), Section 6.1 (Payment of Franchise Fees), and Article 9 (Transfer of Franchise).

12.10. *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

12.11. *FTTP Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee's FTTP Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the FTTP Network or to relocate the FTTP Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services. This provision is not intended to

contravene leased access requirements under Title VI or PEG requirements set out in this Agreement.

12.12. *NY PSC Approval:* This Franchise is subject to the approval of the NY PSC. Franchisee shall file an application for such approval with the NY PSC within sixty (60) days after the date hereof. Franchisee shall also file any necessary notices with the FCC.

12.13. *Rates and Charges:* The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law.

12.14. *Publishing Information:* LFA hereby requests that Franchisee omit publishing information specified in 47 C.F.R. §76.952 from Subscriber bills.

12.15. *Customer Service:* Franchisee shall comply with the consumer protection and customer service standards set forth in Parts 890 and 896 of the NY PSC rules and regulations.

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

12.17. *Identification of Franchisee's Employees, Vehicles & Contractors.* The Franchisee shall require all the Franchisee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Franchisee to wear a clearly visible identification card bearing their name and photograph.

12.17.1. The Franchisee shall make reasonable effort to account for all identification cards at all times.

12.17.2. The Franchisee shall require all the Franchisee representatives to wear appropriate clothing while working at a Subscriber's premises.

12.17.3. The Franchisee shall require that all service vehicle of the Franchisee and its contractors or subcontractors be clearly identified as such to the public. Specifically, the Franchisee vehicles shall be required to have the Franchisee's logo plainly visible. The Franchisee shall require that all contractors and subcontractors working for the Franchisee shall have the contractor's/subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to the Franchisee.

12.18. *No Third Party Beneficiaries:* Except as expressly provided in this Agreement, this Agreement is not intended to, and does not, create any rights or benefits on behalf of any Person other than the parties to this Agreement.

12.19. *LFA Official:* The Mayor of the LFA, or the designated representative or representatives of the Mayor, will be responsible for the continuing administration of this Agreement.

12.20. *No Waiver of LFA's Rights:* Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall be construed as a waiver of the LFA's rights under applicable federal and state law.

AGREED TO THIS ____ DAY OF _____, 2007.

The Village of Lake Success

By: _____

Verizon New York Inc.

By: _____
Tracey A. Edwards, Vice President

EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF LAKE SUCCESS

1. Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020
Contact: Carol Pogrell
2. Lake Success Police Department
15 Vanderbilt Drive
Great Neck, NY 11020
Contact: Chief Roberts
3. Lake Success Cottage
308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston
4. Public Works
308 Lakeville Road
Great Neck, NY 11020
Contact: Patrick McDermott
5. Golf Course
308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston
6. PATV Studios
1111 Marcus Ave. LL27
Lake Success, NY 11042
7. Administration Offices
345 Lakeville Rd.
Great Neck, NY 11020
8. Great Neck South High School
341 Lakeville Road
Great Neck, NY 11020
9. Cumberland Adult Center
30 Cumberland Ave.

Great Neck, NY 11020

10. Great Neck South Middle School
349 Middle Neck Rd.
Great Neck, NY 11021

EXHIBIT B

SERVICE AREA

VILLAGE OF LAKE SUCCESS

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 98% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 98% deployment by December 2007, 98% deployment by June 2008, 99% deployment by December 2008, 99% deployment by June 2009, 99% deployment by December 2009, 99% deployment by June 2010, 99% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT C

PEG CHANNELS

Franchisee shall provide use of channel capacity as specified in Subsection 5.1.1 of the Agreement to the LFA's PEG Channel usage needs. These PEG Channel needs include the needs of school districts, public libraries and park districts and are subject to the jurisdiction of the franchising authority.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF LAKE SUCCESS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck/North Shore Public Access Channel PEG Access Interconnection/Aggregation Site No. 1 ("PEG Access Interconnection/Aggregation Site No. 1") shall be operable on the Effective Date:

PEG Access Interconnection/Aggregation Site No. 1

The Public Access Television Corporation
1111 Marcus Ave. LL27 (Main Telephone Room)
Lake Success, NY 11042

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Points Nos. 1 - 15 feeding LIVE signals to the Great Neck and North Shore Government Access Channels from the respective fifteen (15) Village Halls. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Additionally, until such time that the Members meet the criteria listed below for the provision of LIVE programming from the respective Village Halls and subject to the requirements set forth in Subsection 5.2 and Exhibit D, the PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for all Bulletin Board signals intended for the Great Neck and North Shore Government Access Channels.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Lake Success Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 7") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 7

Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Lake Success Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Lake Success Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 7 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 7; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 7; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Site No. 7 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

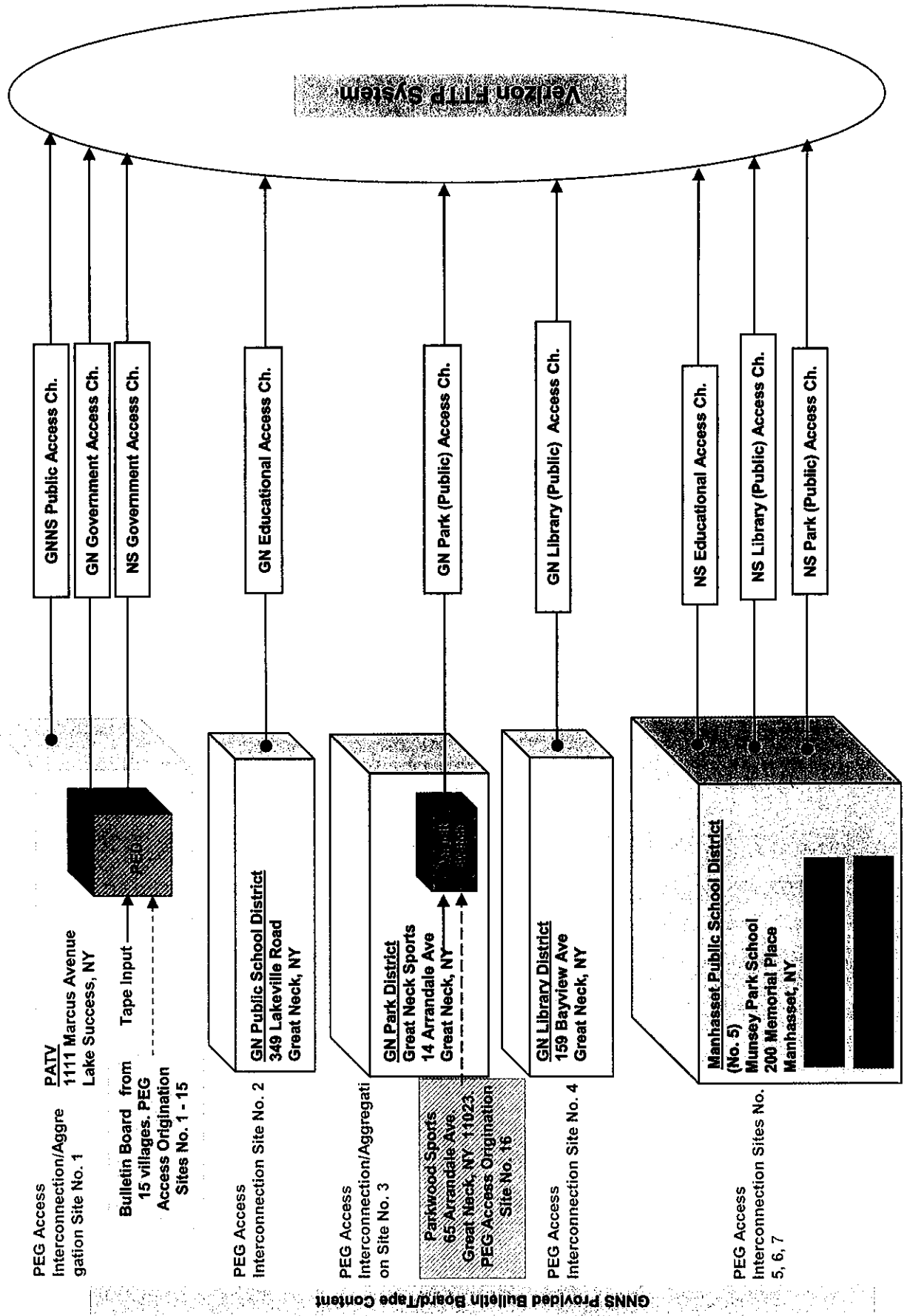
Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Public School District Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 2") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 2

Great Neck Public School District
Great Neck South Middle School
349 Lakeville Rd.
Great Neck, NY 11020

GNNS Consortium – PEG Channels 11/26/07

Video Network Services



Tab 2

----- Original Message -----

From: McDonald, Nia

To: 'A. Thomas Levin' <ATLevin@msek.com>

Sent: Thu Dec 06 14:22:40 2007

Subject: Verizon/GNNS - pdf copy of letter to Cablevision

Tom,

Attached is a pdf copy of Verizon's cover letter to Cablevision sent today via FedEx for overnight delivery along with a copy of each of the 15 updated village applications.

Best regards,

Nia

NOTICE: This message (including any attachments) from Wiley Rein LLP may constitute an attorney-client communication and may contain information that is PRIVILEGED and CONFIDENTIAL and/or ATTORNEY WORK PRODUCT. If you are not an intended recipient, you are hereby notified that any dissemination of this message is strictly prohibited. If you have received this message in error, please do not read, copy or forward this message. Please permanently delete all copies and any attachments and notify the sender immediately by sending an e-mail to Information@wileyrein.com.

Maria Silveira
Assistant General Counsel
Video Franchising
703-351-3102 office
703-351-3652 facsimile
maria.d.silveira@verizon.com



1515 N. Courthouse Road
Suite 500
Arlington, VA 22201

VIA OVERNIGHT DELIVERY

December 6, 2007

Mr. David Ellen
SVP-General Counsel, Cable Telecommunications & Programming
Cablevision
1111 Stewart Avenue
Bethpage, NY 11714-3581

**Re: Verizon New York Inc. Application for the Initial Cable Television
Franchises-Great Neck / North Shore Commission, NY**

Dear Mr. Ellen:

Enclosed please find copies of the updated applications for initial cable television franchises that Verizon New York Inc. submitted to the following villages in Nassau County, New York: Village of Flower Hill, Village of Great Neck, Village of Great Neck Estates, Village of Great Neck Plaza, Village of Kensington, Village of Kings Point, Village of Lake Success, Village of Munsey Park, Village of North Hills, Village of Plandome, Village of Plandome Heights, Village of Plandome Manor, Village of Russell Gardens, Village of Saddle Rocks and Village of Thomaston.

Sincerely,

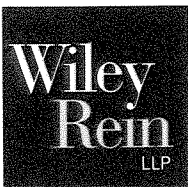
A handwritten signature in cursive script, appearing to read "M. Silveira".

Maria Silveira

Enclosures: 15 Applications

Cc: Nia McDonald, Wiley Rein LLP (w/o encl.)
A. Thomas Levin, Esq., Village Manager (w/o encl.)

Tab 3



December 11, 2007

Nia Y. McDonald
202.719.4633
nmcdonal@wileyrein.com

VIA OVERNIGHT MAIL

Ms. Carol Pogrell
Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Re: Cable Television Franchise Agreement by and between Verizon New York, Inc. and the Village of Lake Success

Dear Ms. Pogrell:

I am enclosing an updated Exhibit A to the Final Cable Franchise Agreement by and between the Village of Lake Success, NY and Verizon New York Inc. (the "Verizon Franchise"). The following location has been added:

Lake Success Golf Activities Building
318 Lakeville Road
Lake Success, NY

Please remove the Exhibit A from the Verizon Franchise you have on file and replace it with the updated Exhibit A enclosed. Please contact Mac Kerbey at (617) 628-3436, Gabrielle Stormo at (312) 750-5737 or me at (202) 719-4633 if you have any questions.

Very truly yours,

A handwritten signature in cursive script that reads "Nia McDonald".

Nia McDonald

Enclosure

cc: Verizon New York Inc.
A. Thomas Levin, Esq.

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF LAKE SUCCESS

1. Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020
Contact: Carol Pogrell

2. Lake Success Police Department
15 Vanderbilt Drive
Great Neck, NY 11020
Contact: Chief Roberts

3. Lake Success Cottage
308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston

4. Public Works
308 Lakeville Road
Great Neck, NY 11020
Contact: Patrick McDermott

5. Golf Course
308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston

6. PATV Studios
1111 Marcus Ave. LL27
Lake Success, NY 11042

7. Administration Offices
345 Lakeville Rd.
Great Neck, NY 11020

8. Great Neck South High School
341 Lakeville Road
Great Neck, NY 11020

9. Cumberland Adult Center
30 Cumberland Ave.

Great Neck, NY 11020

10. Great Neck South Middle School
349 Middle Neck Rd.
Great Neck, NY 11021

11. Lake Success Golf Activities Building
318 Lakeville Road
Lake Success, NY

Tab 4



Monica F. Azare
Senior Vice President
State Public Policy and Government Affairs – NY/CT

140 West Street, 30th Floor
New York, NY 10007

Phone 212 321-8140
Fax 212 791-0526
monica.f.azare@verizon.com

December 12, 2007

The Honorable Ronald S. Cooper, Mayor
Village of Lake Success
318 Lakeville Road
Lake Success, NY 11020

Dear Mayor Cooper:

On December 20, fifteen member communities of the Great Neck/North Shore consortium will gather at Great Neck South Middle School to consider granting a cable franchise to Verizon. We look forward to seeing you at this meeting, along with the members of your village board of trustees. I ask you to support the consortium franchise application and agreement, vote "yes" on it at the meeting, and allow us to begin offering true cable TV choice and competition to your community with our new FiOS TV service.

In short, counsel for the consortium will present a 10-year franchise that's good for your village, the 17,000 residents of the 15 communities, and all parties to the process:

- The Verizon franchise agreement honors the level playing field requirement in New York law.
- The Verizon agreement provides unprecedented support for the communities' highly regarded and effective system of public, educational, and government (PEG) access channels.
 - Verizon will construct a PEG network to accommodate nine channels via direct connections to PEG origination points in the consortium communities.
- The agreement contains strong financial support for PEG activity as well. One percent of gross revenues from Verizon's cable TV services to the villages will be returned to the villages for PEG support. Verizon also will provide a \$450,000 up-front PEG grant, and a per-subscriber support fee that ranges between \$2.12 and \$2.40 for the life of the 10-year franchise.

This is why we at Verizon believe so strongly that the time to vote on this franchise is now.

Enclosed is a summary of the Verizon franchise agreement; a copy of the final agreement itself; and materials that outline the extraordinary benefits of Verizon FiOS TV - the service that awaits the approval of you and your village board of trustees.

Again, thank you for your commitment to bringing cable choice and a new video technology to your village.

Sincerely,

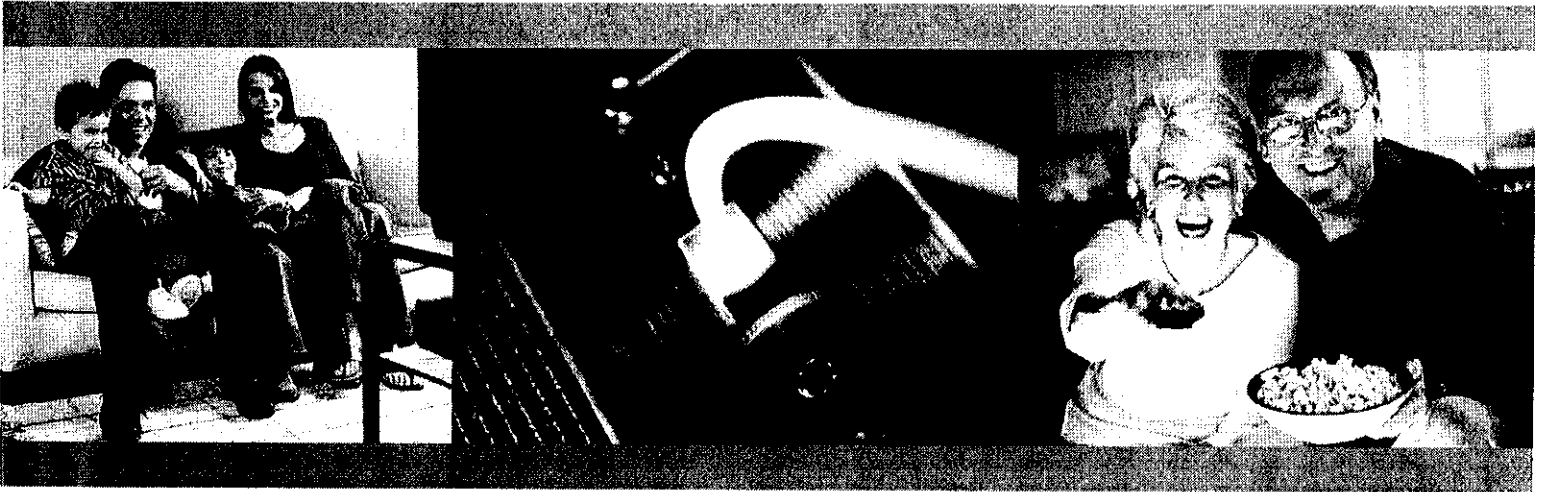
Monica Azare

cc: The Honorable Stephen Lam, Deputy Mayor
The Honorable Adam Hoffman, Trustee
The Honorable Adam Kolodny, Trustee
The Honorable David Milner, Trustee
The Honorable Gary Gambetta, Trustee
The Honorable Fred Handsman, Trustee
Attorney Peter Mineo, Esq.

Verizon FiOS TV

Great Neck/North Shore Consortium

Village of Flower Hill
Village of Great Neck
Village of Great Neck Estates
Village of Great Neck Plaza
Village of Kensington
Village of Kings Point
Village of Lake Success
Village of Munsey Park
Village of North Hills
Village of Plandome
Village of Plandome Heights
Village of Plandome Manor
Village of Russell Gardens
Village of Saddle Rock
Village of Thomaston



The Great Neck/North Shore Consortium Can Advance New York's Broadband Revolution.

Favorable action on Verizon's proposed cable franchise agreement positions the Great Neck/North Shore Consortium to be among the first group of communities in New York to open the doors to the robust competition underway in New York's television and video marketplace.

A win for the community -- *and* its residents.

Benefits to the community: The competitive cable TV franchise agreement under consideration will deliver:

- **Homebuyers who actively seek out the Great Neck/North Shore Consortium** – Fiber to the home has become an important criterion to customers in the housing market. In communities where Verizon has deployed its fiber optic network, homebuyers favor properties served by it.
- **Competitive Consumer Prices** – Cable rates increase less in places where cable operators face real wireline competition.
 - According to the FCC, rates for basic and expanded basic cable TV service rose by about 5% in 2005, to \$43. Those rates are up 93% over the past decade.
 - The remedy? Competition! The FCC's December 2006 report shows that in areas where there is land-based competition like Verizon FIOS TV, prices are 17% below average.
 - And in areas where Verizon is offering FIOS TV, Cablevision has offered freebies, like free DVR service or free HBO, and steep discounts to keep customers from disconnecting. And they're offering new customers the triple play bundle for \$89.95 monthly with a one year contract. It's amazing what a little competition can do for consumers!

The Great Neck/North Shore Consortium is among the first.

Deployment Commitment: The Great Neck/North Shore Consortium is among the first communities in New York to benefit from Verizon's fiber-to-the-premises (FTTP) initiative. Today, this network offers the Great Neck/North Shore Consortium the largest ever voice, data, and video pipeline into the home, resulting in clearer, more reliable voice connections and lightning-fast Internet connections - far faster than the most powerful cable modem connections.

Personnel and Resource Commitment: Verizon has hired new full-time employees and contractors to deliver fiber to the home in the area.

Quality Commitment: Verizon is delivering the best video offering on the market to downstate New York – and intends to do the same for the residents of the Great Neck/North Shore Consortium.

Broadband. The Great Neck/North Shore Consortium has a lot riding on it.



More Choices. Right Before Your Eyes.

Top 10 Reasons Why New Yorkers Want FiOS TV

- 10 **It's affordable.** FiOS TV is priced to compete. And that's important. The FCC has found that cable television rates have increased 93 percent over the last decade.
- 9 **It's state-of-the-art.** Verizon's programming rides over an all-digital fiber-optic network to the home – with the fastest connections available in the industry.
- 8 **It's in demand.** FiOS TV was available to about 2.4 million homes at the end of 2006, and the company expects to attract 3-4 million customers by 2010.
- 7 **It comes with other great services.** Customers in parts of our service territory are surfing the web at up to 50 Mbps using FiOS Internet Service. Customers also tell us that phone calls placed over our FiOS fiber optic network are clearer than ever.
- 6 **It's future proof.** The network has enough capacity for the most demanding consumers today and plenty more for applications still on the drawing board.
- 5 **Lots of HDTV.** There's nearly unlimited high-definition channel capacity on the FiOS TV network. FiOS TV customers today have access to twice as many HD channels as many cable providers.
- 4 **It's diverse.** FiOS TV offers one of the most diverse and exciting multicultural channel lineups in the industry.
- 3 **Lots of channels.** Verizon's channel lineup offers more than 400 total channels, with more on the way.
- 2 **It's better.** Our analog and digital television signals travel over a pipeline far more robust than cable's. Cablevision and other providers must add voice and data service to their pipeline too, leading to a tradeoff between Internet speeds or enhancing cable TV service.
- 1 **It's from Verizon.** We offer the most advanced and reliable network in the country along with a legacy of providing outstanding service in New York for more than a century.

Competition Works!

You get to choose which company to use for your wireline or wireless phone service. You get to choose your Internet Service Provider. You should have the same freedom of choice for cable TV. It's choice and competition that benefit you the most.

When a true wireline television competitor challenges cable, prices for basic and expanded basic cable TV service are 17% below average. (Source: FCC Report on Cable Industry Prices, Dec 2006)

Delaying video entry by one year would cost New Yorkers \$458 million in lost consumer savings from video services alone, and these losses increase with each year of delay. (Source: Phoenix Center Policy Bulletin No. 13, Jan 2006)

Incumbent cable companies have responded with service price cuts of 28 - 42% in some areas where FiOS TV is available. (Source: Bank of America Equity Research: Consumer Wireline Services Pricing, Jan 2006)

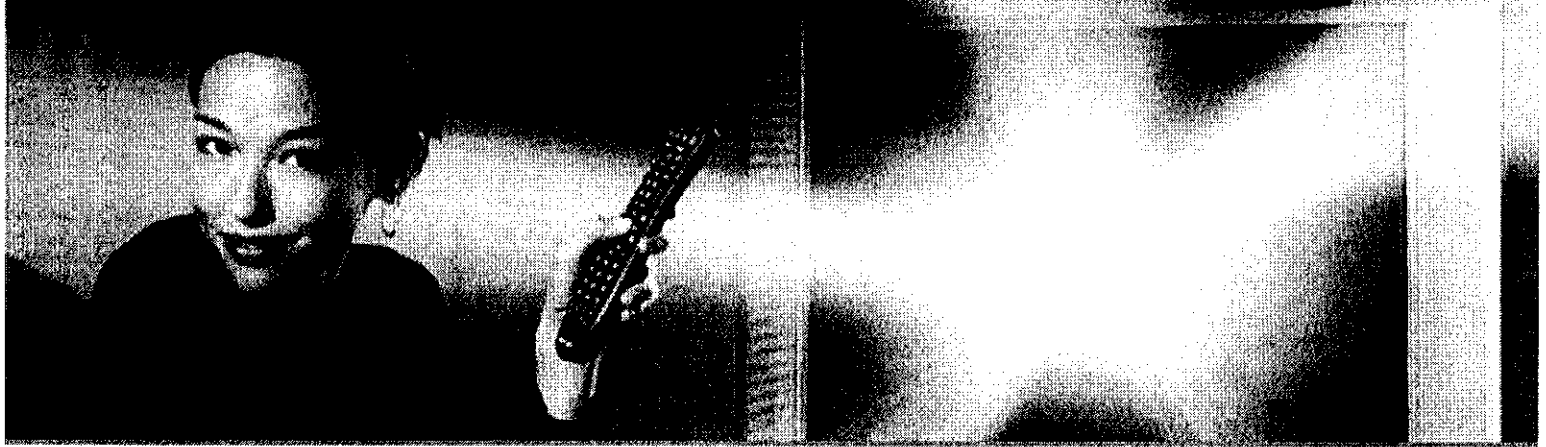
Support change. Let's bring true cable TV competition to New York now – not years from now. Let your voice be heard. Urge your local elected officials to vote "YES" in favor of TV choice and competition!

For more information, visit:
www.verizon.com/ny



verizon

Power to the people who have fiber-optic TV!



Verizon FiOS TV takes entertainment to a level you never imagined.

More Value

FiOS TV is all about simple packages and competitive prices. FiOS TV Premier delivers an unmatched lineup with more than 200 channels of television and music entertainment. It's an even better value when bundled with our FiOS Internet Service.*

A Superior Network

Our 100% fiber-optic network delivers an all digital experience with better picture and sound quality, more choices and more control. The FiOS network has far more capacity than cable's and is less vulnerable to weather outages and electrical interference - advantages that add up to a vast new dimension of bandwidth, speed and power.

On Demand

With FiOS TV, you have instant access to a library of approximately 10,000 of the latest titles; blockbuster movies, kids' shows, sporting events and much more, all at a touch of a button.

HDTV

FiOS TV offers more than two dozen high definition channels, with all of your favorite channels like ESPN, Discovery, HD Net and more!

More Control

Parental Controls allow you to block access to shows either by channel, rating or category. You can also selectively block Pay Per View and On Demand purchases, and choose to show or hide programs from the TV Listings. And these easy to use features come at no additional charge to digital service customers.

Dual-tuner, Home Media DVRs, and FiOS TV Widgets

FiOS TV gives you the freedom to pause and rewind live TV, record one show while watching another - and fast forward to your favorite part - all without a VCR, tapes or DVDs. And our Home Media DVR allows you to view recorded programs from any room in the house with a television and set-top box and easily access photos and music from your personal computer and play them on your entertainment center. FiOS TV Widgets gives you local weather and traffic on your TV screen at the touch of a button, without interrupting what you're watching.

Global Reach

FiOS TV's multicultural lineup is unmatched in the industry. Whether you choose our Spanish language tier, La Conexión, or any of the popular international premium channels, you stay connected to the world.

More channels. More choices. Verizon FiOS TV.

* Programming and prices are subject to change. Applicable franchise fees, regulatory fees and taxes apply. Other terms and conditions apply.

Why stroll through a video store when you can scroll through one?

Scroll through a library of approximately 10,000 movies and shows that are waiting for you to watch. Use your remote and the Interactive Programming Guide to browse, then make your selection - it's that easy. Need to pause to get more popcorn? Fast forward to skip the scary part or rewind to see it again? No problem! You can do it all from your remote any time you want, day or night.

Free On Demand	Choose from a selection of free programming -- sports, home & leisure, music, pop culture and more -- from our FiOS TV library. Channels include Disney, Discovery, ESPN, Home & Garden, MTV and many others.
Movies On Demand	Find the blockbuster movies and your old favorites at the press of a button for a fraction of the cost of a movie ticket.
Premium On Demand	When you subscribe to HBO, Cinemax or the Movie Package, you automatically have access to original programming and shows. Not to mention, the hottest movie releases - anytime you want.
Pay Per View	Get a front row seat (your couch) to the most anticipated sporting events, concerts, movies and much more in entertainment with our Pay Per View listings.

You got the killer high def TV. Now get the killer high def channels to go with it.

Brilliant picture. Room-shaking sound. Abundance of HD choices. The stunning capacity of fiber optic cable delivers more of the high def programming you love, with spectacular picture, hyper-real color, and amazing clear sound. Watch your favorite sports, movies, and TV shows come alive on your screen.

FiOS TV with HDTV programming offers:

- Images up to 5x sharper than regular TV
- Unparalleled picture/sound quality and a wide-screen format
- An expansive and growing list of HDTV channels
- Easy installation from the FiOS TV HD Set Top Box
- Dolby 5.1 digital surround sound

To get started with HDTV, you'll need a HD ready television and a FiOS TV HD Set Top Box.

Finally, regularly scheduled programs for your irregularly scheduled life.

FiOS TV brings you so many choices, you'll probably find yourself wanting to watch more than one show at a time. Or you might have seen something so incredible, you just have to hit instant replay to see it again. (Sports fans take note.) No tapes. No discs. No hassle. The days of waiting for a commercial break to get a snack are long gone with the FiOS TV DVR.

With a FiOS TV DVR you can:

- Rewind, pause or record live TV
- Record up to 85 hours of standard definition programming
- Record one show while watching another or record two shows at the same time while watching a third recorded show



Home Media DVR with Media Manager

- Lets customers view recorded programs from any room in the house with a television and set-top box
- Supports up to six additional televisions, with simultaneous viewing of up to three recorded shows
- Easily access photos and music from your personal computer and play them on your entertainment center where they look and sound the best

PAY PER VIEW

701 Events
702-707 ESPN-NCAA Sports/Games/FanFull Court

LOCAL PLUS

860 NBC Weather Plus
861 The Tube Music Network
866 WRNN-Rise
870 WLW 21
871 WLW Create
872 13 Kids
873 WLW World

PUBLIC/EDUCATION/GOVERNMENT***

Ardsley/Greenburgh/Irvington/Tarrytown
32 Government (Gov.) Access Channel
34 Public Access Channel 1
35 Gov. Access Channel 2

HD

HD Broadcast
801 CW - WPX HD
802 CBS - WCBS HD
803 PBS - WNET HD
804 NBC - WNBC HD
805 FOX - WYWH HD
807 ABC - WABC HD
809 My WJOW HD

VIDEO ON DEMAND**

900 FIOS On Demand
ALL FREE

Public Access
30 Public Access

HD National
825 TNT HD
826 ESPN HD
827 ESPN 2 HD
828 NFL Network HD
830 YES HD
831 SportsNet New York HD
833 HD Net
834 HD Net Movies
835 Universal HD
836 Discovery HD
837 Wealth TV HD
838 National Geographic Channel HD
839 MTV HD
840 Food Network HD
841 HGTV HD
845 Lifetime Movie Network HD

Home & Leisure
Info & Education
Kids
Marketplace
Music
News
People & Culture
Pop Culture
Sports
Women
En Español

Public Access/Local Programming
42 Public Access/Local Programming
43 Gov. Access
44 Ed. Access

HD Premium
851 HBO HD
852 HBO HD
853 Showtime HD
854 TMC HD
855 Starz HD

Movies
International Films
Library
Movie Trailers
New Releases
En Español
Subscriptions
Cinemax
HBO
Showtime
Starz
Sundance
The Movie Channel
Playboy
heret
Karaoke Channel
WWE 24-7

Rye Brook
24 Rye Brook Village Gov. Access
27 Rye Brook Village Ed. Access 2
46 Rye Brook Village Public Access

Events
Sports
Uncensored
En Español

Adult FIOS TV Help

Smithtown
27 Smithtown Gov. heret

**Subscription to corresponding premium channels and packages required.
***Not all local public, educational and governmental (PEG) channels may be available at the time of installation.
Programming services offered within each package are subject to change, and not all programming services will be available at all times. Blackout restrictions also apply.

Verizon FiOS TV New York Channel Lineup

EFFECTIVE SEPTEMBER 2007

FIOS® TV LOCAL

- 2 CBS - WCBS-TV 2
- 4 NBC - WNBC-TV 4
- 5 FOX - WYWH-TV 5
- 6 WRNN-TV 62
- 7 ABC - WABC-TV 7
- 8 Superstation - WGN-TV
- 9 My WJOW-TV 9
- 10 WLW-TV 55
- 11 CW - WPX-TV 11
- 12 Telemundo - WNUJ-TV 47
- 13 PBS - WNET-TV 13
- 14 Telemundo - WFTY-TV 67
- 17 WMBC-TV 63
- 21 PBS - WJW-TV 21
- 23 PBS - WJW-TV 50
- 24 Local Programming
- 25 NYC-TV
- 26 Local Programming
- 27 Local Programming
- 29 PBS - WJW-TV 66
- 30 Local Programming
- 31 ION-TV 31
- 32-35 Local Programming
- 37 Public Access
- 38 Public Access
- 40 Local Programming
- 41 Univision - WXTV-TV 41
- 42 Local Programming
- 46 Local Programming
- 47 Local Programming
- 48 TV Guide
- 49 WeatherScan Local

- 80 CNN
- 81 CNN Headline News
- 82 Fox News
- 83 CNBC
- 85 Bloomberg TV
- 86 CNN International
- 87 CNBC World
- 88 ABC News Now
- 89 C-SPAN
- 90 C-SPAN 2
- 91 C-SPAN 3
- 92 BBC World
- 99 The Weather Channel

- 100 Discovery Channel
- 101 National Geographic Channel
- 102 Science Channel
- 103 Discovery Times
- 104 Pentagon Channel
- 105 Military Channel
- 106 Military History Channel
- 107 History Channel International
- 108 History Channel
- 109 Bio Channel
- 110 Animal Planet
- 111 TV Info
- 119 TLC (The Learning Channel)
- 120 Lifetime
- 121 Lifetime Movie Network
- 122 Lifetime Real Women
- 123 SoapNet
- 124 Oxygen
- 129 Women's Entertainment



FIOS® TV PREMIER

- 50 USA Network
- 51 TNT
- 52 TBS
- 53 FX
- 54 Spike TV
- 60 ESPN
- 61 ESPN Classic Sports
- 62 ESPN News
- 63 ESPN2
- 64 ESPN2
- 66 YES
- 67 SportsNet NY
- 68 MSG
- 69 Fox Sports Net NY
- 71 Speed Channel
- 72 NFL Network
- 75 VERSUS
- 76 Fox Soccer Channel

- 130 QVC
- 131 HSN
- 135 Jewelry
- 137 Shop NBC
- 140 Style
- 141 Discovery Health
- 143 Fi TV
- 144 Food Network
- 145 HGTV (Home & Garden Television)
- 146 Fine Living
- 147 DIY (Do It Yourself)
- 148 Discovery Home
- 149 Wealth TV
- 150 Travel Channel



FIOS® TV PREMIER (continued)

- 240 BET
- 241 TV One
- 243 MTV Tr3s
- 244 Galavisión
- 245 Mun2
- 246 SiTV
- 247 AZN Television
- 248 Bridges TV

- 260 EWTN
- 261 NSP
- 262 iLife
- 263 Church
- 264 JCTV
- 265 BYU
- 266 Three Angels
- 267 The Word Network
- 268 Daystar
- 269 Smile of a Child
- 270 Trinity Broadcasting Network

SPORTS**

- 300 Fox College Sports — Atlantic
- 301 Fox College Sports — Central
- 302 Fox College Sports — Pacific
- 303 Tennis Channel
- 305 Golf Channel
- 307 Outdoor Channel
- 308 The Sportsman Channel
- 311 Fox Sports on Español
- 313 GoTV
- 315 TVG (Horse Racing)
- 316 Horse Racing TV
- 318 Max TV
- 319 Blackbelt TV
- 321 MSG 2
- 322 Fox Sports Net NY 2

MOVIES**

- 340 Starz
- 341 Starz West
- 342 Starz Edge
- 343 Starz Edge West
- 344 Starz in Black
- 345 Starz Kids & Family
- 346 Starz Cinema
- 347 Starz Comedy
- 348 Encore
- 349 Encore West
- 350 Encore Love
- 351 Encore Love West
- 352 Encore Westerns

- 353 Encore Westerns West
- 354 Encore Mystery
- 355 Encore Mystery West
- 356 Encore Drama
- 357 Encore Drama West
- 358 Encore Action
- 359 Encore Action West
- 360 Encore WAM!
- 361 Showtime
- 362 Showtime West
- 363 Showtime Showcase
- 364 Showtime Showcase West
- 365 Showtime Too
- 366 Showtime Too West
- 367 Showtime Beyond
- 368 Showtime Beyond West
- 369 Showtime Extreme
- 370 Showtime Extreme West
- 371 Showtime Women
- 372 Showtime Women West
- 373 Showtime Next
- 374 Showtime Next West
- 375 Showtime Family Zone
- 376 Showtime Family Zone West
- 377 The Movie Channel
- 378 The Movie Channel West
- 379 The Movie Channel Xtra
- 380 The Movie Channel Xtra West
- 381 Flx
- 382 Flx West
- 384 Sundance
- 385 Independent Film Channel***

SPANISH LANGUAGE**

- 440 Galavisión
- 442 ESPN Deportes
- 443 Fox Sports en Español
- 444 GoTV
- 446 CNN en Español
- 447 Canal SUR
- 448 TVE Internacional
- 452 History Español
- 453 Discovery en Español
- 456 Infinito
- 457 MTV Tr3s
- 458 VH Uno
- 459 Teletit
- 462 De Película
- 463 De Película Clásico
- 464 Cine Latino
- 465 Cine Mexicano
- 468 La Familia
- 469 TV Chile
- 470 TV Colombia
- 472 Sorpresa
- 473 Toon Disney Español
- 474 Boomerang (ESP)**
- 475 Discovery Familia
- 477 TBN Enlace
- 478 EWTN Español

PREMIUMS**

- 400 HBO
- 401 HBO West
- 402 HBO 2
- 403 HBO 2 West
- 404 HBO Signature
- 405 HBO Signature West
- 406 HBO Family
- 407 HBO Family West
- 408 HBO Comedy
- 409 HBO Comedy West
- 410 HBO Zone
- 412 HBO Zone West
- 413 HBO Latino
- 414 HBO Latino West
- 415 Cinemax
- 416 Cinemax West
- 417 More Max
- 418 More Max West
- 419 Action Max
- 420 Action Max West
- 421 Thriller Max
- 422 Thriller Max West
- 423 Women's Max
- 424 At Max
- 425 Five Star Max
- 426 OuterMax

LA CONEXIÓN

- 500 USA Network
- 501 TNT
- 502 TBS
- 503 Galavisión
- 504 FX
- 505 Spike TV
- 508 ESPN Deportes
- 511 YES
- 512 SportsNet NY
- 513 Fox Sports en Español
- 514 Fox Soccer Channel
- 515 MSG
- 516 GoTV
- 517 Fox Sports Net NY
- 518 CNN en Español
- 519 CNN
- 520 CNN Headline News
- 521 Fox News
- 522 CNBC
- 524 C-SPAN
- 525 Canal SUR
- 529 TVE Internacional
- 530 History Español
- 531 Discovery Channel
- 532 Discovery en Español
- 534 Animal Planet
- 535 TLC (The Learning Channel)
- 537 Lifetime
- 538 Lifetime Movie Network
- 540 QVC
- 541 HSN
- 543 Shop NBC
- 545 Discovery Health
- 549 Infinito
- 550 Food Network
- 551 HGTV (Home & Garden Television)
- 552 Travel Channel
- 555 E! Entertainment Television
- 556 A&E
- 557 SiTV
- 558 Mun2
- 559 Comedy Central
- 560 So-Fi Channel
- 562 MTV Tr3s
- 563 MTV2
- 564 Teletit
- 565 VH Uno
- 566 CMT
- 569 De Película
- 570 De Película Clásico
- 571 Cine Mexicano
- 572 Cine Latino

URGE RADIO

- 647 Cunch
- 648 MTV2
- 649 Blues Part 2
- 650 Cover 2 Cover
- 651 CMT Radio
- 652 Diner
- 653 Wide Open Country
- 654 Voice Box
- 655 Vinyl
- 656 Dope
- 657 Hip-mod-ics
- 658 Celebration
- 659 Unforgettable
- 660 Manteca
- 661 TRL
- 662 Pego
- 663 I Love the 80s
- 664 I Love the 90s
- 665 I Love the 70s
- 666 Neon
- 667 Reunion
- 668 Rocks
- 669 Axis
- 670 Opera Babylon
- 671 Dream Sequence
- 672 Crescendo
- 673 Bluegrass Radio
- 674 Push
- 675 Zen
- 676 Discotech
- 677 Ultrasound
- 678 Práise
- 679 Smoke
- 680 Oasis
- 681 Swing
- 682 Radio Alterna
- 683 MTV2 Headbangers Ball
- 684 Blast
- 685 Gold
- 686 MTV Tr3s
- 687 NuGroove
- 688 Soul City
- 689 VH1 Soul
- 690 Cinema
- 692 Jazzup Broadway
- 693 Rappa
- 694 Comedy

MUSIC CHOICE

- 600 Sounds of the Seasons
- 601 Today's Country
- 602 Classic Country
- 603 Bluegrass
- 604 Hip-Hop and R&B
- 605 Classic R&B
- 606 R&B Soul
- 607 R&B Hits
- 608 Rap
- 609 Metal
- 610 Rock
- 611 Arena Rock
- 612 Classic Rock
- 613 Adult Alternative
- 614 Alternative
- 615 Retro-Active
- 616 Electronica
- 617 Dance
- 618 Life Hits
- 619 Adult Top 40
- 620 Hit List
- 621 Kidz Only
- 622 Party Favorites
- 623 Showcase
- 624 '90s
- 625 '80s
- 626 '70s
- 627 Solid Gold Oldies
- 628 Smooth Jazz
- 629 Jazz
- 630 Blues
- 631 Reggae
- 632 Soundscapes
- 633 Easy Listening
- 634 Big Band & Swing
- 635 Singers & Standards
- 636 Show Tunes
- 637 Contemporary Christian
- 638 Gospel
- 639 Classical Masterpieces
- 640 Light Classical
- 641 Pop Latino
- 642 Musica Urbana
- 643 Salsa y Merengue
- 644 Mexicana
- 645 Rock en Español
- 646 Opera

*A Spanish-language Secondary Audio Program (SAP) is available for selection.
 **Subscription to corresponding premium channels and packages required.
 ***HBO or Cinemax subscription includes Independent Film Channel.
 Programming services offered within each package are subject to change and not all programming services will be available at all times. Blackout restrictions also apply.

Verizon FiOS TV

Here's everything you need to create your perfect FiOS TV package. First, choose your service. Then, add to it from our selection of digital packages and premium channels below.

Refer to the Channel Lineup for a complete listing of the channels included in each package.

Service	Number of Channels	Monthly Price
FiOS TV Local ¹	15-35	\$12.99
Digital Service (Requires Set Top Box [STB] and Router ²)		
FiOS TV Premier ³	228 + FiOS TV Local	\$42.99
La Conexión ⁴	162 + FiOS TV Local	\$32.99

Now, add more channels for just a few dollars more.

Service	Number of Channels	Monthly Price
Sports	13	\$7.99
Movies	45	\$12.99
Sports/Movies Combination	58	\$15.99
Spanish Language	25	\$11.99

Service	Number of Channels	Monthly Price
HBO ⁵	14	\$15.99
Cinemax ⁶	12	\$15.99
HBO/Cinemax Combination	26	\$25.99
Playboy TV ⁷ /Playboy TV en Español	2	\$15.99
here!	1	\$7.99

Service	Number of Channels	Monthly Price
International Premium ⁸ (Requires STB)		
International Premium Channels	14	Individually Priced

Video On Demand (VOD) and Pay Per View (PPV) (Requires STB)	Price
On Demand Movies	
New Releases	\$3.99
Library	\$2.99
On Demand Subscriptions	
WWE	\$7.99/mo.
Karaoke	\$7.99/mo.
On Demand Adult	\$14.99/each
PPV Events	Varies
PPV Sports	Varies
ESPN GamePlan — NCAA Football	\$21.99/daily, \$129.99 season*
ESPN FullCourt — NCAA Basketball	\$14.99/daily, \$109.99 season*

Service	Monthly Price
Digital Adapter**	\$3.99
Standard Definition (SD)	\$4.99
High Definition (includes HD channels)	\$9.99
Standard Definition Digital Video Recorder**	\$12.99
High Definition Digital Video Recorder (includes HD channels)	\$15.99
SD Home Media DVR (features Multi-Room DVR & Media Manager)**	\$17.99
HD Home Media DVR (features Multi-Room DVR & Media Manager)	\$19.99

Initial Installation	One-Time Charges
Existing Outlet Hookup (up to 3)	No Charge
Additional Outlet/Set Top Box Hookup (existing outlet)	\$19.99
New Outlet Install/Existing Outlet Rewire (per outlet)	\$54.99
Outlet Relocation	\$54.99
FiOS TV Activation Fee with FiOS TV/Internet/Voice Bundle	Free
FiOS TV Activation Fee with FiOS Internet	\$19.99
FiOS TV Activation Fee without FiOS Internet	\$29.99

Service	One-Time Charge
Premise Visit ⁷	\$49.99
New Outlet Installation (per outlet)	\$54.99
Outlet Relocation (per outlet)	\$54.99
Setup of TV Equipment (new TV with existing STB)	\$49.99
Downgrade of Service from Digital to Analog	\$49.99
Set Top Box Addition or Upgrade (requiring Technician visit)	\$24.99
Set Top Box Return or Downgrade with equipment drop off at Verizon authorized locations	Free
Set Top Box Return or Downgrade (requiring Technician visit)	\$29.99
FiOS TV Full Service Disconnect with equipment drop off at Verizon authorized locations	Free
FiOS TV Full Service Disconnect with Technician visit for equipment retrieval	\$74.99

Other Services and Charges	One-Time Charges
Seasonal Service Suspension (charged at initiation, 1-6 months) ⁸	\$24.99
Replacement Remote — Verizon FiOS TV RC144	\$6.99 + Shipping & Handling
Replacement Remote — Motorola DRC800	\$5.00 + Shipping & Handling
Unreturned/Damaged STB — Digital Adapter	\$175.00
Unreturned/Damaged STB — Standard Definition	\$240.00
Unreturned/Damaged STB — High Definition	\$350.00
Unreturned/Damaged STB — SD Digital Video Recorder (DVR)	\$475.00
Unreturned/Damaged STB — HD Digital Video Recorder (DVR)	\$550.00

*In addition, early subscription and half season prices are available.

**Available Fall 2007.



1 The Spanish Language package may be added to FiOS TV Local service, but requires a Set Top Box for access. The addition of a Set Top Box with FiOS TV Local service provides access to Video On Demand (VOD) and Pay Per View (PPV), as well as the ability to order Premiums and International Premiums.

2 If service is cancelled within the first 12 months, router must be returned or \$99.99 equipment fee applies.

3 FiOS TV Premier includes all FiOS TV Local channels, additional all-digital programming, digital music channels and access to Pay Per View and Video On Demand.

4 La Conexión includes all FiOS TV Local channels, digital programming including popular English-language networks and Spanish-language networks, digital music channels, and access to PPV and VOD. La Conexión cannot be combined with the Spanish Language package.

5 In order to be eligible for Movies or Sports, FiOS TV Premier or La Conexión is required. 30-day minimum billing period required for all digital packages.

6 Subscription VOD is included with all Premiums at no extra charge (where applicable). 30-day minimum billing period required for all Premiums.

7 A premise visit charge is assessed when a technician installation is required to set up a new or additional TV with an existing FiOS TV Set Top Box. A premise visit charge is not assessed when adding new, upgrading/downgrading existing, or disconnecting Set Top Box receivers.

8 Seasonal service suspension requires a minimum suspension of one month and a maximum suspension of six months.

Service/program availability varies by location and the number of channels within each package are approximations. Pricing applies to residential use only within the United States and is subject to change. Taxes, franchise fees and other terms apply.

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VRZN_FIFF_C0984



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FAX 202.719.7049

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McLEAN, VA 22102
PHONE 703.905.2800
FAX 703.905.2820

www.wileyrein.com

December 5, 2007

Via Federal Express

Ms. Carol Pogrell
Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Re: **Application of Verizon New York, Inc. for a Cable Television Franchise**

Dear Ms. Pogrell:

Pursuant to our recent conversation with Tom Levin, enclosed please find an updated Application of Verizon New York Inc. to the Village of Lake Success for a cable television franchise. Also enclosed, please find the final cable franchise agreement by and between the Village of Lake Success and Verizon New York Inc. Please make both documents available for public inspection at Village Hall.

Please contact Mac Kerbey at (617) 628-3436, Gabrielle Stormo at (312) 750-5737 or me at (202) 719-4633 if you have any questions.

Very truly yours,

A handwritten signature in cursive script that reads "Nia McDonald".

Nia McDonald

NM/

Enclosures

cc: Verizon New York Inc.
A. Thomas Levin, Esq.

APPLICATION FOR A CABLE TELEVISION FRANCHISE
BY VERIZON NEW YORK INC.

Verizon New York Inc. ("Verizon NY") respectfully submits this application form ("Application") and requests the award of a cable television franchise from the Village of Lake Success ("Municipality"). In this application, Verizon NY answers the questions set forth in Title 16, Chapter VIII, Part 894, Section 894.5, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended.

- (1) A description of the cable television system proposed to be constructed including information regarding (a) channel capacity, including both the total capability of the proposed system and the number of channels to be energized immediately; (b) television and radio broadcast signals which Verizon NY intends to carry on its system initially; (c) the extent and type of any origination cable casting to be undertaken, and the facilities, equipment and staff to be employed therein; and (d) the system layout or design, including where applicable: (i) location of antennae and headends; (ii) plans for a two-way capability including a proposed schedule indication when two-way capability will become available from particular points; (iii) location or origination points and origination facilities; (iv) extent and type of automated services to be provided; and (v) number of channels to be utilized for access cablecasting and the facilities, equipment, staff and other support to be available to access users including access utilization or production costs.

In response to the information requested in subsections 1(a) and (d)(i-ii), please see attached Exhibit 1, "Proposed Service Overview, Product Offers and Architecture." In response to question 1(b), please see the sample channel line up set forth in Exhibit 2, "Verizon FiOS TV – New York Area Channel Lineup."

In response to the information requested in subsection 1(c) and 1(d)(iii), Verizon NY does not currently plan to engage in origination cable casting.

In response to the information sought in subsection 1(d)(v), upon request of the Municipality, Verizon NY intends to provide capacity on its basic service tier for up to one (1) dedicated Public Access Channel, one (1) dedicated Educational Access Channel, and up to one (1) dedicated Government Access Channel.

- (2) The terms and conditions under which service is to be provided to educational and governmental entities.

Verizon NY will provide channel capacity to educational and governmental entities under terms and conditions consistent with applicable law, and as may be required by the Municipality.

- (3) The terms concerning rates and construction schedules.

Verizon NY's current cable television service rates and available packages are attached as Exhibit 3.

Verizon NY has completed the construction of its fiber to the premises ("FTTP") network to approximately 98% of the households in the Municipality. A full discussion of the construction requirements and central office conversion requirements to bring FTTP and cable television service to the Municipality is contained in Exhibit 1.

On June 15, 2005, the New York Public Service Commission ("NY PSC") "declared that Verizon NY's FTTP upgrade is authorized under its existing state telephone rights because the upgrade furthers the deployment of telecommunications and broadband services, and is consistent with state and federal law and in the public interest." The NY PSC determined that, unlike a company seeking to build an unfranchised cable television system, Verizon NY already has the necessary authority to use the rights-of-way to provide telecommunications service over its existing network. See Declaratory Ruling on Verizon Communication, Inc.'s Built-Out of its Fiber to the Premises Network, NY Public Service Commission, Case 05-M-0520/05-M-0247, June 15, 2005 at 4.

Verizon NY will continue to adhere to applicable lawful customary time, place and manner permitting requirements of the Municipality.

- (4) An indication of whether Verizon NY will provide service on the same terms and conditions as contained in the existing franchise in effect.

Verizon NY will provide service on terms and conditions consistent with the needs and interests of the Municipality and the level playing field requirement set forth in Title 16, Chapter VIII, Part 895, Section 895.3, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, in that the Verizon NY proposed franchise is comparable in its totality with the incumbent cable television provider's agreement. Verizon NY is applying for a cable television franchise in the Municipality in order to provide the residents of the Municipality with competitive choice.

As more fully described in Exhibit 1, Verizon NY is constructing its FTTP network pursuant to its authority as a common carrier under Title II of the Communications Act of 1934, as amended, and Section 27 of the New York Transportation Corporations Law. For this reason and others, certain terms and conditions may differ between the incumbent cable provider's franchise and Verizon NY's franchise.

- (5) A statement of Verizon NY's experience in the cable television field including, if applicable, the names and professional experience of the persons or organizations who

will be responsible for the construction, installation and operation of the proposed system.

Verizon NY and its predecessor entities have provided telecommunications services in the State of New York for over one hundred years. Consequently, Verizon NY has extensive experience and expertise in the telecommunications field. Generally, the current cable service operation of Verizon NY is similarly based on an extensive history. Specifically, Verizon NY has applied the comprehensive knowledge of current Verizon NY employees in the provision of telecommunications service, including in-depth knowledge and experience of employees who were involved in affiliated enterprises.

Verizon NY was awarded cable television franchise by the following municipalities: (1) Village of Massapequa Park (Nassau County); (2) Village of Nyack (Rockland County); (3) Village of South Nyack (Rockland County); (4) Village of Upper Nyack (Rockland County); (5) Town of Hempstead (Nassau County); (6) Village of Cedarhurst (Nassau County); (7) Town of Oyster Bay (Nassau County); (8) Village of Laurel Hollow (Nassau County); (9) Village of Grand View-on-Hudson (Rockland County); (10) Village of Lynbrook (Nassau County); (11) Town of Clarkstown (Rockland County); (12) Village of Mineola (Nassau County); (13) Village of East Rockaway (Nassau County); (14) Town of Greenburgh (Westchester County); (15) Town of Smithtown (Suffolk County); (16) Village of Irvington (Westchester County); (17) Village of Valley Stream (Nassau County); (18) Town of Huntington (Suffolk County); (19) Village of Farmingdale (Nassau County); (20) Village of Ardsley (Westchester County); (21) Village of Freeport (Nassau County); (22) Village of Dobbs Ferry (Westchester County); (23) Village of Tarrytown (Westchester County); (24) Town of Eastchester (Westchester County); (25) Town of Mount Kisco (Westchester County); (26) Village of Elmsford (Westchester County); (27) Village of Port Chester (Westchester County); (28) Village of Tuckahoe (Westchester County); (29) Town of Orangetown (Rockland County); (30) Village of Piermont (Rockland County); (31) City of White Plains (Westchester County); (32) Village of Airmont (Rockland County); (33) Village of Williston Park (Nassau County); (34) Town of North Hempstead (Nassau County); (35) Village of Rye Brook (Westchester County); (36) Town of Haverstraw (Rockland County); (37) Village of New Hyde Park (Nassau County); (38) Village of West Haverstraw (Rockland County); (39) Town of North Castle (Westchester County); (40) Village of Chestnut Ridge (Rockland County); (41) Village of Bayville (Nassau County); (42) Village of Sands Point (Nassau County); (43) Town of Mount Pleasant (Westchester County); (44) Village of Old Field (Suffolk County); (45) City of Mount Vernon (Westchester County); (46) Village of Spring Valley (Rockland County); (47) Village of Suffern (Rockland County); (48) Village of Scarsdale (Westchester County); (49) Village of Bronxville (Westchester County); (50) City of Yonkers (Westchester County); (51) Village of Floral Park (Nassau County); (52) Town of Islip (Suffolk County); (53) Village of South Floral Park (Nassau County); (54) City of New Rochelle (Westchester County); (55) Village of Haverstraw (Rockland County); (56) Town of Cortlandt (Westchester County); (57) Village of Garden City (Nassau County); (58) Village of Nissequogue (Suffolk County); (59)

Village of Poquott (Suffolk County); (60) City of Peekskill (Westchester County); (61) Village of Buchanan (Westchester County); (62) Village of Mill Neck (Nassau County); (63) Village of Head of the Harbor (Suffolk County); (64) Village of Hillburn (Rockland County); (65) Village of East Williston (Nassau County); (66) Village of Stewart Manor (Nassau County); (67) City of Rye (Westchester County); (68) Village of Centre Island (Nassau County); (69) Town of Newburgh (Orange County); (70) Town of Mamaroneck (Westchester County); (71) Village of Malverne (Nassau County); (72) Village of Mamaroneck (Westchester County); (73) Village of Larchmont (Westchester County); (74) Village of Pelham Manor (Westchester County); (75) Village of the Branch (Suffolk County); and (76) Village of Huntington Bay (Suffolk County).

The NY PSC granted the following Orders and Certificates of Confirmation for Verizon NY's approved franchises: (1) Massapequa Park - December 14, 2005; (2) Nyack - February 8, 2006; (3) South Nyack - February 8, 2006; (4) Upper Nyack - May 18, 2006; (5) Hempstead - May 18, 2006; (6) Cedarhurst - June 22, 2006; (7) Oyster Bay - June 23, 2006; (8) Laurel Hollow - August 24, 2006; (9) Grand View-on-Hudson - August 24, 2006; (10) Lynbrook - September 21, 2006; (11) Clarkstown - September 21, 2006; (12) Mineola - September 21, 2006; (13) East Rockaway - October 19, 2006; (14) Greenburgh - October 19, 2006; (15) Smithtown - November 10, 2006; (16) Irvington - November 10, 2006; (17) Valley Stream - November 10, 2006; (18) Huntington - November 10, 2006; (19) Farmingdale - November 10, 2006; (20) Ardsley - December 15, 2006; (21) Dobbs Ferry - December 15, 2006; (22) Freeport - December 15, 2006; (23) Tarrytown - December 15, 2006; (24) Eastchester - January 19, 2007; (25) Mount Kisco - January 19, 2007; (26) Elmsford - February 16, 2007; (27) Port Chester - March 23, 2007; (28) Tuckahoe - March 23, 2007; (29) Orangetown - April 20, 2007; (30) Piermont - April 20, 2007; (31) White Plains - May 17, 2007; (32) Airmont - May 17, 2007; (33) Williston Park - May 17, 2007; (34) Rye Brook - May 17, 2007; (35) North Hempstead - June 22, 2007; (36) West Haverstraw - June 22, 2007; (37) Haverstraw - June 22, 2007; (38) New Hyde Park - June 22, 2007; (39) North Castle - June 22, 2007; (40) Bayville - June 22, 2007; (41) Chestnut Ridge - June 22, 2007; (42) Sands Point - June 22, 2007; (43) Mount Pleasant - July 19, 2007; (44) Mount Vernon - July 19, 2007; (45) Old Field - July 19, 2007; (46) Spring Valley - July 19, 2007; (47) Scarsdale - August 22, 2007; (48) Yonkers - August 22, 2007; (49) Bronxville - August 22, 2007; (50) Floral Park - August 22, 2007; (51) Islip - August 22, 2007; (52) South Floral Park - August 22, 2007; (53) Cortlandt - September 21, 2007; (54) Haverstraw - September 21, 2007; (55) Nissequogue - September 21, 2007; (56) Poquott - September 21, 2007; (57) City of New Rochelle - September 21, 2007; (58) Suffern - September 21, 2007; (59) Garden City - September 21, 2007; (60) Head of the Harbor - October 18, 2007; (61) Hillburn - October 18, 2007; (62) Peekskill - October 18, 2007; (63) Mill Neck - November 8, 2007; and (64) Buchanan - November 8, 2007.

Furthermore, other subsidiaries of Verizon Communications Inc. were awarded cable television franchises by 852 franchising authorities in California,

Delaware, Florida, Maryland, Massachusetts, New Jersey, Pennsylvania, Texas, Oregon, Rhode Island and Virginia.

- (6) A statement indicating whether Verizon NY or any of its principals owns or operates any other cable television system, directly or indirectly, and a statement indicating the name of any such operations and the name and address of the chief executive officer of the franchising authority in which such system or station is located.

Verizon NY does not own or operate any other cable television system, directly or indirectly.

- (7) A documented plan for financing the proposed system, which plan shall indicate specifically every significant anticipated source of capital and any and all limitations or conditions with respect to the availability of the indicated sources of capital.

Verizon NY intends to finance the construction of the FTTP system and the provision of cable services over the FTTP system through a variety of internally and externally generated funds. Verizon NY is a financially stable company which has provided telecommunications services in New York State for more than a century. Its parent company, Verizon Communications Inc., is a Fortune 20 company, a Dow 30 Industrials company, and had 2006 revenues in excess of \$88 billion. A copy of The 2006 Form 10-K of Verizon Communications Inc. can be accessed via the following internet address:

http://investor.verizon.com/sec/sec_frame.aspx?FilingID=5002107

A copy of the Verizon Communications Inc. 2006 Annual Report to Shareholders can be accessed via the following internet address:

http://investor.verizon.com/financial/quarterly/pdf/06_annual_report.pdf

- (8) A statement indicating whether Verizon NY or any of its officers, directors and persons having a legal or equitable interest in 10% or more of the voting stock: (a) has ever been convicted of a crime involving moral turpitude (including criminal fraud) or is presently under indictment charging such a crime; (b) has ever been held liable by any court of competent jurisdiction in any civil action based on fraud, deceit or misrepresentation; or (c) has ever been punished or censured in any jurisdiction for any violation or attempted violation of any law, rule or order relating to cable television operations.

Verizon NY has no knowledge of any such finding of guilt toward Verizon NY, any person controlling Verizon NY, or any officer, director or major stockholder of Verizon NY.

PROPOSED SERVICE OVERVIEW, PRODUCT OFFERS AND ARCHITECTURE

- Overview of Fiber to the Premises (FTTP) Deployment
- Service Overview
 - Product Offer
 - Service Delivery/Connection Method
- FTTP System Architecture
 - End-to-End Architecture
 - Wide Area Transport

Overview of Fiber To The Premises (FTTP) Deployment

Fiber to the Premises (FTTP) is a key Verizon corporate initiative to provide voice, cable television and very high speed data services. FTTP uses fiber-optic cable and optical electronics to directly link homes and many businesses to the Verizon network. The fiber network being deployed can support cable television and, where appropriate, Verizon will seek to provide cable service to customers. Key objectives include, but are not limited to, the delivery of higher customer satisfaction, superior performance (network, applications & technical support), and an installation process that surpasses the Cable, DBS and DSL experience today.

- Verizon Communications companies began deploying FTTP in twelve states in 2004. Verizon passed six million homes with FTTP in sixteen states by the end of 2006.
- Cable television services deployment will be a subset that is ancillary to the voice and data FTTP services. Select FTTP-enabled wire centers will be deployed for cable service in the first instance.

Service Overview

The FTTP Network will enable provision of a feature rich and fully competitive cable television offering. The major components of the cable television services which Verizon will offer to consumers will include:

- Basic tier, including local and Educational and Government (EG) channels as requested by and as negotiated with the community
- Expanded Service tiers
- Premium channel tiers
- Pay Per View (PPV)
- HDTV channels
- Digital music channels
- Digital Video Recorder (DVR)

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- Interactive programming guide (IPG)
- Inside coax cable wire installation

Product Offers

For residential customers, Verizon will initially offer Broadcast Television, High Definition TV (HDTV), Digital Video Recorders (DVR), Interactive Programming Guide (IPG) and Pay Per View (PPV) Movies and Events. The Broadcast Television offering will consist of both a Basic Service tier and an Expanded Service tier. The Basic Service tier will include local, educational/government (EG) channels and select cable channels. The Expanded Service tier will include all channels carried on the Basic Service tier as well as additional cable channels, premium cable channels, Spanish language channels, international channels, digital music channels, an interactive program guide (IPG), HDTV programming (for subscribers with an HD STB) and PPV programming. Customers will be charged a monthly recurring fee for each set top box (STB) based upon model. The customer will be offered the option to upgrade STBs to include support for HDTV, or a combined HD DVR STB for additional monthly fees.

In addition to organizing and informing the customer of the programming line-up, the system is designed from its outset to be an active two-way system for subscriber interaction, if any, required for the selection or use of cable service. The IPG will support on-screen program control, parental controls, timers, search, and ordering of PPV services. Pay Per View allows subscribers to pay for and watch prescheduled programming events on an on-demand basis. PPV movies or events will be selected from the IPG. Authorization for billing will occur at the time of purchase. Events begin at pre-scheduled intervals (i.e., programming is not immediately available). Customers will purchase PPV either as discrete events or in pre-defined packages.

Service Delivery/Connection Method

Connection Method

At initial deployment, an installation and maintenance (I&M) technician will connect the Optical Network Terminal (ONT) to a central point of demarcation where a cable television I&M technician will make final connections to provide the cable television service. After the installation of the ONT, a cable television field technician will test the existing in-home coaxial cable to determine if it is technically acceptable and will connect the service. If no coaxial cable exists or the coaxial cable is unacceptable, the technician will install wiring to the first cable outlet, and will install new coaxial wiring to other locations identified by the customer at the customer's request and expense. The customer may choose to self-install such wiring, or to obtain inside wiring installation service from a third party or Verizon.

Connection Method – Set Top Box

The technician will have a set top box that will need to be installed near the TV. The technician will connect a coaxial cable from the wall outlet to the set top and another coaxial cable from the set top box to the TV. The technician will also connect the customer's VCR and/or DVD device and check for proper operation. A fee may be charged for non-standard installations involving

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multiple components such as surround sound systems or other electronic equipment. This process will be followed for any boxes installed.

When a set top box is installed the technician will call the service center at which point certain services previously ordered by the customer will be activated. A remote command will be issued to the set top box in real time to turn the purchased service(s) on.

Connection Method: - PPV

The set top box provides access to the service. Customers will use their remote control to purchase the programming they desire. Purchases will appear on the monthly bill.

Equipment Changes and Re-Configurations

When a customer changes the in-home configuration (e.g., moving a set top box from one TV to another), the customer will be able to accomplish this change without reconfiguring the set top box.

FTTP System Architecture

End-to-End Architecture

Figure 1 shows the architecture topology for supporting service across multiple market areas. A brief summary of the end-to-end architecture follows. Subsequent sections provide more information on each major component within the planned Verizon FTTP overlay architecture.

Figure 2 shows full build and overlay architecture. FTTP will be built instead of copper facilities in new communities. In existing communities, the existing copper network will continue to serve those customers who have not migrated to the FTTP network. The fiber is deployed from a Central Office location within a wire center area.

Figure 1-High Level End to End Architecture

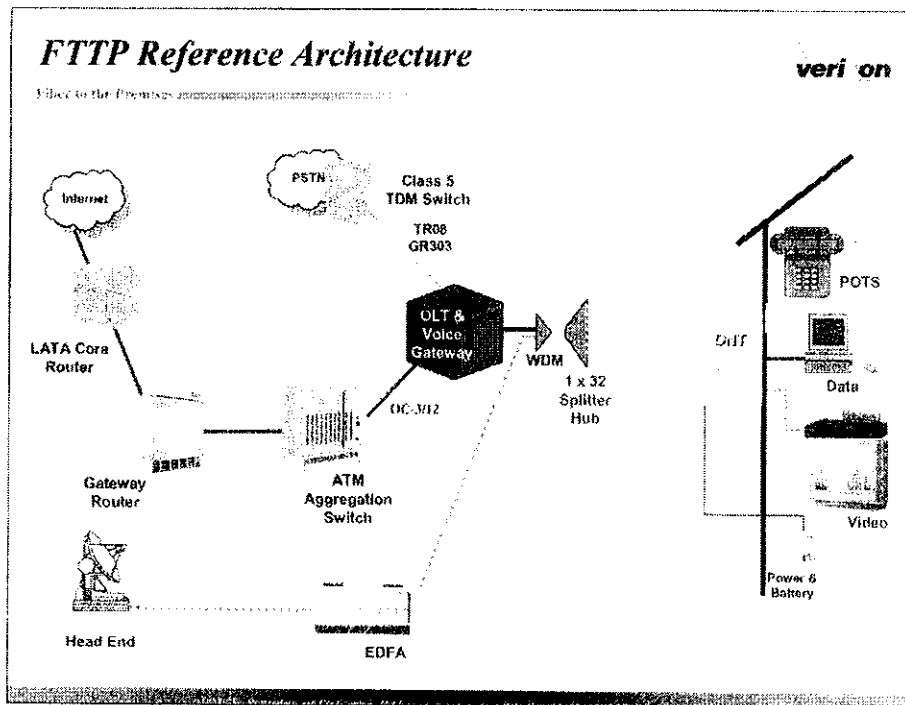
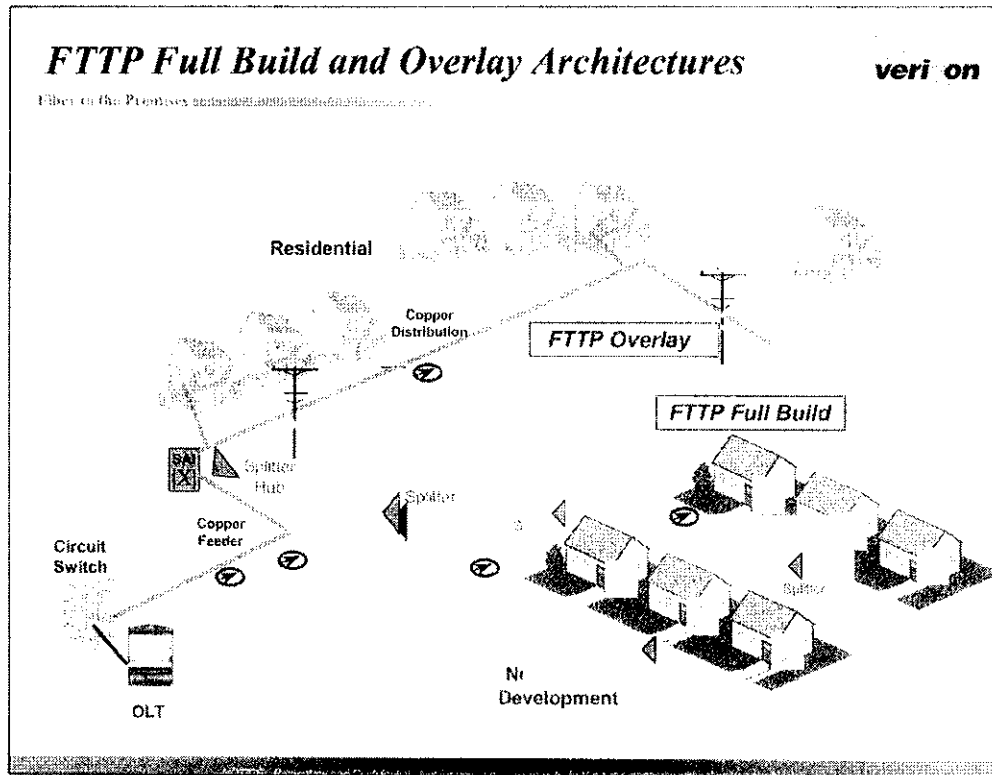


Figure 2-FTTP Full Build and Overlay Architectures



At the national or regional level, a “super” headend (SHE) (Temple Terrace, Florida with a backup in Bloomington, Illinois) shall serve as the single point of national content aggregation (see Figure 1). All content shall be encoded into MPEG2 streams and transported over nationwide SONET services. In each market where Verizon seeks to offer service, the broadcast cable television traffic is off loaded from the long haul network and terminated at a Video Hub Office (VHO). Network redundancy and route diversity shall extend from the SHE to the VHO.

The VHO serves as the metro or local point of aggregation. It is here that off-air and public, educational, and government (PEG) channels (where appropriate) are combined with the broadcast cable television coming from the SHE. Interactive Program Guides (IPG) shall be controlled from this site, also. The service that exits the VHO shall look like the final product viewed by the end user subscriber.

Cable television traffic is converted to optical signals at the VHO and transported over Verizon’s metro area, inter-office facilities (IOF) to Video Serving Offices (VSOs). Voice and high-speed data signals are combined with the cable television at this location for final transport to the subscriber premises over Verizon’s FTTP Passive Optical Network (PON).

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At the premise, the optical cable television signal is de-multiplexed and converted to an electrical signal, which meets cable television industry standards for cable services. Standard home wiring practices, using coaxial cables, as well as alternative media, shall distribute the signal to cable ready TVs and standard set top boxes.

There will be 24x7 control and surveillance of the cable television platform from a remote location. This Network Operations Center (NOC) will be centrally located and shall be responsible for the operation and maintenance of the Conditional Access System (CAS), which directs the encryption functions performed back at the VHO.

Super Headend (SHE)

A "super" headend (SHE) shall serve as the single point of national content aggregation. At general service availability, Verizon shall deploy a primary SHE and an additional SHE for redundancy.

Both the primary and redundant SHEs will be strategically located to ensure technical and environmental requirements are met.

The key functions of the SHE include:

Content Reception

Signal Processing

Encoding

Network Interface

The majority of cable television sources shall be individual content provider programming. A mix of standard and high definition formats shall be supported. All content shall be encoded into MPEG2 streams, formatted for SONET, and transported via an OC48c to a local point-of-presence (POP) for wide area (national) transport.

Wide Area Transport

In support of the cable television service, Verizon will use OC48c SONET facilities in the POPs serving target cable markets. Where multiple POPs exist within a market, redundancy options shall dictate if a single or multiple POPs shall be designated for supporting the cable television traffic.

In most cases, it is expected that the cable television traffic shall traverse multiple interconnected rings between the SHE and the destination market. Once the cable traffic reaches a POP located in a target market, it will be forwarded to an OC48c SONET interface connected to metro/local SONET facilities. These facilities shall connect the POP to a Video Hub Office (VHO). VHOs are capable of serving multiple communities within a target market. If more than one VHO is required, the metro SONET ring(s) would be deployed to cover multiple sites.

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Video Hub Office (VHO)

The VHO serves as the metro or local point of aggregation. The VHO location (Queens, NY) is based on a combination of technical factors, metro fiber/IOF availability, local channel reception characteristics, and municipal regulations (e.g., zoning ordinances).

Under current network design plans, the anticipated functions of the VHO include:

WAN Interface for Cable television Transport

Ad Insertion

PEG Content

Signal Grooming and Multiplexing

Emergency Alert Service

Interactive Program Guide

Conditional Access

Local Content

The VHO shall aggregate three basic sources of content: national broadcast channels, local broadcast channels, and public, educational, & government (PEG) channels. The national content is the traffic sent from the SHE and is delivered via an OC48c SONET interface from the SONETPOP. The local broadcast channels shall be received off-air via antennas or terrestrial fiber transport located at the VHO site. The PEG channels shall be collected via terrestrial connections from each local franchising area (LFA) served by the VHO.

The final collection of content is placed into the RF spectrum between 50 – 870 MHz as either an analog AM-VSB signal or, as part of a digital multiplex, into a 256-QAM modulated carrier. Digital content requiring encryption by the CAS shall also be multiplexed into QAM modulators and combined with other analog and digital carriers. In addition, an out-of-band downstream channel is generated which carries the Interactive Program Guide (IPG), provisioning, and management messages to STBs. The combined RF signal is converted to optics and fed into erbium-doped fiber amplifiers (EDFAs) at egress from the VHO. These optical cable television signals are transported on the 1550 nm wavelength of the G.983-specified Enhancement band to Verizon Video Serving Offices (VSOs).

As noted previously, it is intended that the broadcast cable television traffic/service that exits the VHO shall look like the final product viewed by the end user subscriber.

Metro Area Transport

The optical cable television signals coming from the VHO are transported on the 1550 nm wavelength over fiber available within Verizon's inter-office facilities (IOF).

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Video Serving Office (VSO) & Passive Optical Network (PON)

The Video Serving Office (VSO) is a location within the central office containing FTTP equipment. The VSO that will serve the Village of Lake Success is located in Great Neck, New York. If technically feasible or otherwise appropriate, PEG insertion may occur at these locations in the network.

The key function of the VSO is to combine Broadcast Cable television into the Voice and High Speed Data FTTP Network.

Once in the VSO, the optical cable television signal is sent through an EDFA and then to a Wave Division Multiplexer (WDM) combiner and splitter, which is used to add the cable signal to the voice and high-speed data signals' wavelength (1490nm) – coming from the Optical Line Terminal (OLT) – together with the cable wavelength onto a single optical source. This optical signal is then sent towards the subscriber premises via a PON. The VSO will also play a role in supporting upstream signals from the customer premises for pay-per-view services. Pay-per-view usage data uses the data service's 1310nm upstream wavelength. The upstream data communications shall be sent back to a subscriber database located in the Operations Center located in the VHO.

Customer Premises

At the premise, an Optical Network Terminal (ONT) de-multiplexes the 1550nm optical signal and simply converts it to a voice, data and cable television electrical signal, which meets cable television industry standards for cable services.

LEGAL AUTHORITY TO CONSTRUCT FIBER TO THE PREMISES

Verizon New York Inc. ("Verizon"), as a common carrier under Title II of the Communications Act of 1934 (the "Act"), is constructing its Fiber To The Premises (FTTP) network as an upgrade to its existing telecommunications network. Verizon has the requisite authority to upgrade its network for enhanced voice and broadband services for the reasons discussed, in part, below.

Verizon has the necessary Federal, state and local authorizations to upgrade its Title II telecommunications network, subject to customary time, place and manner permitting requirements. Specifically, Section 27 of the New York Transportation Corporations Law ("New York Telecom Law") grants Verizon the right to place its facilities upon, over or under any public streets within the State of New York. See New York Tel. Co. v. Town of North Hempstead, 41 N.Y.2d 691, 363 N.E.2d 694 (1977); New York Tel. Co. v. City of Amsterdam, 613 N.Y.S.2d 993, 994 (App. Div. 1994) (stating that Section 27 grants "an unconditional privilege to install, maintain and repair" telephone facilities in public streets).

The Title II services to be provided over Verizon's FTTP network are not subject to Title VI of the Act or Article 11 of the New York State Public Service Law ("New York Cable Law"), which regulate cable television service. Verizon plans to utilize FTTP to offer its customers enhanced voice and broadband data services. While FTTP may give Verizon the future capability of providing video service, the network is not subject to Title VI of the Act or the New York Cable Law (including any construction requirements that may be set forth therein) unless and until the network constitutes a "cable system" as defined in Section 602(7) of the Act or a "cable television system" as defined in Section 212(2) of the New York Cable Law. This is triggered only when cable services, such as video programming, are provided to multiple subscribers within a community. As stated in Section 602(7) the Act, "the term 'cable system' ... does not include ... (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of title II of this Act, except ... to the extent that such facility is used in the transmission of video programming directly to subscribers...." (emphasis added) 47 U.S.C. § 522(7)(C). See Nat'l Cable Television Ass'n v. FCC, 33 F.3d 66 (D.C. Cir. 1994) (concluding that the FCC "reasonably interpreted the Act to require that an entity obtain a cable franchise only when that entity selects or provides the video programming to be offered.") Moreover, Section 621(b)(3) of the Act (47 U.S.C. § 541(b)(3)) further specifically prohibits franchising authorities from requiring cable franchises for the provision of telecommunications service or in any way restricting or impeding the provision of such service.

Verizon has the requisite authority as a common carrier under Title II of the Act and Section 27 of the NY Telecom Law to construct its FTTP network. It need not seek supplemental authority to construct the network. However, as provided in Title VI of the Act and the New York Cable Law, a cable franchise would be required prior to Verizon using the FTTP network to provide video programming to multiple subscribers in a local franchise area.

Furthermore, on June 15, 2005, the New York Public Service Commission ruled that Verizon does not need to obtain a cable franchise before constructing its FTTP network. The

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Commission found that unlike cable companies, Verizon already has the necessary authority under state law to use the public rights-of-way. Thus, the Commission concluded that Verizon has the right to upgrade its telecommunications network to make it capable of providing cable service. See Declaratory Ruling on Verizon Communication, Inc.'s Built-Out of its Fiber to the Premises Network, NY Public Service Commission, Case 05-M-0520/05-M-0247, June 15, 2005.

EXHIBIT 2
APPLICATION FOR A CABLE TELEVISION FRANCHISE
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VERIZON NEW YORK INC.

VERIZON FiOS TV – NEW YORK AREA CHANNEL LINEUP

**NOTE: ALL INFORMATION PROVIDED
IS FOR THE NEW YORK AREA
AND IS SUBJECT TO CHANGE FOR THE MUNICIPALITY**

FIOS TV PREMIER

(continued)

- 240 BET
- 241 TV One
- 243 MTV Tr3s
- 244 Galavisión
- 245 Mun2
- 246 SiTV
- 247 A21 Television
- 248 Bridges TV
- 260 EWTN
- 261 NSP
- 262 Life
- 263 Church
- 264 JCTV
- 265 BTV
- 266 Three Angels
- 267 The Word Network
- 268 Daystar
- 269 Sonle of a Child
- 270 Tntly Broadcast Network

SPORTS**

- 300 Fox College Sports — Atlantic
- 301 Fox College Sports — Central
- 302 Fox College Sports — Pacific
- 303 Tennis Channel
- 305 Golf Channel
- 307 Outdoor Channel
- 308 The Sportsman Channel
- 311 Fox Sports on Español
- 313 GoTV
- 315 TVG (Horse Racing)
- 316 Horse Racing TV
- 318 May TV
- 319 Baseball TV
- 321 MSG 2
- 322 Fox Sports Net NY 2

MOVIES**

- 340 Starz
- 341 Starz West
- 342 Starz Edge
- 343 Starz Edge West
- 344 Starz in Black
- 345 Starz Kids & Family
- 346 Starz Comedy
- 347 Starz Cinema
- 348 Encore
- 349 Encore West
- 350 Encore Love
- 351 Encore Love West
- 352 Encore Westerns

- 353 Encore Westerns West
- 354 Encore Mystery
- 355 Encore Mystery West
- 356 Encore Drama
- 357 Encore Drama West
- 358 Encore Action
- 359 Encore Action West
- 360 Encore WAMI
- 361 Showtime
- 362 Showtime West
- 363 Showtime Showcase
- 364 Showtime Showcases West
- 365 Showtime Too
- 366 Showtime Too West
- 367 Showtime Beyond
- 368 Showtime Beyond West
- 369 Showtime Extreme
- 370 Showtime Extreme West
- 371 Showtime Women
- 372 Showtime Women West
- 373 Showtime Next
- 374 Showtime Next West
- 375 Showtime Family Zone
- 376 Showtime Family Zone West
- 377 The Movie Channel
- 378 The Movie Channel West
- 379 The Movie Channel Xtra
- 380 The Movie Channel Xtra West
- 381 Fox West
- 382 Sundance
- 383 Sundance
- 385 Independent Film Channel

PREMIUMS**

- 400 HBO
- 401 HBO West
- 402 HBO 2
- 403 HBO 2 West
- 404 HBO Signature
- 405 HBO Signature West
- 406 HBO Family
- 407 HBO Family West
- 408 HBO Comedy
- 409 HBO Comedy West
- 410 HBO Zone
- 412 HBO Zone West
- 413 HBO Latino
- 414 HBO Latino West
- 415 Cinemax
- 416 Cinemax West
- 417 More Max
- 418 More Max West
- 419 Action Max
- 420 Action Max West
- 421 Thriller Max
- 422 Thriller Max West
- 423 Women's Max
- 424 At Max
- 425 Five Star Mix
- 426 OutMax

LA CONEXIÓN

- 500 USA Network
- 501 TNT
- 502 TBS
- 503 Galavisión
- 504 FX
- 505 Spike TV
- 508 ESPN Deportes
- 511 YES
- 512 SportsNet NY
- 513 Fox Sports on Español
- 514 Fox Soccer Channel
- 515 MSG
- 516 GoTV
- 517 Fox Sports Net NY
- 518 CNN en Español
- 519 CNN
- 520 CNN Headline News
- 521 Fox News
- 522 CNBC
- 524 C-SPAN
- 525 Canal SUR
- 529 TVE Internacional
- 530 History Español
- 531 Discovery Channel
- 532 Discovery on Español
- 534 Animal Planet
- 535 TLC (The Learning Channel)
- 537 Lifetime
- 538 Lifetime Movie Network
- 540 QVC
- 541 HSN
- 543 Shop NBC
- 545 Discovery Health
- 546 Viagar y Vitr
- 549 Infinito
- 550 Food Network
- 551 HGTV (Home & Garden Television)
- 552 Travel Channel
- 555 E! Entertainment Television
- 558 A&E
- 559 MTV
- 558 MTV
- 559 Comedy Central
- 560 Sci-Fi Channel
- 562 MTV Tr3s
- 563 MTV2
- 564 Telem
- 565 V4 Uno
- 566 CMT

SPANISH LANGUAGE**

- 440 Galavisión
- 442 ESPN Deportes
- 443 Fox Sports on Español
- 444 GoTV
- 446 CNN en Español
- 447 Canal SUR
- 448 TVE Internacional
- 452 History Español
- 453 Discovery on Español
- 454 Viagar y Vitr
- 456 Infinito
- 458 VH Uno
- 459 Telem
- 462 De Pelicula
- 463 De Pelicula Chisaco
- 464 Cine Latino
- 465 Cine Mexicano
- 466 La Familia
- 469 TV Chile
- 470 TV Colombia
- 472 Sorpresa
- 473 Teen Disney Español
- 474 Boomerang (ESP)*
- 475 Discovery Kids en Español
- 477 TEN Enlace
- 478 EWTN Español

INTERNATIONAL**

- 480 SETN (Vietnamese)
- 481 CCTV-4 (Mandarin Chinese)
- 482 CTI — Zhong Tian Channel (Chinese)
- 483 TV Japari
- 484 NBC (Norwegian)
- 485 The Filipino Channel
- 486 TV Asia
- 487 ART (Arabic)
- 488 RAI (Italian)
- 489 TV 5 (French)
- 490 TV Polonia (Polish)
- 491 Rung A Rang (Farsi)
- 492 RTN Russian
- 493 Channel 1 Russian

URGE RADIO

- 647 Church
- 648 MTV2
- 649 Blues Part 2
- 650 Cover 2 Cover
- 651 CMT Radio
- 652 Diner
- 653 Wide Open Country
- 654 Voice Box
- 655 Vinyl
- 656 Dope
- 657 Hip-hop/ics
- 658 Celebration
- 659 Unforgettable
- 660 Manic
- 661 TEL
- 662 Pogo
- 663 I Love the 90s
- 664 I Love the 80s
- 665 I Love the 70s
- 666 Neon
- 667 Rhythm
- 668 Rocks
- 669 Axis
- 670 Opera Baby/on
- 671 Dream Sequence
- 672 Crescendo
- 673 Supergrass Radio
- 674 Plush
- 675 Zan
- 676 Discotech
- 677 UltraSound
- 678 Praise
- 679 Smoke
- 680 Oasis
- 681 Swing
- 682 Radio Alterna
- 683 MTV2 Headbanger Ball
- 684 Blast
- 685 Goli
- 686 MTV Tr3s
- 687 NuGroove
- 688 Soul City
- 689 VH1 Soul
- 690 Chama
- 691 Jazzup Broadway
- 692 Big World
- 693 Regga
- 694 Comedy

MUSIC CHOICE

- 600 Showcase
- 601 Today's Country
- 602 Classic Country
- 603 Bluegrass
- 604 R&B and Hip-Hop
- 605 Classic R&B
- 606 Smooth R&B
- 607 R&B Hits
- 608 Rap
- 609 Metal
- 610 Rock
- 611 Arena Rock
- 612 Classic Rock
- 613 Alternative
- 614 Retro-Activa
- 615 Electronica
- 616 Dance
- 617 Adult Alternative
- 618 Soft Rock
- 619 Hit List
- 620 Party Favorites
- 621 90s
- 622 80s
- 623 70s
- 624 Solid Gold Oldies
- 625 Singers & Stars
- 626 Big Band & Swing
- 627 Easy Listening
- 628 Smooth Jazz
- 629 Jazz
- 630 Blues
- 631 Reggae
- 632 Soundscapes
- 633 Classical Masterpieces
- 634 Opera
- 635 Light Classics
- 636 Show Tunes

* Spanish language. Secondary Audio Program (SAP) is available for selection.
 ** Subscription to corresponding premium channels and packages required.
 Programming services offered within each package are subject to change, and not all programming services will be available at all times. Standard restrictions also apply.

EXHIBIT 3
APPLICATION FOR A CABLE TELEVISION FRANCHISE
VILLAGE OF LAKE SUCCESS /VERIZON NEW YORK INC.

Verizon FIOS TV

Here's everything you need to create your perfect FIOS TV package. First, choose your service. Then, add to it from our selection of digital packages and premium channels below.

Refer to the Channel Lineup for a complete listing of the channels included in each package.

FIOS TV Local ¹	15-35	\$12.99
Digital Service (Requires Set Top Box (STB) and Router)		
FIOS TV Premier ²	298 + FIOS TV Local	\$42.99
La Conexión ³	152 + FIOS TV Local	\$32.99

Also, add more channels to suit a few dollars more.

Sports	18	\$7.99
Movies	45	\$12.99
Sports/Movies Combination	58	\$15.99
Spanish Language	23	\$11.99

HBO	14	\$15.99
Cinemax	12	\$15.99
HBO/Cinemax Combination	26	\$25.99
Playboy TV /Playboy TV en Español	2	\$15.99
More!	1	\$7.99

International Premium Channels	14	Individually Priced
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Video On Demand (VOD) and Pay Per View (PPV) (Requires STB)

On Demand Movies	Price
New Releases	\$5.99
Library	\$2.99
On Demand Subscriptions	
WWE	\$7.99/mo.
Karaoke	\$7.99/mo.
On Demand Adult	\$14.99/each
PPV Events	Varies
PPV Sports	Varies
ESPN GamePlan — NCAA Football	\$21.99/daily, \$129.99 season*
ESPN FullCourt — NCAA Basketball	\$14.99/daily, \$109.99 season*

Digital Adapter**	\$3.99
Standard Definition (SD)	\$4.99
High Definition (includes HD channels)	\$9.99
Standard Definition Digital Video Recorder**	\$12.99
High Definition Digital Video Recorder (includes HD channels)	\$19.99
SD Home Media DVR (features Multi-Room DVR & Media Manager)**	\$17.99
HD Home Media DVR (features Multi-Room DVR & Media Manager)	\$19.99

Initial Installation	One-Time Charges
Existing Outlet Hookup (up to 3)	No Charge
Additional Outlet/Set Top Box Hookup (existing outlet)	\$19.99
New Outlet Install/Existing Outlet Rewire (per outlet)	\$34.99
Outlet Relocation	\$54.99
FIOS TV Activation Fee with FIOS TV/Internet/Voice Bundle	Free
FIOS TV Activation Fee with FIOS Internet	\$19.99
FIOS TV Activation Fee without FIOS Internet	\$29.99

Premise Visit ⁷	\$49.99
New Outlet Installation (per outlet)	\$54.99
Outlet Relocation (per outlet)	\$54.99
Setup of TV Equipment (new TV with existing STB)	\$49.99
Downgrade of Service from Digital to Analog	\$49.99
Set Top Box Addition or Upgrade (requiring Technician visit)	\$24.99
Set Top Box Return or Downgrade with equipment drop off at Verizon authorized locations	Free
Set Top Box Return or Downgrade (requiring Technician visit)	\$29.99
FIOS TV Full Service Disconnect with equipment drop off at Verizon authorized locations	Free
FIOS TV Full Service Disconnect with Technician visit for equipment removal	\$24.99

Other Equipment and Services Available for Purchase (All Rates)

Seasonal Service Suspension (charged at initiation, 1-6 months) ⁸	\$24.99
Replacement Remote — Verizon FIOS TV RC114	\$9.99 + Shipping & Handling
Replacement Remote — Motorola DRC200	\$5.99 + Shipping & Handling
Unreturned/Damaged STB — Digital Adapter	\$125.00
Unreturned/Damaged STB — Standard Definition	\$210.00
Unreturned/Damaged STB — High Definition	\$350.00
Unreturned/Damaged STB — SD Digital Video Recorder (DVR)	\$175.00
Unreturned/Damaged STB — HD Digital Video Recorder (DVR)	\$150.00

* Premium content available only on select pay-per-view events.
 ** Available for SD only.



- The Spanish Language package may be added to FIOS TV Local service, but requires a Set Top Box for access. The addition of a Set Top Box with FIOS TV Local service provides access to Video On Demand (VOD) and Pay Per View (PPV), as well as the ability to order Premiums and International Premiums.
- If service is cancelled within the first 12 months, router must be returned or \$99.99 equipment fee applies.
- FIOS TV Premier includes all FIOS TV Local channels, additional all-digital programming, digital music channels and access to Pay Per View and Video On Demand.
- La Conexión includes all FIOS TV Local channels, digital programming including popular English-language networks and Spanish-language networks, digital music channels, and access to PPV and VOD. La Conexión cannot be combined with the Spanish Language package.
- In order to be eligible for Movies or Sports, FIOS TV Premier or La Conexión is required. 30-day minimum billing period required for all digital packages.
- Subscription VOD is included with all Premiums at no extra charge (where applicable). 30-day minimum billing period required for all Premiums.
- A premise visit charge is assessed when a technician installation is required to set up a new or additional TV with an existing FIOS TV Set Top Box. A premise visit charge is not assessed when adding new, upgrading/downgrading existing, or disconnecting Set Top Box receivers.
- Seasonal service suspension requires a minimum suspension of one month and a maximum suspension of six months.

Service/program availability varies by location and the number of channels within each package are approximations. Pricing applies to residential use only within the United States and is subject to change. Taxes, franchise fees and other terms apply.

Cable Franchise Agreement
by and between
The Village of Lake Success, NY
and
Verizon New York Inc.

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EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

THIS CABLE FRANCHISE AGREEMENT (the "Franchise" or "Agreement") is entered into by and between the incorporated Village of Lake Success, a validly organized and existing political subdivision of the State of New York (the "Local Franchising Authority" or "LFA") and Verizon New York Inc., a corporation duly organized under the applicable laws of the State of New York (the "Franchisee").

WHEREAS, the LFA wishes to grant Franchisee a nonexclusive franchise to construct, install, maintain, extend and operate a cable system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a "franchising authority" in accordance with Title VI of the Communications Act, (*see* 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended;

WHEREAS, the LFA is a member of the Great Neck/North Shore Cable Commission (the "Commission"), made up of the following fifteen villages: Flower Hill, Great Neck, Great Neck Estates, Great Neck Plaza, Kensington, Kings Point, Lake Success, Munsey Park, North Hills, Plandome, Plandome Heights, Plandome Manor, Russell Gardens, Saddle Rock and Thomaston ("the Members");

WHEREAS, a substantially similar franchise agreement for the provision of cable service has been presented to each of the Members for approval and execution;

WHEREAS, pursuant to the franchises, and pursuant to law, it is the responsibility of each Member to administer and supervise the provisions of the franchise for its own benefit and for the benefit of its residents;

WHEREAS, each of the Members has heretofore determined that the franchises are interrelated, that administration and supervision of the franchises can be best performed in a cooperative arrangement between and among the Members, and that the ability of each Member to provide its residents with adequate cable television service would be enhanced by such a cooperative arrangement;

WHEREAS, the LFA has delegated to the Commission the power and authority to act on behalf of the LFA pursuant to and relating to negotiating the terms and conditions of this franchise agreement between the LFA and Franchisee, pursuant to the intergovernmental agreement (the "Resolution") among the Members executed on or about December 3, 1997, as it exists on the Effective Date;

WHEREAS, Franchisee is in the process of completing the upgrading of its existing telecommunications and information services network through the installation of a Fiber to the Premise Telecommunications Network ("FTTP Network") in the Franchise Area which transmits the Non-Cable Services pursuant to authority granted by Section 27 of the New York Transportation Corporations Law, as amended, and Title II of the Communications Act, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the FTTP Network to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's plans for its Cable System are adequate and feasible in a full public proceeding affording due process to all parties;

WHEREAS, the LFA has found Franchisee to be financially, technically and legally qualified to operate the Cable System;

WHEREAS, the LFA has determined that in accordance with the provisions of the Cable Law, this Franchise complies with NY PSC's franchise standards and the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA's grant of a franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. **DEFINITIONS**

Except as otherwise provided herein, the definitions and word usages set forth in the Cable Law are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1. *Access Channel*: One or more video Channels, which Franchisee shall make available to the LFA without charge for Public, Educational, or Governmental noncommercial use for the transmission of video programming as directed by the LFA.

1.2. *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3. *Basic Service*: Any service tier, which includes the retransmission of local television broadcast signals as well as the PEG Channels required by this Franchise.

1.4. *Cable Law*: Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, to the extent authorized under and consistent with federal law.

1.5. *Cable Service or Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6), as amended.

1.6. *Cable System or System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7), as amended.

1.7. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4), as amended.

1.8. *Communications Act*: The Communications Act of 1934, as amended.

1.9. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee's affairs.

1.10. *Educational Access Channel*: One or more educational Access Channels available for noncommercial use solely by local public schools and public school districts in the Franchise Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area as specified by the LFA.

1.11. *FCC*: The United States Federal Communications Commission, or successor governmental entity thereto.

1.12. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.13. *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA, and such additional areas as may be annexed or acquired.

1.14. *Franchisee*: Verizon New York Inc. and its lawful and permitted successors, assigns and transferees.

1.15. *Government Access Channel*: One or more governmental Access Channels available for the sole noncommercial use of the LFA.

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

1.16.1. Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) Basic Service;

(ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including without limitation Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) revenues from the sale or lease of access channel(s) or channel capacity; (iv) video-on-demand and pay-per-view; and (v) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Service Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue.

1.16.2. Gross Revenue shall not include:

1.16.2.1. Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers; revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable Franchise Fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing; or any fees or charges

collected from Subscribers or other third parties for any PEG Grant and Administration Grant payments.

1.16.2.2. Except as otherwise provided in Subsection 1.16.1, any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders. Should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment.

1.17. *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(20), as amended.

1.18. *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.19. *Local Franchise Authority (LFA)*: The Village of Lake Success, New York, or the lawful successor, transferee, or assignee thereof.

1.20. *Non-Cable Services*: Any service that does not constitute the provision of Video Programming directly to multiple Subscribers in the Franchise Area including, but not limited to, Information Services and Telecommunications Services.

1.21. *Normal Business Hours*: Those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

1.22. *NY PSC*: The New York Public Service Commission.

1.23. *PEG*: Public, Educational, and Governmental.

1.24. *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.25. *Public Access Channel*: One or more public Access Channels available for the noncommercial use solely by the residents in the Franchise Area on a first-come, first-served, nondiscriminatory basis.

1.26. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.27. *Service Area*: All portions of the Franchise Area where Cable Service is being offered, as described in Exhibit B attached hereto.

1.28. *Subscriber*: A Person who lawfully receives Cable Service of the Cable System with Franchisee's express permission.

1.29. *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46), as amended.

1.30. *Title VI*: Title VI of the Communications Act, Cable Communications, as amended.

1.31. *Transfer of the Franchise*:

1.31.1. Any transaction in which:

1.31.1.1. a fifty percent ownership or other interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.31.1.2. the rights held by Franchisee under the Franchise and the certificate of confirmation issued therefor by the NY PSC are transferred or assigned to another Person or group of Persons.

1.31.2. However, notwithstanding Subsubsections 1.31.1.1 and 1.31.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.32. *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20), as amended.

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1. *Grant of Authority*: Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order

to provide Cable Service. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *The FTTP Network:* Upon delivery of Cable Service, by subjecting the Franchisee's mixed-use facilities to the NY PSC's minimum franchise standards and the LFA's police power, the LFA has not been granted broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities.

2.3. *Effective Date and Term:* This Franchise shall become effective on the date that the NY PSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use itself, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System or Franchisee's FTTP Network.

2.5. *Franchise Subject to State and Federal Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of state and federal law as it may be amended, including but not limited to the Communications Act; provided, however, that nothing herein shall be deemed to restrict the LFA from the reasonable, necessary and lawful exercise of its police powers as referenced in Section 2.8 of this Agreement.

2.6. *No Waiver:*

2.6.1. The failure of the LFA on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require compliance or performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance of this Agreement, nor shall it excuse Franchisee from compliance or performance, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of the Franchisee on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or such performance has been specifically waived in writing.

2.7. Construction of Agreement:

2.7.1. The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545, as amended.

2.8. *Police Powers:* The LFA shall not enact any local laws that are inconsistent with this Franchise, provided, however, that nothing in this Franchise shall be construed to prohibit the LFA's reasonable, necessary and lawful exercise of the police powers, including, without limitation, in addition to the implementation and enforcement of the provisions of this Agreement and existing applicable laws and regulations, the enactment, adoption, implementation and enforcement of such additional laws and regulations as the LFA may deem necessary in the exercise of its police power; provided, however, that such laws and regulations are reasonable, not materially in conflict with the privileges granted in this Franchise and consistent with all federal and state laws, regulations and orders.

2.9. *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to preexisting condition in accordance with the Cable Law.

2.10. *Restoration of Subscriber Premises:* The Franchisee shall ensure that the Subscriber's premises are restored to their pre-existing condition if damaged by the Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service.

2.11. *LFA Designation of Representative:* The LFA's Mayor or designated representatives or representative of the Mayor will be responsible for the continuing administration of the rights and interests of the LFA in the franchise. However, the Franchisee agrees that the LFA may transfer or delegate any such responsibilities to the Commission pursuant to the Resolution; provided, however, that in the event the Commission acts on behalf of the LFA on a particular matter the LFA may not simultaneously exercise its rights on the same matter under this Franchise.

2.12. *Level Playing Field:* In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have determined that the terms of this Agreement, when compared against the terms of that certain cable franchise agreement (the "Incumbent Agreement"), dated June [], 1991, by and between the LFA and the incumbent cable operator, Cablevision Systems Great Neck Corporation ("Cablevision"), does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon Cablevision pursuant to the Incumbent Agreement.

3. **PROVISION OF CABLE SERVICE**

3.1. *Service Area:*

3.1.1. *Service Area:* Subject to the issuance of all necessary permits by the LFA, Franchisee shall offer Cable Service to significant numbers of Subscribers within residential areas of the Service Area and may make Cable Service available to businesses in the Service Area, within twelve (12) months and shall offer Cable Service to all residential areas of the Service Area within five (5) years, of the Effective Date of this Franchise, or, in both instances, such longer period as may be permitted by the Cable Law, except, in accordance with NY PSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Primary Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density and other requirements set forth in Subsection 3.1.1.1. and Section 3.2. For purposes of Subsection 3.1.1, the Service Area shall be defined to be the Franchise Area.

3.1.1.1. *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than twenty-five (25) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active FTTP Network trunk or feeder line. Should, through new construction, an area within the Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within five hundred (500) feet of trunk or feeder lines, measured from the property line of a Subscriber (including those on private roads), not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed five hundred (500) feet or are in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile and the actual costs incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility.

3.3. *Cable Service to Public Buildings:* Subject to Section 3.1, Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each public school and public library, and such other buildings used for municipal purposes as designated by the LFA in Exhibit A attached hereto; or as designated by the LFA in the future during the Franchise term, upon sixty (60) days prior written notice to the Franchisee; provided however that any new additional buildings added to Exhibit A cannot exceed any more than five (5) buildings per year over the life of the agreement. If it is necessary to extend Franchisee's trunk or feeder lines more than five hundred (500) feet solely to provide service to any such school or public building, the LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than five hundred (500) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

3.4. *Contribution in Aid:* Notwithstanding the foregoing, Franchisee shall comply at all times, with the requirements of Section 895.5 of NY PSC rules and regulations.

4. **SYSTEM FACILITIES**

4.1. *Quality of Materials and Work:* Franchisee shall construct and maintain its System using materials of good and durable quality, and all work involved in the construction, installation, maintenance and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

4.2. *System Characteristics:* During the term hereof Franchisee's Cable System shall meet or exceed the following requirements:

4.2.1. The System shall be designed and operated with an initial analog and digital carrier passband between 50 and 860 MHz and shall provide for a minimum channel capacity of not less than 86 channels on the Effective Date.

4.2.2. The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for the selection or use of Cable Service.

4.3. *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

4.4. *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and the State of New York, including the NY PSC's rules and regulations and the current New York EAS Plan, in order that emergency messages may be distributed over the System.

4.5. *Parental Control:* Upon request by any Subscriber, and where technologically feasible, the Franchisee shall provide such requesting Subscriber with a parental control device at a reasonable rate to be paid by the Subscriber. Such device will, at a minimum, offer as an option that a Person ordering programming must provide a personal identification number or other means provided by the Franchisee only to a Subscriber. Provided, however, that the Franchisee shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls.

5. **PEG SERVICES**

5.1. PEG Set Aside

5.1.1. In order to ensure universal availability of public, educational and government programming, Franchisee shall provide on the Basic Service Tier up to a total of nine (9) shared Access Channels (collectively, "PEG Channels"), as requested by the LFA, to be used collectively by and between the fifteen communities that are the Members of the Commission. The PEG Channels shall be allocated as follows:

- (a) Five (5) full-time shared Public Access Channels:
 - (i) One (1) Great Neck/North Shore Public Access Channel
 - (ii) One (1) Great Neck Library Access Channel
 - (iii) One (1) North Shore Library Access Channel
 - (iv) One (1) Great Neck Park District Access Channel
 - (v) One (1) North Shore Parks Access Channel
- (b) Two (2) full-time shared Government Access Channels:
 - (i) One (1) Great Neck Government Access Channel
 - (ii) One (1) North Shore Government Access Channel
- (c) Two (2) full-time shared Educational Access Channels:
 - (i) One (1) Great Neck Public School District
 - (ii) One (1) Manhasset Area Public Schools

5.1.2. The LFA hereby authorizes Franchisee to transmit such programming within and without LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. Franchisee will not change the channel assignment for the Great Neck/North Shore Public Access Channel except upon at least sixty (60) days advance written notice to the LFA. In the event the channel assignment for the Great Neck/North Shore Public Access Channel is changed, Franchisee will provide notice to subscribers thirty (30) days in advance of such change if such change is within the control of the Franchisee, in accordance with Section 890.8 of NY PSC rules and regulations. If a PEG Channel provided under this Article is not being utilized by the LFA, Franchisee, in accordance with Section 895.4 of NY PSC rules and regulations, may utilize such PEG Channel in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose. In the event that the LFA determines to use PEG capacity, the LFA shall provide Franchisee with prior written notice of such request in accordance with NY PSC rules and regulations.

5.1.3. *Tape Play Back*: Franchisee shall provide the technical ability to play back pre-recorded programming provided to Franchisee consistent with this Section. On behalf of all Members of the Commission, on the date on which Franchisee initiates Cable Service to the Village of Lake Success, Franchisee shall provide the technical ability to play pre-recorded programming generated by Public Access Television Corporation ("PATC"), subject to: (1) the Members provide the pre-recorded programming for Franchisee's receipt at the main telephone room located next to PATC's offices at 1111 Marcus Ave. LL27, Lake Success, NY 11042 ("Main Telephone Room"); (2) Franchisee's access to the Main Telephone Room shall not be subjected to interference from third parties; and (3) the Members provide such cooperation as is reasonably necessary for Franchisee to fulfill such obligations. Franchisee shall transmit programming consistent with the dedicated uses of PEG Access Channels. Franchisee shall comply at all times with the requirements of Section 895.4 of the NY PSC rules and regulations.

5.1.4. Franchisee shall use reasonable efforts to transmit the Town of North Hempstead's public, educational and government programming to the LFA, so long as it has legal authority from the Town of North Hempstead to do so.

5.2. PEG Access Interconnection

5.2.1. LFA shall designate in its sole discretion not more than three (3) site(s) within the Franchise Area for the interconnection of PEG access facilities with the Cable System (each, a "PEG Access Interconnection Site"), as designated on Exhibit D to this Agreement.

5.2.2. Franchisee shall, without charge to the LFA, provide links between its video channel aggregation point and each PEG Access Interconnection Site in order to permit the signals to be correctly routed from the PEG Access Interconnection Sites to the appropriate PEG access channel for distribution to Subscribers. All PEG Access Interconnection Sites shall be operable on or before the dates designated on Exhibit D to this Agreement.

5.2.3. The LFA shall provide to Franchisee at each PEG Access Interconnection Site a suitable video signal and a suitable audio signal for each PEG Channel. Franchisee, upon receipt of the suitable video and audio signals, shall provide, install and maintain in good working order the equipment necessary for transmitting the PEG signal to the channel aggregation site for further processing for distribution to Subscribers. Franchisee's obligations with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of reasonably suitable required space, environmental conditions, electrical power supply, access, pathway, and other facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill such obligations. Should Franchisee determine that it cannot fulfill such obligations as a result of LFA's failure to cooperate or to provide suitable required space, environmental conditions, electrical power supply, access, pathway, or other facilities, it shall so notify LFA in a writing detailing the requirements of Franchisee that will enable it to fulfill its obligations hereunder.

5.2.4. Such upstream PEG Channel transmission provided by Franchisee shall comply with applicable FCC standards governing the transport and distribution of video and audio signals to Subscribers.

5.2.5. If Franchisee makes changes to the Cable System that require improvements to the access facilities or equipment in order to permit the PEG access equipment and facilities to continue to be used as they were intended under the terms of this Agreement, then Franchisee shall, without charge to the LFA, make such changes in either the equipment and facilities referred to in Subsection 5.2.3 or in the Franchisee's video channel aggregation point and distribution equipment and facilities in order to permit the continuation of such intended use.

5.3. *Backup Facilities and Equipment:* Subject to Section 5.2, Franchisee shall design, build, and maintain all PEG upstream feeds, connections, and distribution facilities in order that such feeds function as reliably as Franchisee's Cable System as a whole within the Franchise Area, and are no more likely to fail than is Franchisee's Cable System as a whole within the Franchise Area.

5.4. PEG Support:

5.4.1. *Continuing PEG Support:* The Franchisee shall provide Continuing PEG Support (the "Continuing PEG Support") to each LFA by making payment to PATC. The Continuing PEG Support shall be used to support ongoing operations of PEG access programming. The Continuing PEG Support shall consist of one percent (1%) of the Franchisee's annual Gross Revenues. Each Continuing PEG Support payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation. The Continuing PEG Support payment shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter during the franchise term. Payments made pursuant to this Subsection may be designated by the Members to a different payee, other than PATC subject to the new payee using such payments as provided for in Subsection 5.4.4. Franchisee shall upon 45 days prior written notice, signed by a majority of the Members on the same instrument, make payment to the payee indicated in such notice.

5.4.2. *Upfront PEG Grant:* Franchisee shall provide, on behalf of all Members of the Commission combined, for use in support of the production of local PEG programming an Upfront PEG Grant (the "Upfront PEG Grant") totaling Four Hundred Fifty Thousand Dollars (\$450,000) payable in two installments. The first installment in the amount of Three Hundred Thousand Dollars (\$300,000) shall be payable within sixty (60) days of the Effective Date. The second installment of One Hundred Fifty Thousand Dollars (\$150,000) shall be payable within one year of the payment of the first installment. Such payments shall be paid directly to PATC.

5.4.3. *Annual PEG Grant:* In addition to the Continuing PEG Support and Upfront PEG Grant in Subsections 5.4.1 and 5.4.2 respectively, Franchisee shall pay an Annual PEG Grant (the "Annual PEG Grant") in the amount of two dollars and twelve cents (\$2.12) per month, per subscriber in the Service Area to Franchisee's Basic Service Tier. Calculation of the Annual PEG Grant will commence with the first calendar month during which Franchisee obtains its first Subscriber in the Service Area. Commencing on the fifth anniversary

of the first payment of the Annual PEG Grant, the amount of the grant shall increase to two dollars and forty cents (\$2.40) per month, per subscriber. The Annual PEG Grant payment shall be accompanied by a brief summary of the Subscriber Information upon which it is based. The Annual PEG Grant shall be delivered to PATC within thirty (30) days of each anniversary of the Effective Date or to another payee designated by the LFA pursuant to the notice process in Subsection 5.4.1.

5.4.4. The Continuing PEG Support, Upfront PEG Grant and the Annual PEG Grant shall be used solely by the LFA for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities, and for other PEG costs as may be ascertained by the LFA. In the event both the LFA and Franchisee agree, any portion of the Annual PEG Grant payments may be made in cash or in kind.

5.4.5. The LFA shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 5.4.

5.4.6. The LFA shall continue to impose on all existing cable service providers within the Franchise Area: (i) the financial obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include the same percentage amount for the Continuing PEG Support Grant and total monetary amount for the Upfront PEG Grant as contained in Subsections 5.4.1 and 5.4.2; and (ii) at least all other PEG obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include such PEG obligations at least equivalent to the obligations contained in Subsection 5.4.3. (Annual PEG Grant). Further, the LFA agrees that it shall impose such equivalent obligations as those described above in the franchise agreements of any new providers of cable service in the Franchise Area.

5.5. *Indemnity for PEG:* The LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a PEG facility or Channel. The LFA shall establish rules and regulations for use of PEG facilities, consistent with, and as required by, 47 U.S.C. §531.

5.6. *Recovery of Costs:* To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of any PEG Grant, Administration Grant or any other costs arising from the provision of PEG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the foregoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

5.7. *PEG Interconnection with Existing Cable Operators:* Franchisee shall use reasonable efforts to interconnect its Cable System with the existing cable operator(s). Franchisee shall pursue interconnection negotiations with the existing cable operator(s) to cablecast, on a live basis, Public Access Channel and programming generated by PATC consistent with this Agreement. Interconnection may be accomplished by direct cable, microwave link, satellite or any other reasonable means of connection. Franchisee shall negotiate in good faith with existing cable operator(s) respecting reasonable, mutually convenient, cost-effective, and technically viable interconnection points, methods, terms and conditions. The Franchisee and existing cable operator(s) shall negotiate the interconnection agreement(s) on reasonable terms and conditions. In negotiating reasonable terms and conditions, Verizon's obligation shall be limited to agreeing to build to the interconnection point and paying only the reasonable incremental costs of creating the interconnection point, interconnecting to that point, and any continuing costs of maintaining the interconnection point. If, despite Franchisee's reasonable efforts, Franchisee is unable to interconnect its Cable System with the existing operator(s), Franchisee may file an application with the NY PSC pursuant to Section 223 of Article 11 of the New York Public Service Law, as amended, to effectuate interconnection consistent with the terms of this Agreement. The Members shall make all best efforts to support Franchisee's negotiations with the existing cable operator(s) and the Franchisee's application for interconnection before the NY PSC. If Franchisee is unable to negotiate an interconnection agreement(s) with the existing cable operator(s) for the provision of obtaining the Public Access Channel and programming generated by PATC, the Members shall designate an alternative interconnection point where Franchisee can obtain the Public Access Channel and programming at the closest technically feasible location on Franchisee's Cable System permitting the transmission of high quality signals for the least cost. If the cost of the Members designated interconnection point for PATC content would be unreasonable, not technically feasible, or would cause an unacceptable increase in Subscriber rates, the Members agree that they will provide PATC content directly to Franchisee in accordance with Subsection 5.1.3.

6. **FRANCHISE FEES**

6.1. *Payment to LFA:* Franchisee shall pay to the LFA a Franchise Fee of three percent (3%) of annual Gross Revenue. Notwithstanding the foregoing, if all cable operators providing cable service in the Franchise Area pay the LFA a lower Franchise Fee, Franchisee agrees to pay the same decreased Franchise Fee to the extent permitted by law. If all other cable operators cease the provision of cable service in the Franchise Area during the Term, Franchisee agrees that it will continue to pay the highest Franchise Fee assessed during the time that all cable operators provided cable service. In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

6.2. *Administration Grant:* Franchisee shall provide to the Commission, on behalf of all Members of the Commission combined, a one time administration grant of five

thousand dollars (\$5,000) for the purpose of addressing costs associated with the administration of this Franchise. This grant shall be payable within sixty (60) days of the Effective Date.

6.3. *Supporting Information:* Each Franchise Fee payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation.

6.3.1. *Audit of Franchise Fee Payments:* Subject to the confidentiality requirements set forth in Section 7.1 of this Franchise, Franchisee shall be responsible for making available to the LFA for inspection and audit, at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA, all records necessary to confirm the accurate payment of Franchise Fees, whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's Cable Services operation in the LFA subject to the payment of Franchise Fees under this Agreement, including, by way of illustration and not limitation, any entity that sells advertising on the Franchisee's behalf. Franchisee shall maintain such records for six (6) years, provided that, if the LFA commences an audit within that six (6) year period, Franchisee shall continue to maintain such records for the duration of any audit in progress at the end of that six (6) year period. The LFA shall conduct all audits expeditiously, and neither the LFA nor Franchisee shall unreasonably delay the completion of an audit. The LFA's audit expenses shall be borne by the LFA unless the audit determines that the payment to the LFA should be increased by five percent (5%) or more in the audited period, in which case the reasonable and customary costs of the audit, together with any additional amounts due to the LFA as a result of such audit, shall be paid by Franchisee to the LFA within sixty (60) days following written notice to Franchisee by the LFA of the underpayment, which notice shall include a copy of the audit report; provided, however, that Franchisee's obligation to pay or reimburse the LFA's audit expenses shall not exceed an aggregate of twenty thousand dollars (\$20,000.00) for all Members of the Commission combined. If re-computation results in additional revenue to be paid to the LFA, such amount shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules per annum during the period such unpaid amount is owed. If the audit determines that there has been an overpayment by Franchisee, the Franchisee may credit any overpayment against its next quarterly payment. Said audit shall be conducted by an independent third party and no auditor so employed by the LFA shall be compensated on a success based formula, e.g., payment based on a percentage of an underpayment, if any. The LFA shall not conduct an audit more frequently than once every three (3) years.

6.4. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due.

6.5. *Bundled Services:* If Cable Services subject to the Franchise Fee required under this Article 6 are provided to Subscribers in conjunction with Non-Cable Services, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders. Notwithstanding the foregoing, if the Franchisee bundles Cable Service with Non-Cable Service, the Franchisee agrees that it will not intentionally or

unlawfully allocate such revenue for the purpose of evading Franchise Fee payments under this franchise. The parties agree that tariffed telecommunications services that cannot be discounted by state or federal law or regulation are to be excluded from the bundled discount allocation basis.

6.6. *Section 626 Treatment:* Franchisee agrees that it will not apply the Franchise Fee as an offset against the special franchise tax payable to the LFA pursuant to the N.Y. Real Property Tax Law Section 626 commencing with the next full calendar month following the issuance by the NY PSC of an order confirming this Agreement. The LFA agrees that it shall impose the same full and complete waiver of the special franchise tax offset upon all existing and new providers of Cable Service or cable service (as such term may be defined by other providers) in the Service Area to be expressed in writing in the franchise agreement or the renewal of any existing franchise agreement of each respective cable provider. The operation of this Section 6.6 shall be strictly limited to Franchise Fees lawfully imposed upon Cable Service, and shall not be construed to affect the Franchisee's rights under any provision of State or Federal law regarding the provision of services other than Cable Service.

7. REPORTS AND RECORDS

7.1. *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Following the notice period set forth herein, Franchisee shall make such books and records available to the LFA at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as confidential and shall only disclose it to employees, representatives, and agents thereof who have a need to know, or in order to enforce the provisions hereof. Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

7.2. *Records Required:* Franchisee shall at all times maintain:

7.2.1. Records of all written complaints for a period of six (6) years after receipt by Franchisee. The term "complaint" as used herein refers to complaints about any aspect of the Cable System or Franchisee's cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

7.2.2. Records of outages for a period of six (6) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

7.2.3. Records of service calls for repair and maintenance for a period of six (6) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

7.2.4. Records of installation/reconnection and requests for service extension for a period of six (6) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

7.2.5. A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

7.3. *System-Wide Statistics:* Any valid reporting requirement in the Franchise may be satisfied with system-wide statistics, except those related to Franchise Fees and consumer complaints.

8. **INSURANCE AND INDEMNIFICATION**

8.1. *Insurance:*

8.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

8.1.1.1. Commercial General Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of Franchisee's Cable Service business in the LFA.

8.1.1.2. Automobile Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for bodily injury and property damage coverage.

8.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the State of New York.

8.1.1.4. Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; \$500,000 policy limit.

8.1.1.5. Excess liability or umbrella coverage of not less than ten million dollars (\$10,000,000).

8.1.2. The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance and Employer's Liability Insurance. The LFA is an additional insured under the excess liability or umbrella coverage to the extent it is named as an additional insured on the underlying primary policies.

8.1.3. Each of the required insurance policies shall be noncancellable except upon thirty (30) days prior written notice to the LFA. Franchisee shall not cancel any required insurance policy without submitting documentation to the LFA verifying that the Franchisee has obtained alternative insurance in conformance with this Agreement.

8.1.4. Each of the required insurance policies shall be with sureties qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition.

8.1.5. Within 15 days of the Effective Date, Franchisee shall deliver to the LFA proof of insurance, by means of an endorsement including the LFA as an additional insured, effective as of the day of the initiation of Cable Service in the LFA, in conformity with the terms of this Agreement. In the event any such policy is replaced or extended during the term of this Agreement, within 15 days of such replacement or extension Franchisee shall deliver such proof to the LFA with respect to such replacement or extended policy.

8.2. *Indemnification:*

8.2.1. Franchisee agrees to indemnify the LFA its officers, agents, boards, elected officials and employees, for, and hold it harmless from, all liability, damage, cost or expense arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees, or infringement of copyright or patent rights arising from Franchisee's provision of Cable Services over the Cable System other than PEG facilities and channels, provided that the LFA shall give Franchisee timely written notice of a claim or action for which it seeks indemnification pursuant to this Subsection; and in any event, the LFA shall provide Franchisee with such written notice within a period of time that allows Franchisee to take action to avoid entry of a default judgment and does not prejudice Franchisee's ability to defend the claim or action. Notwithstanding the foregoing, Franchisee shall not indemnify the LFA for any damages, liability or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, attorneys, consultants, independent contractors or third parties or for any activity or function conducted by any Person other than Franchisee in connection with PEG Access, or EAS.

8.2.2. With respect to Franchisee's indemnity obligations set forth in Subsection 8.2.1, Franchisee shall provide the defense of any claims brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the LFA from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA, Franchisee shall have the right to defend, settle or compromise any claim or action arising

hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA and the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

8.2.3. The LFA shall hold harmless and defend Franchisee from and against and shall be responsible for damages, liability or claims resulting from or arising out of the willful misconduct or negligence of the LFA.

8.2.4. The LFA shall be responsible for its own acts of willful misconduct, negligence, or breach, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the LFA for acts of the LFA which constitute willful misconduct or negligence on the part of the LFA, its officers, employees, agents, attorneys, consultants, independent contractors or third parties.

9. TRANSFER OF FRANCHISE

9.1. *Transfer:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or for transactions otherwise excluded under Subsection 1.31 above.

10. RENEWAL OF FRANCHISE

10.1. *Governing Law:* The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 12.11 below, the Cable Law and Section 626 of the Communications Act, 47 U.S.C. §546, as amended.

10.2. *Needs Assessment:* In addition to the procedures set forth in Section 626 of the Communications Act, 47 U.S.C. §546, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then current Franchise term. Such assessments shall be provided to Franchisee by the LFA promptly so that Franchisee will have adequate time to submit a proposal under Section 626 of the Communications Act, 47 U.S.C. §546 and complete renewal of the Franchise prior to expiration of its term.

10.3. *Informal Negotiations:* Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the LFA

and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

10.4. *Consistent Terms:* Franchisee and the LFA consider the terms set forth in this Article 10 to be consistent with the express provisions of Section 626 of the Communications Act, 47 U.S.C. §546, and the Cable Law.

11. **ENFORCEMENT AND TERMINATION OF FRANCHISE**

11.1. *Notice of Violation:* If at any time the LFA believes that Franchisee has not complied with the terms of the Franchise, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the LFA shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the "Noncompliance Notice").

11.2. *Franchisee's Right to Cure or Respond:* Franchisee shall have sixty (60) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such sixty (60) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which Franchisee reasonably projects that it will complete cure of such noncompliance. Upon cure of any noncompliance, the LFA shall provide written confirmation that such cure has been effected.

11.3. *Liquidated Damages:* For the violation of any of the following provisions of this Franchise, liquidated damages shall be paid by the Franchisee to the LFA. Any such liquidated damages shall be assessed as of the date that is sixty (60) days from the Franchisee's receipt of the Noncompliance Notice, provided that the Franchisee has not cured the noncompliance upon which the Noncompliance Notice was issued, in accordance with the procedures set forth in Sections 11.1 and 11.2 above. On an annual basis from the Effective Date, the Franchisee shall not be liable for liquidated damages that exceed fifteen thousand dollars (\$15,000) in the aggregate for all Members of the Commission combined. Liquidated damages shall be assessed as follows.

For failure to provide Cable Service as set forth in Sections 3.1-3.3.....	\$100 per day for each day the violation continues;
For failure to maintain the system standards as set forth in Section 4.....	\$50 per day for each day the violation continues;
For failure to provide PEG Services to residents of the LFA specified in Section 5.1	\$100 per day for each day the violation continues;
For failure to provide LFA with any reports or records required by the Agreement	

within the time period required.....\$50 per day for each day the
.....violation continues;

For failure to carry the insurance specified in
Subsection 8.1.1\$100 per day for each day the
.....violation continues;

For a transfer specified in Article 9 without required
approval.....\$100 per day for each day the
.....violation continues.

11.3.1. Any liquidated damages assessed pursuant to this section shall not be a limitation upon any other provisions of this Franchise and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies; provided, however, that in the event that the LFA collects liquidated damages for a specific breach for a specific period of time, pursuant to Section 11.3 above, the collection of such liquidated damages shall be deemed to be the exclusive remedy for that specific breach for such specific period of time only.

11.3.2. The parties agree that each case of non-compliance as set forth in this Section 11.3 shall result in damage to the LFA, compensation for which will be difficult to ascertain. The parties agree that the liquidated damages in the amounts set forth in this Section 11.3 are fair and reasonable compensation for such damage with respect to those violations for which a specific liquidated damage is listed in Section 11.3.

11.3.3. *Public Hearing:* Consistent with Section 11.5 below, (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above, the LFA shall provide Franchisee at least thirty (30) business days prior written notice of a public hearing, which will specify the time, place and purpose of such public hearing, including, whether revocation of this Franchise is a possible consequence at such hearing, and provide Franchisee the opportunity to be heard and to present evidence.

11.4. *Enforcement:* Subject to Section 12.11 below and applicable federal and state law, in the event the LFA, after the public hearing set forth in Subsection 11.3.3, determines that Franchisee is in default of any provision of this Franchise, the LFA may:

11.4.1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

11.4.2. Commence an action at law for monetary damages or seek other equitable relief; or

11.4.3. In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 11.5.

11.5. *Revocation:* Should the LFA seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Subsection 11.3.3, the LFA shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

11.5.1. At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing.

11.5.2. Following the second public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions to the LFA in writing and promptly thereafter the LFA shall provide a written determination to the Franchisee setting forth: (i) whether an event of default has occurred under this Franchise; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The LFA shall also determine whether it will revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that it will revoke the Franchise, the LFA shall promptly provide Franchisee with a written determination setting forth the LFA's reasoning for such revocation. Franchisee may appeal such written determination of the LFA to an appropriate court, which shall, to the extent permitted under applicable law, have the power to review the decision of the LFA *de novo*. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Franchisee's receipt of the written determination of the LFA.

11.5.3. The LFA may, at its sole discretion, take any lawful action that it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

11.6. *Abandonment of Service:* Franchisee shall not abandon any Cable Service or portion thereof without the LFA's prior written consent as provided in the Cable Law.

12. MISCELLANEOUS PROVISIONS

12.1. *Actions of Parties:* In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

12.3. *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4. *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in practical difficulties and hardship being placed upon Franchisee that outweigh the benefit to be derived by the LFA and/or Subscribers.

12.5. *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

12.5.1. Notices to Franchisee shall be mailed to:

Verizon New York Inc.
Jack White, Senior Vice President and General Counsel
Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097

12.5.2. Notices to the LFA shall be mailed to:

Office of the Mayor
Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

12.5.3. with a copy to:

Office of the Village Clerk
Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

12.6. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any local laws or parts of local laws that materially conflict with the provisions of this Agreement are superseded by this Agreement.

12.7. *Amendments and Modifications:* Amendments and/or modifications to this Franchise shall be mutually agreed to in writing by the parties and subject to the approval of the NY PSC, pursuant to the Cable Law.

12.8. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

12.9. *Severability:* If any section, subsection, sub-subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise. For purposes of this Agreement, the term "material provision" or "material provisions" shall mean the following: Section 2.3 (Effective Date and Term), Section 2.5 (Franchise Subject to State and Federal Law), Article 3 (Provision of Cable Service) in its entirety, Section 4.2 (System Characteristics), Section 6.1 (Payment of Franchise Fees), and Article 9 (Transfer of Franchise).

12.10. *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

12.11. *FTTP Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee's FTTP Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the FTTP Network or to relocate the FTTP Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services. This provision is not intended to

contravene leased access requirements under Title VI or PEG requirements set out in this Agreement.

12.12. *NY PSC Approval:* This Franchise is subject to the approval of the NY PSC. Franchisee shall file an application for such approval with the NY PSC within sixty (60) days after the date hereof. Franchisee shall also file any necessary notices with the FCC.

12.13. *Rates and Charges:* The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law.

12.14. *Publishing Information:* LFA hereby requests that Franchisee omit publishing information specified in 47 C.F.R. §76.952 from Subscriber bills.

12.15. *Customer Service:* Franchisee shall comply with the consumer protection and customer service standards set forth in Parts 890 and 896 of the NY PSC rules and regulations.

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

12.17. *Identification of Franchisee's Employees, Vehicles & Contractors.* The Franchisee shall require all the Franchisee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Franchisee to wear a clearly visible identification card bearing their name and photograph.

12.17.1. The Franchisee shall make reasonable effort to account for all identification cards at all times.

12.17.2. The Franchisee shall require all the Franchisee representatives to wear appropriate clothing while working at a Subscriber's premises.

12.17.3. The Franchisee shall require that all service vehicle of the Franchisee and its contractors or subcontractors be clearly identified as such to the public. Specifically, the Franchisee vehicles shall be required to have the Franchisee's logo plainly visible. The Franchisee shall require that all contractors and subcontractors working for the Franchisee shall have the contractor's/subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to the Franchisee.

12.18. *No Third Party Beneficiaries:* Except as expressly provided in this Agreement, this Agreement is not intended to, and does not, create any rights or benefits on behalf of any Person other than the parties to this Agreement.

12.19. *LFA Official:* The Mayor of the LFA, or the designated representative or representatives of the Mayor, will be responsible for the continuing administration of this Agreement.

12.20. *No Waiver of LFA's Rights:* Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall be construed as a waiver of the LFA's rights under applicable federal and state law.

AGREED TO THIS ____ DAY OF _____, 2007.

The Village of Lake Success

By: _____

Verizon New York Inc.

By: _____
Tracey A. Edwards, Vice President

EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF LAKE SUCCESS

1. Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020
Contact: Carol Pogrell
2. Lake Success Police Department
15 Vanderbilt Drive
Great Neck, NY 11020
Contact: Chief Roberts
3. Lake Success Cottage
308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston
4. Public Works
308 Lakeville Road
Great Neck, NY 11020
Contact: Patrick McDermott
5. Golf Course
308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston
6. PATV Studios
1111 Marcus Ave. LL27
Lake Success, NY 11042
7. Administration Offices
345 Lakeville Rd.
Great Neck, NY 11020
8. Great Neck South High School
341 Lakeville Road
Great Neck, NY 11020
9. Cumberland Adult Center
30 Cumberland Ave.

Great Neck, NY 11020

10. Great Neck South Middle School
349 Middle Neck Rd.
Great Neck, NY 11021

EXHIBIT B

SERVICE AREA VILLAGE OF LAKE SUCCESS

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 98% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 98% deployment by December 2007, 98% deployment by June 2008, 99% deployment by December 2008, 99% deployment by June 2009, 99% deployment by December 2009, 99% deployment by June 2010, 99% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

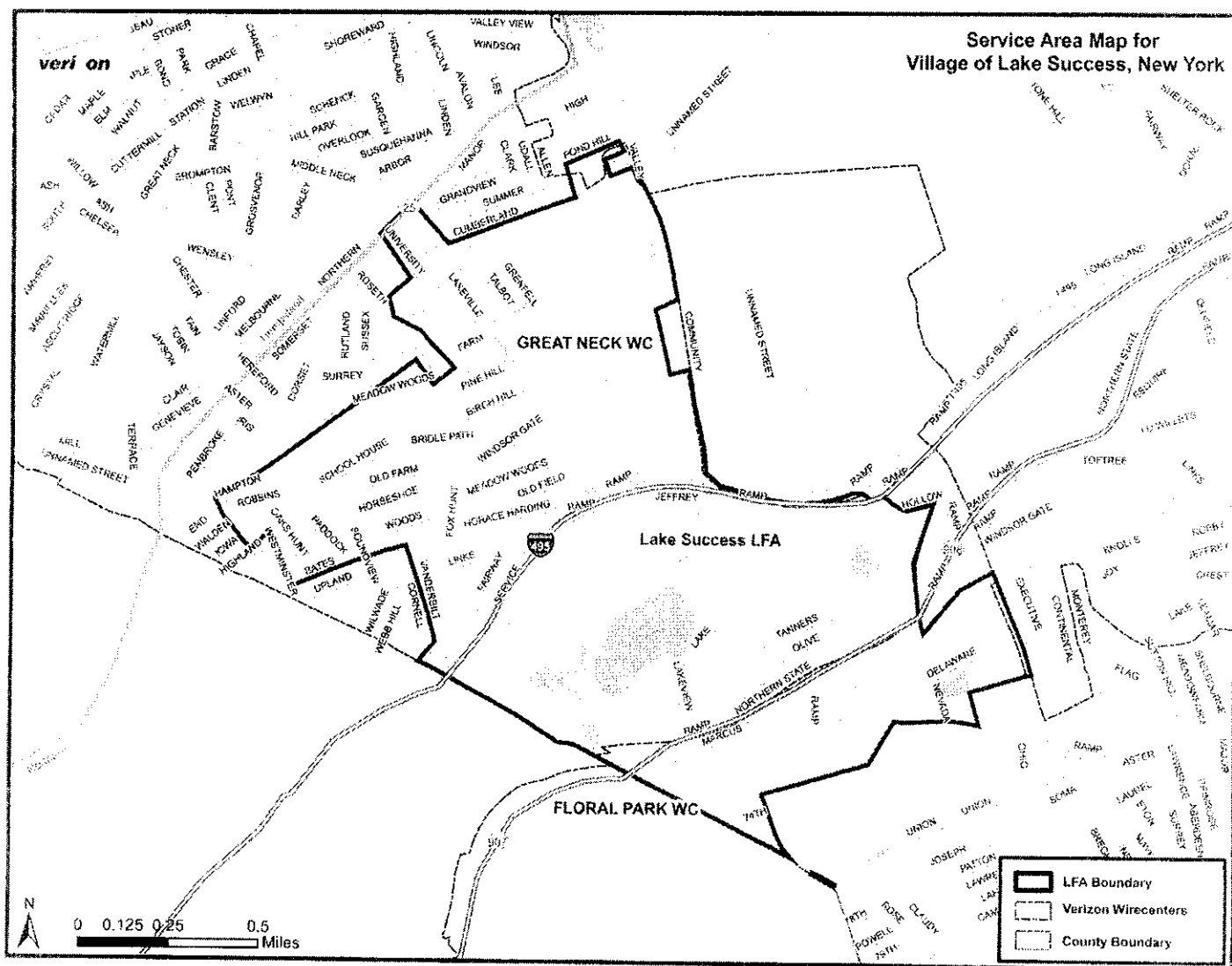


EXHIBIT C

PEG CHANNELS

Franchisee shall provide use of channel capacity as specified in Subsection 5.1.1 of the Agreement to the LFA's PEG Channel usage needs. These PEG Channel needs include the needs of school districts, public libraries and park districts and are subject to the jurisdiction of the franchising authority.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF LAKE SUCCESS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck/North Shore Public Access Channel PEG Access Interconnection/Aggregation Site No. 1 ("PEG Access Interconnection/Aggregation Site No. 1") shall be operable on the Effective Date:

PEG Access Interconnection/Aggregation Site No. 1

The Public Access Television Corporation
1111 Marcus Ave. LL27 (Main Telephone Room)
Lake Success, NY 11042

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Points Nos. 1 - 15 feeding LIVE signals to the Great Neck and North Shore Government Access Channels from the respective fifteen (15) Village Halls. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Additionally, until such time that the Members meet the criteria listed below for the provision of LIVE programming from the respective Village Halls and subject to the requirements set forth in Subsection 5.2 and Exhibit D, the PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for all Bulletin Board signals intended for the Great Neck and North Shore Government Access Channels.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Lake Success Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 7") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 7

Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Lake Success Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Lake Success Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 7 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 7; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 7; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Site No. 7 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Public School District Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 2") shall be operable within one hundred and twenty (120) days of the Effective Date:

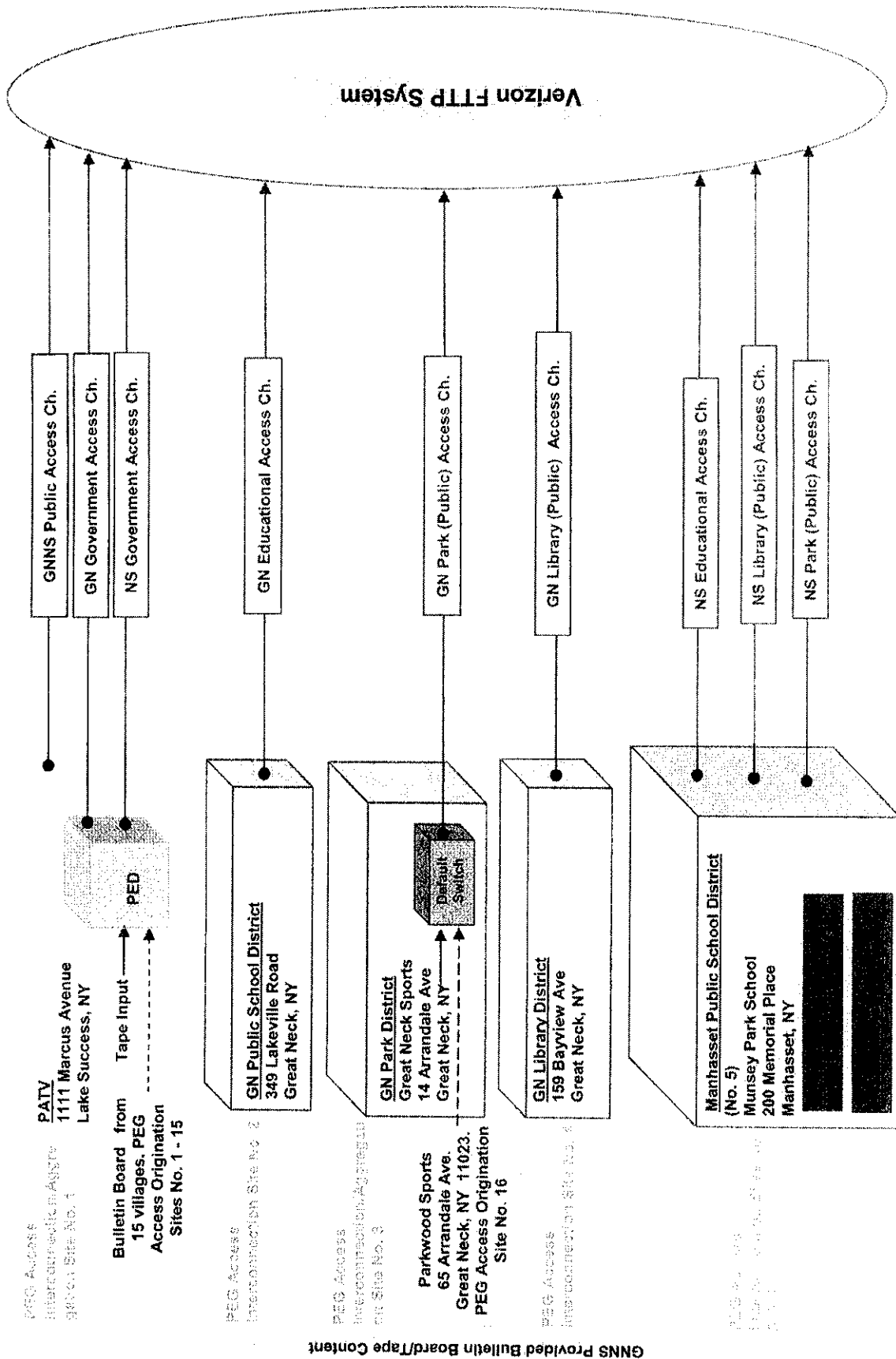
PEG Access Interconnection Site No. 2

Great Neck Public School District
Great Neck South Middle School
349 Lakeville Rd.
Great Neck, NY 11020

GNNS Consortium – PEG Channels 11/26/07

Video Network Services

Verizon



GNNS Provided Bulletin Board/Tape Content

Tab 5

From: Stormo, Gabrielle S. <gstormo@mcguirewoods.com>
To: atlevin@msek.com <atlevin@msek.com>
Cc: McDonald, Nia; Mac Kerbey <mkerbey@telecominsightgroup.com>
Sent: Mon Dec 17 16:29:35 2007
Subject: Verizon proposal - proposed changes in language

Tom:

In the situation where we do not have a copy of the incumbent agreement, then we propose the language for that municipality's section 2.12 be revised to read as follows (NOTE: the revisions are in 2 places - deletions are shown within brackets and additions are shown in italics) -

" Level Playing Field: In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have determined that the terms of this Agreement, when compared against the obligations currently being met by the incumbent cable operator as reported by the LFA to Franchisee [terms of that certain cable franchise agreement (the "Incumbent Agreement"), dated June [], 1991, by and between the LFA and the incumbent cable operator, Cablevision Systems Great Neck Corporation ("Cablevision")], does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon the incumbent cable operator [Cablevision pursuant to the Incumbent Agreement]."

Please let us know your thoughts on the above so we can make the revisions as soon as possible.

Thank you,
Gabrielle

Gabriell <<signature.gif>> e S. Stormo, Esq.

<<http://www.mcguirewoods.com/>>

McGuireWoods LLP
77 West Wacker Drive
Suite 4100
Chicago, IL 60601-1818
312.750.5737 (Direct Line)
312.698.4563 (Direct FAX)
gstormo@mcguirewoods.com

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Tab 6

From: Stormo, Gabrielle S. [mailto:gstormo@mcguirewoods.com]
Sent: Tuesday, December 18, 2007 2:16 PM
To: Isoffice@optonline.net; VLSAdmin@villageoflakesuccess.com
Cc: mkerbey@telecominsightgroup.com; nmcdonald@wileyrein.com; atlevin@msek.com
Subject: Verizon New York- Great Neck/North Shore Cable Franchise - Lake Success

Dear Ms. Pogrell:

We look forward to meeting with you on Thursday, December 20, 2007 for a public hearing on the Verizon franchises with the members of the Great Neck/North Shore Commission (the "Commission"). As you may already be aware, Verizon New York Inc. intends to file the approved and executed franchise agreements between Verizon and each village within the Commission with the New York Public Service Commission ("NY PSC") on Friday, December 21, 2007. In order to achieve this and in an effort to request that the NY PSC place these fifteen (15) franchises on its January 2008 meeting agenda for approval, it is necessary for each village clerk to be prepared to sign the resolutions authorizing the Mayor to sign the Verizon franchise and have the appropriate certification available on Thursday evening at the hearing. It is our understanding that the resolutions will be provided to each village by the Commission counsel, Tom Levin, either prior to or at the public hearing. It is also necessary that the Mayor or other authorized party be available to sign the approved franchise on Thursday evening following the public hearing. The Verizon team will need all the signed and certified resolutions and all the executed franchise agreements from each village following the public hearing on Thursday.

If you have any questions regarding the above, please do not hesitate to contact Nia McDonald at 202.719.4633 or me at 312.750.5737.

Thank you for your cooperation in this matter and, again, we look forward to meeting with you on Thursday evening.

Very truly yours,

Gabrielle S. Stormo, Esq.


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Tab 7

From: McDonald, Nia [mailto:NMcdonald@wileyrein.com]
Sent: Tuesday, December 18, 2007 2:20 PM
To: A. Thomas Levin
Cc: Stormo, Gabrielle S.; Mac Kerbey
Subject: Verizon/Great Neck North Shore Final Franchise Agreements (Master Agreement and Exhibits)

Tom,

To aid in your prior review of the GNNS Cable Franchise Agreement so that you are comfortable approving them to form by Thursday evening, attached please find the first of four emails. In this email I have included the master agreement and a redline to the master agreement last sent to you on Dec. 5th. Please also find attached the final Exhibits, specific to each village and the chart accompanying each Exhibit D. With the exception of changes made to Exhibit A for the Villages of Great Neck Plaza and North Hills and a corrected Exhibit B sent to North Hills, the Exhibits as a whole are the same as those submitted on December 5th. Please let us know if you have any questions.

Best regards,

Nia



Nia Y. McDonald
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Cable Franchise Agreement

by and between

The Village of , NY

and

Verizon New York Inc.

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EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

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Exhibit D: PEG Access Interconnection Site(s)

THIS CABLE FRANCHISE AGREEMENT (the “Franchise” or “Agreement”) is entered into by and between the incorporated Village of _____, a validly organized and existing political subdivision of the State of New York (the “Local Franchising Authority” or “LFA”) and Verizon New York Inc., a corporation duly organized under the applicable laws of the State of New York (the “Franchisee”).

WHEREAS, the LFA wishes to grant Franchisee a nonexclusive franchise to construct, install, maintain, extend and operate a cable system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a “franchising authority” in accordance with Title VI of the Communications Act, (*see* 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended;

WHEREAS, the LFA is a member of the Great Neck/North Shore Cable Commission (the “Commission”), made up of the following fifteen villages: Flower Hill, Great Neck, Great Neck Estates, Great Neck Plaza, Kensington, Kings Point, Lake Success, Munsey Park, North Hills, Plandome, Plandome Heights, Plandome Manor, Russell Gardens, Saddle Rock and Thomaston (“the Members”);

WHEREAS, a substantially similar franchise agreement for the provision of cable service has been presented to each of the Members for approval and execution;

WHEREAS, pursuant to the franchises, and pursuant to law, it is the responsibility of each Member to administer and supervise the provisions of the franchise for its own benefit and for the benefit of its residents;

WHEREAS, each of the Members has heretofore determined that the franchises are interrelated, that administration and supervision of the franchises can be best performed in a cooperative arrangement between and among the Members, and that the ability of each Member to provide its residents with adequate cable television service would be enhanced by such a cooperative arrangement;

WHEREAS, the LFA has delegated to the Commission the power and authority to act on behalf of the LFA pursuant to and relating to negotiating the terms and conditions of this franchise agreement between the LFA and Franchisee, pursuant to the intergovernmental agreement (the “Resolution”) among the Members executed on or about December 3, 1997, as it exists on the Effective Date;

WHEREAS, Franchisee is in the process of completing the upgrading of its existing telecommunications and information services network through the installation of a Fiber to the Premise Telecommunications Network (“FTTP Network”) in the Franchise Area which transmits the Non-Cable Services pursuant to authority granted by Section 27 of the New York Transportation Corporations Law, as amended, and Title II of the Communications Act, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the FTTP Network to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's plans for its Cable System are adequate and feasible in a full public proceeding affording due process to all parties;

WHEREAS, the LFA has found Franchisee to be financially, technically and legally qualified to operate the Cable System;

WHEREAS, the LFA has determined that in accordance with the provisions of the Cable Law, this Franchise complies with NY PSC's franchise standards and the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA's grant of a franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. **DEFINITIONS**

Except as otherwise provided herein, the definitions and word usages set forth in the Cable Law are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1. *Access Channel*: One or more video Channels, which Franchisee shall make available to the LFA without charge for Public, Educational, or Governmental noncommercial use for the transmission of video programming as directed by the LFA.

1.2. *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3. *Basic Service*: Any service tier, which includes the retransmission of local television broadcast signals as well as the PEG Channels required by this Franchise.

1.4. *Cable Law*: Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, to the extent authorized under and consistent with federal law.

1.5. *Cable Service* or *Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6), as amended.

1.6. *Cable System* or *System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7), as amended.

1.7. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4), as amended.

1.8. *Communications Act*: The Communications Act of 1934, as amended.

1.9. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee's affairs.

1.10. *Educational Access Channel*: One or more educational Access Channels available for noncommercial use solely by local public schools and public school districts in the Franchise Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area as specified by the LFA.

1.11. *FCC*: The United States Federal Communications Commission, or successor governmental entity thereto.

1.12. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.13. *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA, and such additional areas as may be annexed or acquired.

1.14. *Franchisee*: Verizon New York Inc. and its lawful and permitted successors, assigns and transferees.

1.15. *Government Access Channel*: One or more governmental Access Channels available for the sole noncommercial use of the LFA.

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

1.16.1. Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) Basic Service;

(ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including without limitation Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) revenues from the sale or lease of access channel(s) or channel capacity; (iv) video-on-demand and pay-per-view; and (v) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Service Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue.

1.16.2. Gross Revenue shall not include:

1.16.2.1. Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers; revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable Franchise Fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow

page, white page, banner advertisement and electronic publishing; or any fees or charges collected from Subscribers or other third parties for any PEG Grant and Administration Grant payments.

1.16.2.2. Except as otherwise provided in Subsection 1.16.1, any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders. Should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment.

1.17. *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(20), as amended.

1.18. *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.19. *Local Franchise Authority (LFA)*: The Village of _____, New York, or the lawful successor, transferee, or assignee thereof.

1.20. *Non-Cable Services*: Any service that does not constitute a Cable Service pursuant to this Franchise, including, but not limited to, Information Services and Telecommunications Services.

1.21. *Normal Business Hours*: Those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

1.22. *NY PSC*: The New York Public Service Commission.

1.23. *PEG*: Public, Educational, and Governmental.

1.24. *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.25. *Public Access Channel*: One or more public Access Channels available for the noncommercial use solely by the residents in the Franchise Area on a first-come, first-served, nondiscriminatory basis.

1.26. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.27. *Service Area*: All portions of the Franchise Area where Cable Service is being offered, as described in Exhibit B attached hereto.

1.28. *Subscriber*: A Person who lawfully receives Cable Service of the Cable System with Franchisee's express permission.

1.29. *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46), as amended.

1.30. *Title VI*: Title VI of the Communications Act, Cable Communications, as amended.

1.31. Transfer of the Franchise:

1.31.1. Any transaction in which:

1.31.1.1. a fifty percent ownership or other interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.31.1.2. the rights held by Franchisee under the Franchise and the certificate of confirmation issued therefor by the NY PSC are transferred or assigned to another Person or group of Persons.

1.31.2. However, notwithstanding Subsubsections 1.31.1.1 and 1.31.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.32. *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20), as amended.

2. **GRANT OF AUTHORITY; LIMITS AND RESERVATIONS**

2.1. *Grant of Authority:* Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order to provide Cable Service. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *The FTTP Network:* Upon delivery of Cable Service, by subjecting the Franchisee's mixed-use facilities to the NY PSC's minimum franchise standards and the LFA's police power, the LFA has not been granted broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities.

2.3. *Effective Date and Term:* This Franchise shall become effective on the date that the NY PSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use itself, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System or Franchisee's FTTP Network.

2.5. *Franchise Subject to State and Federal Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of state and federal law as it may be amended, including but not limited to the Communications Act; provided, however, that nothing herein shall be deemed to restrict the LFA from the reasonable, necessary and lawful exercise of its police powers as referenced in Section 2.8 of this Agreement.

2.6. *No Waiver:*

2.6.1. The failure of the LFA on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require compliance or performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance of this Agreement, nor shall it excuse Franchisee from compliance or performance, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of the Franchisee on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require

performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or such performance has been specifically waived in writing.

2.7. Construction of Agreement:

2.7.1. The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545, as amended.

2.8. *Police Powers:* The LFA shall not enact any local laws that are inconsistent with this Franchise, provided, however, that nothing in this Franchise shall be construed to prohibit the LFA's reasonable, necessary and lawful exercise of the police powers, including, without limitation, in addition to the implementation and enforcement of the provisions of this Agreement and existing applicable laws and regulations, the enactment, adoption, implementation and enforcement of such additional laws and regulations as the LFA may deem necessary in the exercise of its police power; provided, however, that such laws and regulations are reasonable, not materially in conflict with the privileges granted in this Franchise and consistent with all federal and state laws, regulations and orders.

2.9. *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to preexisting condition in accordance with the Cable Law.

2.10. *Restoration of Subscriber Premises:* The Franchisee shall ensure that the Subscriber's premises are restored to their pre-existing condition if damaged by the Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service.

2.11. *LFA Designation of Representative:* The LFA's Mayor or designated representatives or representative of the Mayor will be responsible for the continuing administration of the rights and interests of the LFA in the franchise. However, the Franchisee agrees that the LFA may transfer or delegate any such responsibilities to the Commission pursuant to the Resolution; provided, however, that in the event the Commission acts on behalf of the LFA on a particular matter the LFA may not simultaneously exercise its rights on the same matter under this Franchise.

2.12. *Level Playing Field:* **[Language reads either:** In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have determined that the terms of this Agreement, when compared against the terms of that certain cable franchise agreement (the "Incumbent Agreement"), dated June [], 1991, by and between the LFA and the incumbent cable operator, Cablevision Systems Great Neck Corporation ("Cablevision"), does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon Cablevision pursuant to the Incumbent Agreement. **OR** In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have

determined that the terms of this Agreement, when compared against the obligations currently being met by the incumbent cable operator as reported by the LFA to Franchisee, does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon the incumbent cable operator.]

3. **PROVISION OF CABLE SERVICE**

3.1. *Service Area:*

3.1.1. *Service Area:* Subject to the issuance of all necessary permits by the LFA, Franchisee shall offer Cable Service to significant numbers of Subscribers within residential areas of the Service Area and may make Cable Service available to businesses in the Service Area, within twelve (12) months and shall offer Cable Service to all residential areas of the Service Area within five (5) years, of the Effective Date of this Franchise, or, in both instances, such longer period as may be permitted by the Cable Law, except, in accordance with NY PSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Primary Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density and other requirements set forth in Subsection 3.1.1.1. and Section 3.2. For purposes of Subsection 3.1.1, the Service Area shall be defined to be the Franchise Area.

3.1.1.1. *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than twenty-five (25) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active FTTP Network trunk or feeder line. Should, through new construction, an area within the Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within five hundred (500) feet of trunk or feeder lines, measured from the property line of a Subscriber (including those on private roads), not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed five hundred (500) feet or are in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile and the actual costs

incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility.

3.3. *Cable Service to Public Buildings:* Subject to Section 3.1, Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each public school and public library, and such other buildings used for municipal purposes as designated by the LFA in Exhibit A attached hereto; or as designated by the LFA in the future during the Franchise term, upon sixty (60) days prior written notice to the Franchisee; provided however that any new additional buildings added to Exhibit A cannot exceed any more than five (5) buildings per year over the life of the agreement. If it is necessary to extend Franchisee's trunk or feeder lines more than five hundred (500) feet solely to provide service to any such school or public building, the LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than five hundred (500) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

3.4. *Contribution in Aid:* Notwithstanding the foregoing, Franchisee shall comply at all times, with the requirements of Section 895.5 of NY PSC rules and regulations.

4. **SYSTEM FACILITIES**

4.1. *Quality of Materials and Work:* Franchisee shall construct and maintain its System using materials of good and durable quality, and all work involved in the construction, installation, maintenance and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

4.2. *System Characteristics:* During the term hereof Franchisee's Cable System shall meet or exceed the following requirements:

4.2.1. The System shall be designed and operated with an initial analog and digital carrier passband between 50 and 860 MHz and shall provide for a minimum channel capacity of not less than 86 channels on the Effective Date.

4.2.2. The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for the selection or use of Cable Service.

4.3. *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of

systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

4.4. *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and the State of New York, including the NY PSC's rules and regulations and the current New York EAS Plan, in order that emergency messages may be distributed over the System.

4.5. *Parental Control:* Upon request by any Subscriber, and where technologically feasible, the Franchisee shall provide such requesting Subscriber with a parental control device at a reasonable rate to be paid by the Subscriber. Such device will, at a minimum, offer as an option that a Person ordering programming must provide a personal identification number or other means provided by the Franchisee only to a Subscriber. Provided, however, that the Franchisee shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls.

5. **PEG SERVICES**

5.1. PEG Set Aside

5.1.1. In order to ensure universal availability of public, educational and government programming, Franchisee shall provide on the Basic Service Tier up to a total of nine (9) shared Access Channels (collectively, "PEG Channels"), as requested by the LFA, to be used collectively by and between the fifteen communities that are the Members of the Commission. The PEG Channels shall be allocated as follows:

- (a) Five (5) full-time shared Public Access Channels:
 - (i) One (1) Great Neck/North Shore Public Access Channel
 - (ii) One (1) Great Neck Library Access Channel
 - (iii) One (1) North Shore Library Access Channel
 - (iv) One (1) Great Neck Park District Access Channel
 - (v) One (1) North Shore Parks Access Channel
- (b) Two (2) full-time shared Government Access Channels:
 - (i) One (1) Great Neck Government Access Channel
 - (ii) One (1) North Shore Government Access Channel
- (c) Two (2) full-time shared Educational Access Channels:
 - (i) One (1) Great Neck Public School District
 - (ii) One (1) Manhasset Area Public Schools

5.1.2. The LFA hereby authorizes Franchisee to transmit such programming within and without LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. Franchisee will not change the channel assignment for the Great Neck/North Shore Public Access Channel except upon at least sixty (60) days advance written notice to the LFA. In the event the channel assignment for the Great Neck/North Shore Public Access Channel is changed, Franchisee will

provide notice to subscribers thirty (30) days in advance of such change if such change is within the control of the Franchisee, in accordance with Section 890.8 of NY PSC rules and regulations. If a PEG Channel provided under this Article is not being utilized by the LFA, Franchisee, in accordance with Section 895.4 of NY PSC rules and regulations, may utilize such PEG Channel in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose. In the event that the LFA determines to use PEG capacity, the LFA shall provide Franchisee with prior written notice of such request in accordance with NY PSC rules and regulations.

5.1.3. *Tape Play Back*: Franchisee shall provide the technical ability to play back pre-recorded programming provided to Franchisee consistent with this Section. On behalf of all Members of the Commission, on the date on which Franchisee initiates Cable Service to the Village of Lake Success, Franchisee shall provide the technical ability to play pre-recorded programming generated by Public Access Television Corporation (“PATC”), subject to: (1) the Members provide the pre-recorded programming for Franchisee’s receipt at the main telephone room located next to PATC’s offices at 1111 Marcus Ave. LL27, Lake Success, NY 11042 (“Main Telephone Room”); (2) Franchisee’s access to the Main Telephone Room shall not be subjected to interference from third parties; and (3) the Members provide such cooperation as is reasonably necessary for Franchisee to fulfill such obligations. Franchisee shall transmit programming consistent with the dedicated uses of PEG Access Channels. Franchisee shall comply at all times with the requirements of Section 895.4 of the NY PSC rules and regulations.

5.1.4. Franchisee shall use reasonable efforts to transmit the Town of North Hempstead’s public, educational and government programming to the LFA, so long as it has legal authority from the Town of North Hempstead to do so.

5.2. PEG Access Interconnection

5.2.1. LFA shall designate in its sole discretion not more than XXXX (X) site(s) within the Franchise Area for the interconnection of PEG access facilities with the Cable System (each, a “PEG Access Interconnection Site”), as designated on Exhibit D to this Agreement.

5.2.2. Franchisee shall, without charge to the LFA, provide links between its video channel aggregation point and each PEG Access Interconnection Site in order to permit the signals to be correctly routed from the PEG Access Interconnection Sites to the appropriate PEG access channel for distribution to Subscribers. All PEG Access Interconnection Sites shall be operable on or before the dates designated on Exhibit D to this Agreement.

5.2.3. The LFA shall provide to Franchisee at each PEG Access Interconnection Site a suitable video signal and a suitable audio signal for each PEG Channel. Franchisee, upon receipt of the suitable video and audio signals, shall provide, install and maintain in good working order the equipment necessary for transmitting the PEG signal to the channel aggregation site for further processing for distribution to Subscribers. Franchisee’s obligations with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of reasonably suitable required space,

environmental conditions, electrical power supply, access, pathway, and other facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill such obligations. Should Franchisee determine that it cannot fulfill such obligations as a result of LFA's failure to cooperate or to provide suitable required space, environmental conditions, electrical power supply, access, pathway, or other facilities, it shall so notify LFA in a writing detailing the requirements of Franchisee that will enable it to fulfill its obligations hereunder.

5.2.4. Such upstream PEG Channel transmission provided by Franchisee shall comply with applicable FCC standards governing the transport and distribution of video and audio signals to Subscribers.

5.2.5. If Franchisee makes changes to the Cable System that require improvements to the access facilities or equipment in order to permit the PEG access equipment and facilities to continue to be used as they were intended under the terms of this Agreement, then Franchisee shall, without charge to the LFA, make such changes in either the equipment and facilities referred to in Subsection 5.2.3 or in the Franchisee's video channel aggregation point and distribution equipment and facilities in order to permit the continuation of such intended use.

5.3. *Backup Facilities and Equipment:* Subject to Section 5.2, Franchisee shall design, build, and maintain all PEG upstream feeds, connections, and distribution facilities in order that such feeds function as reliably as Franchisee's Cable System as a whole within the Franchise Area, and are no more likely to fail than is Franchisee's Cable System as a whole within the Franchise Area.

5.4. PEG Support:

5.4.1. *Continuing PEG Support:* The Franchisee shall provide Continuing PEG Support (the "Continuing PEG Support") to each LFA by making payment to PATC. The Continuing PEG Support shall be used to support ongoing operations of PEG access programming. The Continuing PEG Support shall consist of one percent (1%) of the Franchisee's annual Gross Revenues. Each Continuing PEG Support payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation. The Continuing PEG Support payment shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter during the franchise term. Payments made pursuant to this Subsection may be designated by the Members to a different payee, other than PATC subject to the new payee using such payments as provided for in Subsection 5.4.4. Franchisee shall upon 45 days prior written notice, signed by a majority of the Members on the same instrument, make payment to the payee indicated in such notice.

5.4.2. *Upfront PEG Grant:* Franchisee shall provide, on behalf of all Members of the Commission combined, for use in support of the production of local PEG programming an Upfront PEG Grant (the "Upfront PEG Grant") totaling Four Hundred Fifty Thousand Dollars (\$450,000) payable in two installments. The first installment in the amount of Three Hundred Thousand Dollars (\$300,000) shall be payable within sixty (60) days of the Effective Date. The second installment of One Hundred Fifty Thousand Dollars (\$150,000) shall be payable within one year of the payment of the first installment. Such payments shall be paid directly to PATC.

5.4.3. *Annual PEG Grant*: In addition to the Continuing PEG Support and Upfront PEG Grant in Subsections 5.4.1 and 5.4.2 respectively, Franchisee shall pay an Annual PEG Grant (the “Annual PEG Grant”) in the amount of two dollars and twelve cents (\$2.12) per month, per subscriber in the Service Area to Franchisee’s Basic Service Tier. Calculation of the Annual PEG Grant will commence with the first calendar month during which Franchisee obtains its first Subscriber in the Service Area. Commencing on the fifth anniversary of the first payment of the Annual PEG Grant, the amount of the grant shall increase to two dollars and forty cents (\$2.40) per month, per subscriber. The Annual PEG Grant payment shall be accompanied by a brief summary of the Subscriber Information upon which it is based. The Annual PEG Grant shall be delivered to PATC within thirty (30) days of each anniversary of the Effective Date or to another payee designated by the LFA pursuant to the notice process in Subsection 5.4.1.

5.4.4. The Continuing PEG Support, Upfront PEG Grant and the Annual PEG Grant shall be used solely by the LFA for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities, and for other PEG costs as may be ascertained by the LFA. In the event both the LFA and Franchisee agree, any portion of the Annual PEG Grant payments may be made in cash or in kind.

5.4.5. The LFA shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 5.4.

5.4.6. The LFA shall continue to impose on all existing cable service providers within the Franchise Area: (i) the financial obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include the same percentage amount for the Continuing PEG Support Grant and total monetary amount for the Upfront PEG Grant as contained in Subsections 5.4.1 and 5.4.2; and (ii) at least all other PEG obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include such PEG obligations at least equivalent to the obligations contained in Subsection 5.4.3. (Annual PEG Grant). Further, the LFA agrees that it shall impose such equivalent obligations as those described above in the franchise agreements of any new providers of cable service in the Franchise Area.

5.5. *Indemnity for PEG*: The LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a PEG facility or Channel. The LFA shall establish rules and regulations for use of PEG facilities, consistent with, and as required by, 47 U.S.C. §531.

5.6. *Recovery of Costs:* To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of any PEG Grant, Administration Grant or any other costs arising from the provision of PEG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the foregoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

5.7. *PEG Interconnection with Existing Cable Operators:* Franchisee shall use reasonable efforts to interconnect its Cable System with the existing cable operator(s). Franchisee shall pursue interconnection negotiations with the existing cable operator(s) to cablecast, on a live basis, Public Access Channel and programming generated by PATC consistent with this Agreement. Interconnection may be accomplished by direct cable, microwave link, satellite or any other reasonable means of connection. Franchisee shall negotiate in good faith with existing cable operator(s) respecting reasonable, mutually convenient, cost-effective, and technically viable interconnection points, methods, terms and conditions. The Franchisee and existing cable operator(s) shall negotiate the interconnection agreement(s) on reasonable terms and conditions. In negotiating reasonable terms and conditions, Verizon's obligation shall be limited to agreeing to build to the interconnection point and paying only the reasonable incremental costs of creating the interconnection point, interconnecting to that point, and any continuing costs of maintaining the interconnection point. If, despite Franchisee's reasonable efforts, Franchisee is unable to interconnect its Cable System with the existing operator(s), Franchisee may file an application with the NY PSC pursuant to Section 223 of Article 11 of the New York Public Service Law, as amended, to effectuate interconnection consistent with the terms of this Agreement. The Members shall make all best efforts to support Franchisee's negotiations with the existing cable operator(s) and the Franchisee's application for interconnection before the NY PSC. If Franchisee is unable to negotiate an interconnection agreement(s) with the existing cable operator(s) for the provision of obtaining the Public Access Channel and programming generated by PATC, the Members shall designate an alternative interconnection point where Franchisee can obtain the Public Access Channel and programming at the closest technically feasible location on Franchisee's Cable System permitting the transmission of high quality signals for the least cost. If the cost of the Members designated interconnection point for PATC content would be unreasonable, not technically feasible, or would cause an unacceptable increase in Subscriber rates, the Members agree that they will provide PATC content directly to Franchisee in accordance with Subsection 5.1.3.

6. **FRANCHISE FEES**

6.1. *Payment to LFA:* Franchisee shall pay to the LFA a Franchise Fee of three percent (3%) of annual Gross Revenue. Notwithstanding the foregoing, if all cable operators providing cable service in the Franchise Area pay the LFA a lower Franchise Fee, Franchisee agrees to pay the same decreased Franchise Fee to the extent permitted by law. If all other cable operators cease the provision of cable service in the Franchise Area during the Term, Franchisee agrees that it will continue to pay the highest Franchise Fee assessed during the time that all cable operators provided cable service. In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be calculated on a quarterly basis and made no later than

forty-five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

6.2. *Administration Grant:* Franchisee shall provide to the Commission, on behalf of all Members of the Commission combined, a one time administration grant of five thousand dollars (\$5,000) for the purpose of addressing costs associated with the administration of this Franchise. This grant shall be payable within sixty (60) days of the Effective Date.

6.3. *Supporting Information:* Each Franchise Fee payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation.

6.3.1. *Audit of Franchise Fee Payments:* Subject to the confidentiality requirements set forth in Section 7.1 of this Franchise, Franchisee shall be responsible for making available to the LFA for inspection and audit, at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA, all records necessary to confirm the accurate payment of Franchise Fees, whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's Cable Services operation in the LFA subject to the payment of Franchise Fees under this Agreement, including, by way of illustration and not limitation, any entity that sells advertising on the Franchisee's behalf. Franchisee shall maintain such records for six (6) years, provided that, if the LFA commences an audit within that six (6) year period, Franchisee shall continue to maintain such records for the duration of any audit in progress at the end of that six (6) year period. The LFA shall conduct all audits expeditiously, and neither the LFA nor Franchisee shall unreasonably delay the completion of an audit. The LFA's audit expenses shall be borne by the LFA unless the audit determines that the payment to the LFA should be increased by five percent (5%) or more in the audited period, in which case the reasonable and customary costs of the audit, together with any additional amounts due to the LFA as a result of such audit, shall be paid by Franchisee to the LFA within sixty (60) days following written notice to Franchisee by the LFA of the underpayment, which notice shall include a copy of the audit report; provided, however, that Franchisee's obligation to pay or reimburse the LFA's audit expenses shall not exceed an aggregate of twenty thousand dollars (\$20,000.00) for all Members of the Commission combined. If re-computation results in additional revenue to be paid to the LFA, such amount shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules per annum during the period such unpaid amount is owed. If the audit determines that there has been an overpayment by Franchisee, the Franchisee may credit any overpayment against its next quarterly payment. Said audit shall be conducted by an independent third party and no auditor so employed by the LFA shall be compensated on a success based formula, e.g., payment based on a percentage of an underpayment, if any. The LFA shall not conduct an audit more frequently than once every three (3) years.

6.4. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due.

6.5. *Bundled Services:* If Cable Services subject to the Franchise Fee required under this Article 6 are provided to Subscribers in conjunction with Non-Cable Services, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders. Notwithstanding the foregoing, if the Franchisee bundles Cable Service with Non-Cable Service, the Franchisee agrees that it will not intentionally or unlawfully allocate such revenue for the purpose of evading Franchise Fee payments under this franchise. The parties agree that tariffed telecommunications services that cannot be discounted by state or federal law or regulation are to be excluded from the bundled discount allocation basis.

6.6. *Section 626 Treatment:* Franchisee agrees that it will not apply the Franchise Fee as an offset against the special franchise tax payable to the LFA pursuant to the N.Y. Real Property Tax Law Section 626 commencing with the next full calendar month following the issuance by the NY PSC of an order confirming this Agreement. The LFA agrees that it shall impose the same full and complete waiver of the special franchise tax offset upon all existing and new providers of Cable Service or cable service (as such term may be defined by other providers) in the Service Area to be expressed in writing in the franchise agreement or the renewal of any existing franchise agreement of each respective cable provider. The operation of this Section 6.6 shall be strictly limited to Franchise Fees lawfully imposed upon Cable Service, and shall not be construed to affect the Franchisee's rights under any provision of State or Federal law regarding the provision of services other than Cable Service.

7. REPORTS AND RECORDS

7.1. *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Following the notice period set forth herein, Franchisee shall make such books and records available to the LFA at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as confidential and shall only disclose it to employees, representatives, and agents thereof who have a need to know, or in order to enforce the provisions hereof. Franchisee shall not be

required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

7.2. *Records Required:* Franchisee shall at all times maintain:

7.2.1. Records of all written complaints for a period of six (6) years after receipt by Franchisee. The term “complaint” as used herein refers to complaints about any aspect of the Cable System or Franchisee’s cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

7.2.2. Records of outages for a period of six (6) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

7.2.3. Records of service calls for repair and maintenance for a period of six (6) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

7.2.4. Records of installation/reconnection and requests for service extension for a period of six (6) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

7.2.5. A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

7.3. *System-Wide Statistics:* Any valid reporting requirement in the Franchise may be satisfied with system-wide statistics, except those related to Franchise Fees and consumer complaints.

8. **INSURANCE AND INDEMNIFICATION**

8.1. *Insurance:*

8.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

8.1.1.1. Commercial General Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of Franchisee’s Cable Service business in the LFA.

8.1.1.2. Automobile Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for bodily injury and property damage coverage.

8.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the State of New York.

8.1.1.4. Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; \$500,000 policy limit.

8.1.1.5. Excess liability or umbrella coverage of not less than ten million dollars (\$10,000,000).

8.1.2. The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance and Employer's Liability Insurance. The LFA is an additional insured under the excess liability or umbrella coverage to the extent it is named as an additional insured on the underlying primary policies.

8.1.3. Each of the required insurance policies shall be noncancellable except upon thirty (30) days prior written notice to the LFA. Franchisee shall not cancel any required insurance policy without submitting documentation to the LFA verifying that the Franchisee has obtained alternative insurance in conformance with this Agreement.

8.1.4. Each of the required insurance policies shall be with sureties qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition.

8.1.5. Within 15 days of the Effective Date, Franchisee shall deliver to the LFA proof of insurance, by means of an endorsement including the LFA as an additional insured, effective as of the day of the initiation of Cable Service in the LFA, in conformity with the terms of this Agreement. In the event any such policy is replaced or extended during the term of this Agreement, within 15 days of such replacement or extension Franchisee shall deliver such proof to the LFA with respect to such replacement or extended policy.

8.2. *Indemnification:*

8.2.1. Franchisee agrees to indemnify the LFA its officers, agents, boards, elected and appointed officials and employees, for, and hold it harmless from, all liability, damage, cost or expense arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees, or infringement of copyright or patent rights arising from Franchisee's provision of Cable Services over the Cable System other than PEG facilities and channels, provided that the LFA shall give Franchisee timely written notice of a claim or action for which it seeks indemnification pursuant to this Subsection; and in any event, the LFA shall provide Franchisee with such written notice within a period of time that allows Franchisee to take action to avoid entry of a default judgment and does not prejudice Franchisee's ability to defend the claim or action. Notwithstanding the foregoing, Franchisee shall not indemnify the LFA for any damages, liability or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, attorneys, consultants,

independent contractors or third parties or for any activity or function conducted by any Person other than Franchisee in connection with PEG Access, or EAS.

8.2.2. With respect to Franchisee's indemnity obligations set forth in Subsection 8.2.1, Franchisee shall provide the defense of any claims brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the LFA from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA, Franchisee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA and the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

8.2.3. The LFA shall hold harmless and defend Franchisee from and against and shall be responsible for damages, liability or claims resulting from or arising out of the willful misconduct or negligence of the LFA.

8.2.4. The LFA shall be responsible for its own acts of willful misconduct, negligence, or breach, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the LFA for acts of the LFA which constitute willful misconduct or negligence on the part of the LFA, its officers, employees, agents, attorneys, consultants, independent contractors or third parties.

9. TRANSFER OF FRANCHISE

9.1. *Transfer:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or for transactions otherwise excluded under Subsection 1.31 above.

10. RENEWAL OF FRANCHISE

10.1. *Governing Law:* The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 12.11 below, the Cable Law and Section 626 of the Communications Act, 47 U.S.C. §546, as amended.

10.2. *Needs Assessment:* In addition to the procedures set forth in Section 626 of the Communications Act, 47 U.S.C. §546, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then current Franchise term. Such assessments shall be provided to Franchisee by the LFA promptly so that Franchisee will have adequate time to submit a proposal under Section 626 of the Communications Act, 47 U.S.C. §546 and complete renewal of the Franchise prior to expiration of its term.

10.3. *Informal Negotiations:* Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the LFA and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

10.4. *Consistent Terms:* Franchisee and the LFA consider the terms set forth in this Article 10 to be consistent with the express provisions of Section 626 of the Communications Act, 47 U.S.C. §546, and the Cable Law.

11. ENFORCEMENT AND TERMINATION OF FRANCHISE

11.1. *Notice of Violation:* If at any time the LFA believes that Franchisee has not complied with the terms of the Franchise, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the LFA shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the “Noncompliance Notice”).

11.2. *Franchisee’s Right to Cure or Respond:* Franchisee shall have sixty (60) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such sixty (60) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which Franchisee reasonably projects that it will complete cure of such noncompliance. Upon cure of any noncompliance, the LFA shall provide written confirmation that such cure has been effected.

11.3. *Liquidated Damages:* For the violation of any of the following provisions of this Franchise, liquidated damages shall be paid by the Franchisee to the LFA. Any such liquidated damages shall be assessed as of the date that is sixty (60) days from the Franchisee’s receipt of the Noncompliance Notice, provided that the Franchisee has not cured the noncompliance upon which the Noncompliance Notice was issued, in accordance with the procedures set forth in Sections 11.1 and 11.2 above. On an annual basis from the Effective Date, the Franchisee shall not be liable for liquidated damages that exceed fifteen thousand dollars (\$15,000) in the aggregate for all Members of the Commission combined. Liquidated damages shall be assessed as follows.

For failure to provide Cable Service as set forth
in Sections 3.1-3.3.....\$100 per day for each day the
violation continues;

For failure to maintain the system standards
as set forth in Section 4.....\$50 per day for each day the
violation continues;

For failure to provide PEG Services to residents of the LFA
specified in Section 5.1\$100 per day for each day the
violation continues;

For failure to provide LFA with any reports or
records required by the Agreement
within the time period required.....\$50 per day for each day the
violation continues;

For failure to carry the insurance specified in
Subsection 8.1.1\$100 per day for each day the
violation continues;

For a transfer specified in Article 9 without required
approval.....\$100 per day for each day the
violation continues.

11.3.1. Any liquidated damages assessed pursuant to this section shall not be a limitation upon any other provisions of this Franchise and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies; provided, however, that in the event that the LFA collects liquidated damages for a specific breach for a specific period of time, pursuant to Section 11.3 above, the collection of such liquidated damages shall be deemed to be the exclusive remedy for that specific breach for such specific period of time only.

11.3.2. The parties agree that each case of non-compliance as set forth in this Section 11.3 shall result in damage to the LFA, compensation for which will be difficult to ascertain. The parties agree that the liquidated damages in the amounts set forth in this Section 11.3 are fair and reasonable compensation for such damage with respect to those violations for which a specific liquidated damage is listed in Section 11.3.

11.3.3. *Public Hearing:* Consistent with Section 11.5 below, (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above, the LFA shall provide Franchisee at least thirty (30) business days prior written notice of a public hearing, which will specify the time, place and purpose of such public hearing, including, whether revocation of this Franchise is a possible consequence at such hearing, and provide Franchisee the opportunity to be heard and to present evidence.

11.4. *Enforcement:* Subject to Section 12.11 below and applicable federal and state law, in the event the LFA, after the public hearing set forth in Subsection 11.3.3, determines that Franchisee is in default of any provision of this Franchise, the LFA may:

11.4.1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

11.4.2. Commence an action at law for monetary damages or seek other equitable relief; or

11.4.3. In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 11.5.

11.5. *Revocation:* Should the LFA seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Subsection 11.3.3, the LFA shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

11.5.1. At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing.

11.5.2. Following the second public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions to the LFA in writing and promptly thereafter the LFA shall provide a written determination to the Franchisee setting forth: (i) whether an event of default has occurred under this Franchise; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The LFA shall also determine whether it will revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that it will revoke the Franchise, the LFA shall promptly provide Franchisee with a written determination setting forth the LFA's reasoning for such revocation. Franchisee may appeal such written determination of the LFA to an appropriate court, which shall, to the extent permitted under applicable law, have the power to review the decision of the LFA *de novo*. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Franchisee's receipt of the written determination of the LFA.

11.5.3. The LFA may, at its sole discretion, take any lawful action that it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

11.6. *Abandonment of Service:* Franchisee shall not abandon any Cable Service or portion thereof without the LFA's prior written consent as provided in the Cable Law.

12. **MISCELLANEOUS PROVISIONS**

12.1. *Actions of Parties:* In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

12.3. *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4. *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in practical difficulties and hardship being placed upon Franchisee that outweigh the benefit to be derived by the LFA and/or Subscribers.

12.5. *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

12.5.1. Notices to Franchisee shall be mailed to:

Verizon New York Inc.
Jack White, Senior Vice President and General Counsel
Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097

12.5.2. Notices to the LFA shall be mailed to:

Office of the Mayor

12.5.3. with a copy to:

Office of the Village Clerk

12.6. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any local laws or parts of local laws that materially conflict with the provisions of this Agreement are superseded by this Agreement.

12.7. *Amendments and Modifications:* Amendments and/or modifications to this Franchise shall be mutually agreed to in writing by the parties and subject to the approval of the NY PSC, pursuant to the Cable Law.

12.8. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

12.9. *Severability:* If any section, subsection, sub-subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force

and effect for the term of the Franchise. For purposes of this Agreement, the term “material provision” or “material provisions” shall mean the following: Section 2.3 (Effective Date and Term), Section 2.5 (Franchise Subject to State and Federal Law), Article 3 (Provision of Cable Service) in its entirety, Section 4.2 (System Characteristics), Section 6.1 (Payment of Franchise Fees), and Article 9 (Transfer of Franchise).

12.10. *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

12.11. *FTTP Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee’s FTTP Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the FTTP Network or to relocate the FTTP Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services. This provision is not intended to contravene leased access requirements under Title VI or PEG requirements set out in this Agreement.

12.12. *NY PSC Approval:* This Franchise is subject to the approval of the NY PSC. Franchisee shall file an application for such approval with the NY PSC within sixty (60) days after the date hereof. Franchisee shall also file any necessary notices with the FCC.

12.13. *Rates and Charges:* The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law.

12.14. *Publishing Information:* LFA hereby requests that Franchisee omit publishing information specified in 47 C.F.R. §76.952 from Subscriber bills.

12.15. *Customer Service:* Franchisee shall comply with the consumer protection and customer service standards set forth in Parts 890 and 896 of the NY PSC rules and regulations.

12.16. *Employment Practices:* Franchisee will not refuse to hire, nor will it bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, color, national origin, sex or any protected category of persons under federal or state law.

12.17. *Identification of Franchisee’s Employees, Vehicles & Contractors.* The Franchisee shall require all the Franchisee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Franchisee to wear a clearly visible identification card bearing their name and photograph.

12.17.1. The Franchisee shall make reasonable effort to account for all identification cards at all times.

12.17.2. The Franchisee shall require all the Franchisee representatives to wear appropriate clothing while working at a Subscriber's premises.

12.17.3. The Franchisee shall require that all service vehicle of the Franchisee and its contractors or subcontractors be clearly identified as such to the public. Specifically, the Franchisee vehicles shall be required to have the Franchisee's logo plainly visible. The Franchisee shall require that all contractors and subcontractors working for the Franchisee shall have the contractor's/subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to the Franchisee.

12.18. *No Third Party Beneficiaries:* Except as expressly provided in this Agreement, this Agreement is not intended to, and does not, create any rights or benefits on behalf of any Person other than the parties to this Agreement.

12.19. *LFA Official:* The Mayor of the LFA, or the designated representative or representatives of the Mayor, will be responsible for the continuing administration of this Agreement.

12.20. *No Waiver of LFA's Rights:* Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall be construed as a waiver of the LFA's rights under applicable federal and state law.

AGREED TO THIS ____ DAY OF _____, 2007.

The Village of

By: _____

Verizon New York Inc.

By: _____

Tracey A. Edwards, Vice President

EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

[List has been provided for each village]

EXHIBIT B

SERVICE AREA

The Franchise Area is the Service Area. [A build out schedule has been provided for each village.]

This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT C

PEG CHANNELS

Franchisee shall provide use of channel capacity as specified in Subsection 5.1.1 of the Agreement to the LFA's PEG Channel usage needs. These PEG Channel needs include the needs of school districts, public libraries and park districts and are subject to the jurisdiction of the franchising authority.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE(S)

[List has been provided for each village]

Cable Franchise Agreement

by and between

The Village of , NY

and

Verizon New York Inc.

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EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

THIS CABLE FRANCHISE AGREEMENT (the “Franchise” or “Agreement”) is entered into by and between the incorporated Village of _____, a validly organized and existing political subdivision of the State of New York (the “Local Franchising Authority” or “LFA”) and Verizon New York Inc., a corporation duly organized under the applicable laws of the State of New York (the “Franchisee”).

WHEREAS, the LFA wishes to grant Franchisee a nonexclusive franchise to construct, install, maintain, extend and operate a cable system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a “franchising authority” in accordance with Title VI of the Communications Act, (*see* 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended;

WHEREAS, the LFA is a member of the Great Neck/North Shore Cable Commission (the “Commission”), made up of the following fifteen villages: Flower Hill, Great Neck, Great Neck Estates, Great Neck Plaza, Kensington, Kings Point, Lake Success, Munsey Park, North Hills, Plandome, Plandome Heights, Plandome Manor, Russell Gardens, Saddle Rock and Thomaston (“the Members”);

WHEREAS, a substantially similar franchise agreement for the provision of cable service has been presented to each of the Members for approval and execution;

WHEREAS, pursuant to the franchises, and pursuant to law, it is the responsibility of each Member to administer and supervise the provisions of the franchise for its own benefit and for the benefit of its residents;

WHEREAS, each of the Members has heretofore determined that the franchises are interrelated, that administration and supervision of the franchises can be best performed in a cooperative arrangement between and among the Members, and that the ability of each Member to provide its residents with adequate cable television service would be enhanced by such a cooperative arrangement;

WHEREAS, the LFA has delegated to the Commission the power and authority to act on behalf of the LFA pursuant to and relating to negotiating the terms and conditions of this franchise agreement between the LFA and Franchisee, pursuant to the intergovernmental agreement (the “Resolution”) among the Members executed on or about December 3, 1997, as it exists on the Effective Date;

WHEREAS, Franchisee is in the process of completing the upgrading of its existing telecommunications and information services network through the installation of a Fiber to the Premise Telecommunications Network (“FTTP Network”) in the Franchise Area which transmits the Non-Cable Services pursuant to authority granted by Section 27 of the New York Transportation Corporations Law, as amended, and Title II of the Communications Act, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the FTTP Network to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's plans for its Cable System are adequate and feasible in a full public proceeding affording due process to all parties;

WHEREAS, the LFA has found Franchisee to be financially, technically and legally qualified to operate the Cable System;

WHEREAS, the LFA has determined that in accordance with the provisions of the Cable Law, this Franchise complies with NY PSC's franchise standards and the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA's grant of a franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. **DEFINITIONS**

Except as otherwise provided herein, the definitions and word usages set forth in the Cable Law are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1. *Access Channel*: One or more video Channels, which Franchisee shall make available to the LFA without charge for Public, Educational, or Governmental noncommercial use for the transmission of video programming as directed by the LFA.

1.2. *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3. *Basic Service*: Any service tier, which includes the retransmission of local television broadcast signals as well as the PEG Channels required by this Franchise.

1.4. *Cable Law*: Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, to the extent authorized under and consistent with federal law.

1.5. *Cable Service* or *Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6), as amended.

1.6. *Cable System* or *System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7), as amended.

1.7. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4), as amended.

1.8. *Communications Act*: The Communications Act of 1934, as amended.

1.9. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee's affairs.

1.10. *Educational Access Channel*: One or more educational Access Channels available for noncommercial use solely by local public schools and public school districts in the Franchise Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area as specified by the LFA.

1.11. *FCC*: The United States Federal Communications Commission, or successor governmental entity thereto.

1.12. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.13. *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA, and such additional areas as may be annexed or acquired.

1.14. *Franchisee*: Verizon New York Inc. and its lawful and permitted successors, assigns and transferees.

1.15. *Government Access Channel*: One or more governmental Access Channels available for the sole noncommercial use of the LFA.

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

1.16.1. Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) Basic Service;

(ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including without limitation Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) revenues from the sale or lease of access channel(s) or channel capacity; (iv) video-on-demand and pay-per-view; and (v) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Service Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue.

1.16.2. Gross Revenue shall not include:

1.16.2.1. Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers; revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable Franchise Fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow

page, white page, banner advertisement and electronic publishing; or any fees or charges collected from Subscribers or other third parties for any PEG Grant and Administration Grant payments.

1.16.2.2. Except as otherwise provided in Subsection 1.16.1, any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders. Should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment.

1.17. *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(20), as amended.

1.18. *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.19. *Local Franchise Authority (LFA)*: The Village of _____, New York, or the lawful successor, transferee, or assignee thereof.

1.20. *Non-Cable Services*: Any service that does not constitute ~~the provision of Video Programming directly to multiple Subscribers in the~~ a Cable Service pursuant to this Franchise—Area, including, but not limited to, Information Services and Telecommunications Services.

1.21. *Normal Business Hours*: Those hours during which most similar businesses in the community are open to serve customers. In all cases, “normal business hours” must include some evening hours at least one night per week and/or some weekend hours.

1.22. *NY PSC*: The New York Public Service Commission.

1.23. *PEG*: Public, Educational, and Governmental.

1.24. *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.25. *Public Access Channel*: One or more public Access Channels available for the noncommercial use solely by the residents in the Franchise Area on a first-come, first-served, nondiscriminatory basis.

1.26. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.27. *Service Area*: All portions of the Franchise Area where Cable Service is being offered, as described in Exhibit B attached hereto.

1.28. *Subscriber*: A Person who lawfully receives Cable Service of the Cable System with Franchisee's express permission.

1.29. *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46), as amended.

1.30. *Title VI*: Title VI of the Communications Act, Cable Communications, as amended.

1.31. Transfer of the Franchise:

1.31.1. Any transaction in which:

1.31.1.1. a fifty percent ownership or other interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.31.1.2. the rights held by Franchisee under the Franchise and the certificate of confirmation issued therefor by the NY PSC are transferred or assigned to another Person or group of Persons.

1.31.2. However, notwithstanding Subsections 1.31.1.1 and 1.31.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.32. *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20), as amended.

2. **GRANT OF AUTHORITY; LIMITS AND RESERVATIONS**

2.1. *Grant of Authority:* Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order to provide Cable Service. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *The FTTP Network:* Upon delivery of Cable Service, by subjecting the Franchisee's mixed-use facilities to the NY PSC's minimum franchise standards and the LFA's police power, the LFA has not been granted broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities.

2.3. *Effective Date and Term:* This Franchise shall become effective on the date that the NY PSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use itself, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System or Franchisee's FTTP Network.

2.5. *Franchise Subject to State and Federal Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of state and federal law as it may be amended, including but not limited to the Communications Act; provided, however, that nothing herein shall be deemed to restrict the LFA from the reasonable, necessary and lawful exercise of its police powers as referenced in Section 2.8 of this Agreement.

2.6. *No Waiver:*

2.6.1. The failure of the LFA on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require compliance or performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance of this Agreement, nor shall it excuse Franchisee from compliance or performance, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of the Franchisee on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require

performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or such performance has been specifically waived in writing.

2.7. Construction of Agreement:

2.7.1. The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545, as amended.

2.8. *Police Powers:* The LFA shall not enact any local laws that are inconsistent with this Franchise, provided, however, that nothing in this Franchise shall be construed to prohibit the LFA's reasonable, necessary and lawful exercise of the police powers, including, without limitation, in addition to the implementation and enforcement of the provisions of this Agreement and existing applicable laws and regulations, the enactment, adoption, implementation and enforcement of such additional laws and regulations as the LFA may deem necessary in the exercise of its police power; provided, however, that such laws and regulations are reasonable, not materially in conflict with the privileges granted in this Franchise and consistent with all federal and state laws, regulations and orders.

2.9. *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to preexisting condition in accordance with the Cable Law.

2.10. *Restoration of Subscriber Premises:* The Franchisee shall ensure that the Subscriber's premises are restored to their pre-existing condition if damaged by the Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service.

2.11. *LFA Designation of Representative:* The LFA's Mayor or designated representatives or representative of the Mayor will be responsible for the continuing administration of the rights and interests of the LFA in the franchise. However, the Franchisee agrees that the LFA may transfer or delegate any such responsibilities to the Commission pursuant to the Resolution; provided, however, that in the event the Commission acts on behalf of the LFA on a particular matter the LFA may not simultaneously exercise its rights on the same matter under this Franchise.

2.12. *Level Playing Field:* Language reads either: In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have determined that the terms of this Agreement, when compared against the terms of that certain cable franchise agreement (the "Incumbent Agreement"), dated June [], 1991, by and between the LFA and the incumbent cable operator, Cablevision Systems Great Neck Corporation ("Cablevision"), does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon Cablevision pursuant to the Incumbent Agreement. OR In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have

determined that the terms of this Agreement, when compared against the obligations currently being met by the incumbent cable operator as reported by the LFA to Franchisee, does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon the incumbent cable operator.]

3. **PROVISION OF CABLE SERVICE**

3.1. *Service Area:*

3.1.1. *Service Area:* Subject to the issuance of all necessary permits by the LFA, Franchisee shall offer Cable Service to significant numbers of Subscribers within residential areas of the Service Area and may make Cable Service available to businesses in the Service Area, within twelve (12) months and shall offer Cable Service to all residential areas of the Service Area within five (5) years, of the Effective Date of this Franchise, or, in both instances, such longer period as may be permitted by the Cable Law, except, in accordance with NY PSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Primary Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density and other requirements set forth in Subsection 3.1.1.1. and Section 3.2. For purposes of Subsection 3.1.1, the Service Area shall be defined to be the Franchise Area.

3.1.1.1. *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than twenty-five (25) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active FTTP Network trunk or feeder line. Should, through new construction, an area within the Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within five hundred (500) feet of trunk or feeder lines, measured from the property line of a Subscriber (including those on private roads), not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed five hundred (500) feet or are in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile and the actual costs

incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility.

3.3. *Cable Service to Public Buildings:* Subject to Section 3.1, Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each public school and public library, and such other buildings used for municipal purposes as designated by the LFA in Exhibit A attached hereto; or as designated by the LFA in the future during the Franchise term, upon sixty (60) days prior written notice to the Franchisee; provided however that any new additional buildings added to Exhibit A cannot exceed any more than five (5) buildings per year over the life of the agreement. If it is necessary to extend Franchisee's trunk or feeder lines more than five hundred (500) feet solely to provide service to any such school or public building, the LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than five hundred (500) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

3.4. *Contribution in Aid:* Notwithstanding the foregoing, Franchisee shall comply at all times, with the requirements of Section 895.5 of NY PSC rules and regulations.

4. **SYSTEM FACILITIES**

4.1. *Quality of Materials and Work:* Franchisee shall construct and maintain its System using materials of good and durable quality, and all work involved in the construction, installation, maintenance and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

4.2. *System Characteristics:* During the term hereof Franchisee's Cable System shall meet or exceed the following requirements:

4.2.1. The System shall be designed and operated with an initial analog and digital carrier passband between 50 and 860 MHz and shall provide for a minimum channel capacity of not less than 86 channels on the Effective Date.

4.2.2. The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for the selection or use of Cable Service.

4.3. *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of

systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

4.4. *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and the State of New York, including the NY PSC's rules and regulations and the current New York EAS Plan, in order that emergency messages may be distributed over the System.

4.5. *Parental Control:* Upon request by any Subscriber, and where technologically feasible, the Franchisee shall provide such requesting Subscriber with a parental control device at a reasonable rate to be paid by the Subscriber. Such device will, at a minimum, offer as an option that a Person ordering programming must provide a personal identification number or other means provided by the Franchisee only to a Subscriber. Provided, however, that the Franchisee shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls.

5. **PEG SERVICES**

5.1. PEG Set Aside

5.1.1. In order to ensure universal availability of public, educational and government programming, Franchisee shall provide on the Basic Service Tier up to a total of nine (9) shared Access Channels (collectively, "PEG Channels"), as requested by the LFA, to be used collectively by and between the fifteen communities that are the Members of the Commission. The PEG Channels shall be allocated as follows:

- (a) Five (5) full-time shared Public Access Channels:
 - (i) One (1) Great Neck/North Shore Public Access Channel
 - (ii) One (1) Great Neck Library Access Channel
 - (iii) One (1) North Shore Library Access Channel
 - (iv) One (1) Great Neck Park District Access Channel
 - (v) One (1) North Shore Parks Access Channel
- (b) Two (2) full-time shared Government Access Channels:
 - (i) One (1) Great Neck Government Access Channel
 - (ii) One (1) North Shore Government Access Channel
- (c) Two (2) full-time shared Educational Access Channels:
 - (i) One (1) Great Neck Public School District
 - (ii) One (1) Manhasset Area Public Schools

5.1.2. The LFA hereby authorizes Franchisee to transmit such programming within and without LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. Franchisee will not change the channel assignment for the Great Neck/North Shore Public Access Channel except upon at least sixty (60) days advance written notice to the LFA. In the event the channel assignment for the Great Neck/North Shore Public Access Channel is changed, Franchisee will

provide notice to subscribers thirty (30) days in advance of such change if such change is within the control of the Franchisee, in accordance with Section 890.8 of NY PSC rules and regulations. If a PEG Channel provided under this Article is not being utilized by the LFA, Franchisee, in accordance with Section 895.4 of NY PSC rules and regulations, may utilize such PEG Channel in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose. In the event that the LFA determines to use PEG capacity, the LFA shall provide Franchisee with prior written notice of such request in accordance with NY PSC rules and regulations.

5.1.3. *Tape Play Back*: Franchisee shall provide the technical ability to play back pre-recorded programming provided to Franchisee consistent with this Section. On behalf of all Members of the Commission, on the date on which Franchisee initiates Cable Service to the Village of Lake Success, Franchisee shall provide the technical ability to play pre-recorded programming generated by Public Access Television Corporation (“PATC”), subject to: (1) the Members provide the pre-recorded programming for Franchisee’s receipt at the main telephone room located next to PATC’s offices at 1111 Marcus Ave. LL27, Lake Success, NY 11042 (“Main Telephone Room”); (2) Franchisee’s access to the Main Telephone Room shall not be subjected to interference from third parties; and (3) the Members provide such cooperation as is reasonably necessary for Franchisee to fulfill such obligations. Franchisee shall transmit programming consistent with the dedicated uses of PEG Access Channels. Franchisee shall comply at all times with the requirements of Section 895.4 of the NY PSC rules and regulations.

5.1.4. Franchisee shall use reasonable efforts to transmit the Town of North Hempstead’s public, educational and government programming to the LFA, so long as it has legal authority from the Town of North Hempstead to do so.

5.2. PEG Access Interconnection

5.2.1. LFA shall designate in its sole discretion not more than XXXX (X) site(s) within the Franchise Area for the interconnection of PEG access facilities with the Cable System (each, a “PEG Access Interconnection Site”), as designated on Exhibit D to this Agreement.

5.2.2. Franchisee shall, without charge to the LFA, provide links between its video channel aggregation point and each PEG Access Interconnection Site in order to permit the signals to be correctly routed from the PEG Access Interconnection Sites to the appropriate PEG access channel for distribution to Subscribers. All PEG Access Interconnection Sites shall be operable on or before the dates designated on Exhibit D to this Agreement.

5.2.3. The LFA shall provide to Franchisee at each PEG Access Interconnection Site a suitable video signal and a suitable audio signal for each PEG Channel. Franchisee, upon receipt of the suitable video and audio signals, shall provide, install and maintain in good working order the equipment necessary for transmitting the PEG signal to the channel aggregation site for further processing for distribution to Subscribers. Franchisee’s obligations with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of reasonably suitable required space,

environmental conditions, electrical power supply, access, pathway, and other facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill such obligations. Should Franchisee determine that it cannot fulfill such obligations as a result of LFA's failure to cooperate or to provide suitable required space, environmental conditions, electrical power supply, access, pathway, or other facilities, it shall so notify LFA in a writing detailing the requirements of Franchisee that will enable it to fulfill its obligations hereunder.

5.2.4. Such upstream PEG Channel transmission provided by Franchisee shall comply with applicable FCC standards governing the transport and distribution of video and audio signals to Subscribers.

5.2.5. If Franchisee makes changes to the Cable System that require improvements to the access facilities or equipment in order to permit the PEG access equipment and facilities to continue to be used as they were intended under the terms of this Agreement, then Franchisee shall, without charge to the LFA, make such changes in either the equipment and facilities referred to in Subsection 5.2.3 or in the Franchisee's video channel aggregation point and distribution equipment and facilities in order to permit the continuation of such intended use.

5.3. *Backup Facilities and Equipment:* Subject to Section 5.2, Franchisee shall design, build, and maintain all PEG upstream feeds, connections, and distribution facilities in order that such feeds function as reliably as Franchisee's Cable System as a whole within the Franchise Area, and are no more likely to fail than is Franchisee's Cable System as a whole within the Franchise Area.

5.4. PEG Support:

5.4.1. *Continuing PEG Support:* The Franchisee shall provide Continuing PEG Support (the "Continuing PEG Support") to each LFA by making payment to PATC. The Continuing PEG Support shall be used to support ongoing operations of PEG access programming. The Continuing PEG Support shall consist of one percent (1%) of the Franchisee's annual Gross Revenues. Each Continuing PEG Support payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation. The Continuing PEG Support payment shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter during the franchise term. Payments made pursuant to this Subsection may be designated by the Members to a different payee, other than PATC subject to the new payee using such payments as provided for in Subsection 5.4.4. Franchisee shall upon 45 days prior written notice, signed by a majority of the Members on the same instrument, make payment to the payee indicated in such notice.

5.4.2. *Upfront PEG Grant:* Franchisee shall provide, on behalf of all Members of the Commission combined, for use in support of the production of local PEG programming an Upfront PEG Grant (the "Upfront PEG Grant") totaling Four Hundred Fifty Thousand Dollars (\$450,000) payable in two installments. The first installment in the amount of Three Hundred Thousand Dollars (\$300,000) shall be payable within sixty (60) days of the Effective Date. The second installment of One Hundred Fifty Thousand Dollars (\$150,000) shall be payable within one year of the payment of the first installment. Such payments shall be paid directly to PATC.

5.4.3. *Annual PEG Grant*: In addition to the Continuing PEG Support and Upfront PEG Grant in Subsections 5.4.1 and 5.4.2 respectively, Franchisee shall pay an Annual PEG Grant (the “Annual PEG Grant”) in the amount of two dollars and twelve cents (\$2.12) per month, per subscriber in the Service Area to Franchisee’s Basic Service Tier. Calculation of the Annual PEG Grant will commence with the first calendar month during which Franchisee obtains its first Subscriber in the Service Area. Commencing on the fifth anniversary of the first payment of the Annual PEG Grant, the amount of the grant shall increase to two dollars and forty cents (\$2.40) per month, per subscriber. The Annual PEG Grant payment shall be accompanied by a brief summary of the Subscriber Information upon which it is based. The Annual PEG Grant shall be delivered to PATC within thirty (30) days of each anniversary of the Effective Date or to another payee designated by the LFA pursuant to the notice process in Subsection 5.4.1.

5.4.4. The Continuing PEG Support, Upfront PEG Grant and the Annual PEG Grant shall be used solely by the LFA for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities, and for other PEG costs as may be ascertained by the LFA. In the event both the LFA and Franchisee agree, any portion of the Annual PEG Grant payments may be made in cash or in kind.

5.4.5. The LFA shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 5.4.

5.4.6. The LFA shall continue to impose on all existing cable service providers within the Franchise Area: (i) the financial obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include the same percentage amount for the Continuing PEG Support Grant and total monetary amount for the Upfront PEG Grant as contained in Subsections 5.4.1 and 5.4.2; and (ii) at least all other PEG obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include such PEG obligations at least equivalent to the obligations contained in Subsection 5.4.3. (Annual PEG Grant). Further, the LFA agrees that it shall impose such equivalent obligations as those described above in the franchise agreements of any new providers of cable service in the Franchise Area.

5.5. *Indemnity for PEG*: The LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a PEG facility or Channel. The LFA shall establish rules and regulations for use of PEG facilities, consistent with, and as required by, 47 U.S.C. §531.

5.6. *Recovery of Costs:* To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of any PEG Grant, Administration Grant or any other costs arising from the provision of PEG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the foregoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

5.7. *PEG Interconnection with Existing Cable Operators:* Franchisee shall use reasonable efforts to interconnect its Cable System with the existing cable operator(s). Franchisee shall pursue interconnection negotiations with the existing cable operator(s) to cablecast, on a live basis, Public Access Channel and programming generated by PATC consistent with this Agreement. Interconnection may be accomplished by direct cable, microwave link, satellite or any other reasonable means of connection. Franchisee shall negotiate in good faith with existing cable operator(s) respecting reasonable, mutually convenient, cost-effective, and technically viable interconnection points, methods, terms and conditions. The Franchisee and existing cable operator(s) shall negotiate the interconnection agreement(s) on reasonable terms and conditions. In negotiating reasonable terms and conditions, Verizon's obligation shall be limited to agreeing to build to the interconnection point and paying only the reasonable incremental costs of creating the interconnection point, interconnecting to that point, and any continuing costs of maintaining the interconnection point. If, despite Franchisee's reasonable efforts, Franchisee is unable to interconnect its Cable System with the existing operator(s), Franchisee may file an application with the NY PSC pursuant to Section 223 of Article 11 of the New York Public Service Law, as amended, to effectuate interconnection consistent with the terms of this Agreement. The Members shall make all best efforts to support Franchisee's negotiations with the existing cable operator(s) and the Franchisee's application for interconnection before the NY PSC. If Franchisee is unable to negotiate an interconnection agreement(s) with the existing cable operator(s) for the provision of obtaining the Public Access Channel and programming generated by PATC, the Members shall designate an alternative interconnection point where Franchisee can obtain the Public Access Channel and programming at the closest technically feasible location on Franchisee's Cable System permitting the transmission of high quality signals for the least cost. If the cost of the Members designated interconnection point for PATC content would be unreasonable, not technically feasible, or would cause an unacceptable increase in Subscriber rates, the Members agree that they will provide PATC content directly to Franchisee in accordance with Subsection 5.1.3.

6. **FRANCHISE FEES**

6.1. *Payment to LFA:* Franchisee shall pay to the LFA a Franchise Fee of three percent (3%) of annual Gross Revenue. Notwithstanding the foregoing, if all cable operators providing cable service in the Franchise Area pay the LFA a lower Franchise Fee, Franchisee agrees to pay the same decreased Franchise Fee to the extent permitted by law. If all other cable operators cease the provision of cable service in the Franchise Area during the Term, Franchisee agrees that it will continue to pay the highest Franchise Fee assessed during the time that all cable operators provided cable service. In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be calculated on a quarterly basis and made no later than

forty-five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

6.2. *Administration Grant:* Franchisee shall provide to the Commission, on behalf of all Members of the Commission combined, a one time administration grant of five thousand dollars (\$5,000) for the purpose of addressing costs associated with the administration of this Franchise. This grant shall be payable within sixty (60) days of the Effective Date.

6.3. *Supporting Information:* Each Franchise Fee payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation.

6.3.1. *Audit of Franchise Fee Payments:* Subject to the confidentiality requirements set forth in Section 7.1 of this Franchise, Franchisee shall be responsible for making available to the LFA for inspection and audit, at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA, all records necessary to confirm the accurate payment of Franchise Fees, whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's Cable Services operation in the LFA subject to the payment of Franchise Fees under this Agreement, including, by way of illustration and not limitation, any entity that sells advertising on the Franchisee's behalf. Franchisee shall maintain such records for six (6) years, provided that, if the LFA commences an audit within that six (6) year period, Franchisee shall continue to maintain such records for the duration of any audit in progress at the end of that six (6) year period. The LFA shall conduct all audits expeditiously, and neither the LFA nor Franchisee shall unreasonably delay the completion of an audit. The LFA's audit expenses shall be borne by the LFA unless the audit determines that the payment to the LFA should be increased by five percent (5%) or more in the audited period, in which case the reasonable and customary costs of the audit, together with any additional amounts due to the LFA as a result of such audit, shall be paid by Franchisee to the LFA within sixty (60) days following written notice to Franchisee by the LFA of the underpayment, which notice shall include a copy of the audit report; provided, however, that Franchisee's obligation to pay or reimburse the LFA's audit expenses shall not exceed an aggregate of twenty thousand dollars (\$20,000.00) for all Members of the Commission combined. If re-computation results in additional revenue to be paid to the LFA, such amount shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules per annum during the period such unpaid amount is owed. If the audit determines that there has been an overpayment by Franchisee, the Franchisee may credit any overpayment against its next quarterly payment. Said audit shall be conducted by an independent third party and no auditor so employed by the LFA shall be compensated on a success based formula, e.g., payment based on a percentage of an underpayment, if any. The LFA shall not conduct an audit more frequently than once every three (3) years.

6.4. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due.

6.5. *Bundled Services:* If Cable Services subject to the Franchise Fee required under this Article 6 are provided to Subscribers in conjunction with Non-Cable Services, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders. Notwithstanding the foregoing, if the Franchisee bundles Cable Service with Non-Cable Service, the Franchisee agrees that it will not intentionally or unlawfully allocate such revenue for the purpose of evading Franchise Fee payments under this franchise. The parties agree that tariffed telecommunications services that cannot be discounted by state or federal law or regulation are to be excluded from the bundled discount allocation basis.

6.6. *Section 626 Treatment:* Franchisee agrees that it will not apply the Franchise Fee as an offset against the special franchise tax payable to the LFA pursuant to the N.Y. Real Property Tax Law Section 626 commencing with the next full calendar month following the issuance by the NY PSC of an order confirming this Agreement. The LFA agrees that it shall impose the same full and complete waiver of the special franchise tax offset upon all existing and new providers of Cable Service or cable service (as such term may be defined by other providers) in the Service Area to be expressed in writing in the franchise agreement or the renewal of any existing franchise agreement of each respective cable provider. The operation of this Section 6.6 shall be strictly limited to Franchise Fees lawfully imposed upon Cable Service, and shall not be construed to affect the Franchisee's rights under any provision of State or Federal law regarding the provision of services other than Cable Service.

7. REPORTS AND RECORDS

7.1. *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Following the notice period set forth herein, Franchisee shall make such books and records available to the LFA at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as confidential and shall only disclose it to employees, representatives, and agents thereof who have a need to know, or in order to enforce the provisions hereof. Franchisee shall not be

required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

7.2. *Records Required:* Franchisee shall at all times maintain:

7.2.1. Records of all written complaints for a period of six (6) years after receipt by Franchisee. The term “complaint” as used herein refers to complaints about any aspect of the Cable System or Franchisee’s cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

7.2.2. Records of outages for a period of six (6) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

7.2.3. Records of service calls for repair and maintenance for a period of six (6) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

7.2.4. Records of installation/reconnection and requests for service extension for a period of six (6) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

7.2.5. A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

7.3. *System-Wide Statistics:* Any valid reporting requirement in the Franchise may be satisfied with system-wide statistics, except those related to Franchise Fees and consumer complaints.

8. **INSURANCE AND INDEMNIFICATION**

8.1. *Insurance:*

8.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

8.1.1.1. Commercial General Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of Franchisee’s Cable Service business in the LFA.

8.1.1.2. Automobile Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for bodily injury and property damage coverage.

8.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the State of New York.

8.1.1.4. Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; \$500,000 policy limit.

8.1.1.5. Excess liability or umbrella coverage of not less than ten million dollars (\$10,000,000).

8.1.2. The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance and Employer's Liability Insurance. The LFA is an additional insured under the excess liability or umbrella coverage to the extent it is named as an additional insured on the underlying primary policies.

8.1.3. Each of the required insurance policies shall be noncancellable except upon thirty (30) days prior written notice to the LFA. Franchisee shall not cancel any required insurance policy without submitting documentation to the LFA verifying that the Franchisee has obtained alternative insurance in conformance with this Agreement.

8.1.4. Each of the required insurance policies shall be with sureties qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition.

8.1.5. Within 15 days of the Effective Date, Franchisee shall deliver to the LFA proof of insurance, by means of an endorsement including the LFA as an additional insured, effective as of the day of the initiation of Cable Service in the LFA, in conformity with the terms of this Agreement. In the event any such policy is replaced or extended during the term of this Agreement, within 15 days of such replacement or extension Franchisee shall deliver such proof to the LFA with respect to such replacement or extended policy.

8.2. *Indemnification:*

8.2.1. Franchisee agrees to indemnify the LFA its officers, agents, boards, elected and appointed officials and employees, for, and hold it harmless from, all liability, damage, cost or expense arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees, or infringement of copyright or patent rights arising from Franchisee's provision of Cable Services over the Cable System other than PEG facilities and channels, provided that the LFA shall give Franchisee timely written notice of a claim or action for which it seeks indemnification pursuant to this Subsection; and in any event, the LFA shall provide Franchisee with such written notice within a period of time that allows Franchisee to take action to avoid entry of a default judgment and does not prejudice Franchisee's ability to defend the claim or action. Notwithstanding the foregoing, Franchisee shall not indemnify the LFA for any damages, liability or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, attorneys, consultants,

independent contractors or third parties or for any activity or function conducted by any Person other than Franchisee in connection with PEG Access, or EAS.

8.2.2. With respect to Franchisee's indemnity obligations set forth in Subsection 8.2.1, Franchisee shall provide the defense of any claims brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the LFA from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA, Franchisee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA and the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

8.2.3. The LFA shall hold harmless and defend Franchisee from and against and shall be responsible for damages, liability or claims resulting from or arising out of the willful misconduct or negligence of the LFA.

8.2.4. The LFA shall be responsible for its own acts of willful misconduct, negligence, or breach, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the LFA for acts of the LFA which constitute willful misconduct or negligence on the part of the LFA, its officers, employees, agents, attorneys, consultants, independent contractors or third parties.

9. TRANSFER OF FRANCHISE

9.1. *Transfer:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or for transactions otherwise excluded under Subsection 1.31 above.

10. RENEWAL OF FRANCHISE

10.1. *Governing Law:* The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 12.11 below, the Cable Law and Section 626 of the Communications Act, 47 U.S.C. §546, as amended.

10.2. *Needs Assessment:* In addition to the procedures set forth in Section 626 of the Communications Act, 47 U.S.C. §546, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then current Franchise term. Such assessments shall be provided to Franchisee by the LFA promptly so that Franchisee will have adequate time to submit a proposal under Section 626 of the Communications Act, 47 U.S.C. §546 and complete renewal of the Franchise prior to expiration of its term.

10.3. *Informal Negotiations:* Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the LFA and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

10.4. *Consistent Terms:* Franchisee and the LFA consider the terms set forth in this Article 10 to be consistent with the express provisions of Section 626 of the Communications Act, 47 U.S.C. §546, and the Cable Law.

11. ENFORCEMENT AND TERMINATION OF FRANCHISE

11.1. *Notice of Violation:* If at any time the LFA believes that Franchisee has not complied with the terms of the Franchise, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the LFA shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the “Noncompliance Notice”).

11.2. *Franchisee’s Right to Cure or Respond:* Franchisee shall have sixty (60) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such sixty (60) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which Franchisee reasonably projects that it will complete cure of such noncompliance. Upon cure of any noncompliance, the LFA shall provide written confirmation that such cure has been effected.

11.3. *Liquidated Damages:* For the violation of any of the following provisions of this Franchise, liquidated damages shall be paid by the Franchisee to the LFA. Any such liquidated damages shall be assessed as of the date that is sixty (60) days from the Franchisee’s receipt of the Noncompliance Notice, provided that the Franchisee has not cured the noncompliance upon which the Noncompliance Notice was issued, in accordance with the procedures set forth in Sections 11.1 and 11.2 above. On an annual basis from the Effective Date, the Franchisee shall not be liable for liquidated damages that exceed fifteen thousand dollars (\$15,000) in the aggregate for all Members of the Commission combined. Liquidated damages shall be assessed as follows.

For failure to provide Cable Service as set forth
in Sections 3.1-3.3.....\$100 per day for each day the
violation continues;

For failure to maintain the system standards
as set forth in Section 4.....\$50 per day for each day the
violation continues;

For failure to provide PEG Services to residents of the LFA
specified in Section 5.1\$100 per day for each day the
violation continues;

For failure to provide LFA with any reports or
records required by the Agreement
within the time period required.....\$50 per day for each day the
violation continues;

For failure to carry the insurance specified in
Subsection 8.1.1\$100 per day for each day the
violation continues;

For a transfer specified in Article 9 without required
approval.....\$100 per day for each day the
violation continues.

11.3.1. Any liquidated damages assessed pursuant to this section shall not be a limitation upon any other provisions of this Franchise and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies; provided, however, that in the event that the LFA collects liquidated damages for a specific breach for a specific period of time, pursuant to Section 11.3 above, the collection of such liquidated damages shall be deemed to be the exclusive remedy for that specific breach for such specific period of time only.

11.3.2. The parties agree that each case of non-compliance as set forth in this Section 11.3 shall result in damage to the LFA, compensation for which will be difficult to ascertain. The parties agree that the liquidated damages in the amounts set forth in this Section 11.3 are fair and reasonable compensation for such damage with respect to those violations for which a specific liquidated damage is listed in Section 11.3.

11.3.3. *Public Hearing:* Consistent with Section 11.5 below, (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above, the LFA shall provide Franchisee at least thirty (30) business days prior written notice of a public hearing, which will specify the time, place and purpose of such public hearing, including, whether revocation of this Franchise is a possible consequence at such hearing, and provide Franchisee the opportunity to be heard and to present evidence.

11.4. *Enforcement:* Subject to Section 12.11 below and applicable federal and state law, in the event the LFA, after the public hearing set forth in Subsection 11.3.3, determines that Franchisee is in default of any provision of this Franchise, the LFA may:

11.4.1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

11.4.2. Commence an action at law for monetary damages or seek other equitable relief; or

11.4.3. In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 11.5.

11.5. *Revocation:* Should the LFA seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Subsection 11.3.3, the LFA shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

11.5.1. At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing.

11.5.2. Following the second public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions to the LFA in writing and promptly thereafter the LFA shall provide a written determination to the Franchisee setting forth: (i) whether an event of default has occurred under this Franchise; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The LFA shall also determine whether it will revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that it will revoke the Franchise, the LFA shall promptly provide Franchisee with a written determination setting forth the LFA's reasoning for such revocation. Franchisee may appeal such written determination of the LFA to an appropriate court, which shall, to the extent permitted under applicable law, have the power to review the decision of the LFA *de novo*. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Franchisee's receipt of the written determination of the LFA.

11.5.3. The LFA may, at its sole discretion, take any lawful action that it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

11.6. *Abandonment of Service:* Franchisee shall not abandon any Cable Service or portion thereof without the LFA's prior written consent as provided in the Cable Law.

12. **MISCELLANEOUS PROVISIONS**

12.1. *Actions of Parties:* In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

12.3. *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4. *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in practical difficulties and hardship being placed upon Franchisee that outweigh the benefit to be derived by the LFA and/or Subscribers.

12.5. *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

12.5.1. Notices to Franchisee shall be mailed to:

Verizon New York Inc.
Jack White, Senior Vice President and General Counsel
Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097

12.5.2. Notices to the LFA shall be mailed to:

Office of the Mayor

12.5.3. with a copy to:

Office of the Village Clerk

12.6. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any local laws or parts of local laws that materially conflict with the provisions of this Agreement are superseded by this Agreement.

12.7. *Amendments and Modifications:* Amendments and/or modifications to this Franchise shall be mutually agreed to in writing by the parties and subject to the approval of the NY PSC, pursuant to the Cable Law.

12.8. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

12.9. *Severability:* If any section, subsection, sub-subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force

and effect for the term of the Franchise. For purposes of this Agreement, the term “material provision” or “material provisions” shall mean the following: Section 2.3 (Effective Date and Term), Section 2.5 (Franchise Subject to State and Federal Law), Article 3 (Provision of Cable Service) in its entirety, Section 4.2 (System Characteristics), Section 6.1 (Payment of Franchise Fees), and Article 9 (Transfer of Franchise).

12.10. *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

12.11. *FTTP Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee’s FTTP Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the FTTP Network or to relocate the FTTP Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services. This provision is not intended to contravene leased access requirements under Title VI or PEG requirements set out in this Agreement.

12.12. *NY PSC Approval:* This Franchise is subject to the approval of the NY PSC. Franchisee shall file an application for such approval with the NY PSC within sixty (60) days after the date hereof. Franchisee shall also file any necessary notices with the FCC.

12.13. *Rates and Charges:* The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law.

12.14. *Publishing Information:* LFA hereby requests that Franchisee omit publishing information specified in 47 C.F.R. §76.952 from Subscriber bills.

12.15. *Customer Service:* Franchisee shall comply with the consumer protection and customer service standards set forth in Parts 890 and 896 of the NY PSC rules and regulations.

12.16. *Employment Practices:* Franchisee will not refuse to hire, nor will it bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, color, national origin, ~~or~~ sex or any protected category of persons under federal or state law.

12.17. *Identification of Franchisee’s Employees, Vehicles & Contractors.* The Franchisee shall require all the Franchisee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Franchisee to wear a clearly visible identification card bearing their name and photograph.

12.17.1. The Franchisee shall make reasonable effort to account for all identification cards at all times.

12.17.2. The Franchisee shall require all the Franchisee representatives to wear appropriate clothing while working at a Subscriber's premises.

12.17.3. The Franchisee shall require that all service vehicle of the Franchisee and its contractors or subcontractors be clearly identified as such to the public. Specifically, the Franchisee vehicles shall be required to have the Franchisee's logo plainly visible. The Franchisee shall require that all contractors and subcontractors working for the Franchisee shall have the contractor's/subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to the Franchisee.

12.18. *No Third Party Beneficiaries:* Except as expressly provided in this Agreement, this Agreement is not intended to, and does not, create any rights or benefits on behalf of any Person other than the parties to this Agreement.

12.19. *LFA Official:* The Mayor of the LFA, or the designated representative or representatives of the Mayor, will be responsible for the continuing administration of this Agreement.

12.20. *No Waiver of LFA's Rights:* Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall be construed as a waiver of the LFA's rights under applicable federal and state law.

AGREED TO THIS ____ DAY OF _____, 2007.

The Village of

By: _____

Verizon New York Inc.

By: _____
Tracey A. Edwards, Vice President

EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

[List has been provided for each village]

EXHIBIT B

SERVICE AREA

The Franchise Area is the Service Area. [A build out schedule has been provided for each village.]

This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT C

PEG CHANNELS

Franchisee shall provide use of channel capacity as specified in Subsection 5.1.1 of the Agreement to the LFA's PEG Channel usage needs. These PEG Channel needs include the needs of school districts, public libraries and park districts and are subject to the jurisdiction of the franchising authority.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE(S)

[List has been provided for each village]

Document comparison done by DeltaView on Tuesday, December 18, 2007 2:07:06 PM

Input:	
Document 1	PowerDocs://WRFMAIN/12430779/15
Document 2	PowerDocs://WRFMAIN/12430779/16
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:		
	Count	
Insertions		6
Deletions		4
Moved from		0
Moved to		0
Style change		0
Format changed		0
Total changes		10

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF GREAT NECK PLAZA

1. Great Neck Plaza Village Hall
2 Gussack Plaza
Great Neck, NY 11021

2. Department of Public Works Garage and Offices
2 Gussack Plaza
Great Neck, New York 11021

3. 6th Precinct Police Booth (Plaza Garage)
2 Gussack Plaza
Great Neck, New York 11021

4. Vigilant Fire Department
83 Cutter Mill Road
Great Neck, New York 11021

5. Lakeville Branch Facility
475 Great Neck Road
Great Neck, NY 11021

6. Library Station Branch Facility
40B Great Neck Road (street level, the Gardens at Great Neck)
Great Neck, NY 11021

7. Chamber of Commerce
1 Middle Neck Road
Great Neck, NY 11021

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF GREAT NECK ESTATES

1. Great Neck Estates Village Hall

Atwater Plaza

4 Gateway Drive

Great Neck Estates, NY 11021

Contact: Kathleen L. Santelli

516-482-8283

2. Police Booth

1 Cedar Drive

Great Neck Estates, NY

Contact: Chief John McNulty

5 16-487-7700

3. Public Works Department

32 Hickory Drive

Great Neck Estates, NY

Contact: Carl Landau, Supt., of Public Work

5 16-482-0083

4. Tennis Pavilion

Shore Drive

Great Neck Estates, NY

Contact: Carl Landau, Supt. of Public Work

5 16-482-0083

5. Clover Drive Adult Center

105 Clover Dr.

Great Neck, NY

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF GREAT NECK

1. Great Neck Village Hall
61 Baker Hill Road
Great Neck, NY 11023
Contact: John Dominsky, Clerk/Treasurer
516-482-0019

2. Village Garage
765 Middle Neck Road
Great Neck, NY 11023

3. Village Sewer Plant
265 East Shore Road
Great Neck, NY 11023

4. Great Neck Housing Authority
700 Middle Neck Road
Great Neck, New York 11023

5. Parkwood Tennis Facility
65 Arrandale Ave
Great Neck, NY 11023

6. Great Neck House
14 Arrandale Ave
Great Neck, NY 11023

7. Park District Office
5 Beach Road
Great Neck, NY 11023

8. Parkwood Pool & Rink Facility
65 Arrandale Ave
Great Neck, NY 11023

9. Great Neck North High School
35 Polo Road
Great Neck, New York 11023

10. Great Neck North Middle School
77 Polo Road

Great Neck, New York 11023

11. Village School
614 Middle Neck Rd.
Great Neck, NY 11023

12. Elizabeth Mellick Baker School
69 Baker Hill Road
Great Neck, NY 11023

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF FLOWER HILL

Flower Hill Village Hall
One Bonnie Heights Road
Manhasset, NY 11030

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF KENSINGTON

1. Kensington Village Hall
2 Nassau Drive
Kensington, NY 11021
Contact: Pauline Karen

2. Police Booth
1A Beverly Road
Kensington, NY
Contact: Lt. Anderson

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF KINGS POINT

1. Kings Point Village Hall

32 Steppingstone Lane

Kings Point, NY 11021

Contact: Louis M. DiDomenico

2. Police Department

32 Steppingstone Lane

Kings Point, NY

Contact: Commissioner John Miller

3. Department of Public Works

32 Steppingstone Lane

Kings Point, NY

Contact: Supt. James Davis

4. John F. Kennedy School

1-A Grassfield Road

Great Neck, NY

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF LAKE SUCCESS

1. Village Hall

Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020
Contact: Carol Pogrell

2. Lake Success Police Department

15 Vanderbilt Drive
Great Neck, NY 11020
Contact: Chief Roberts

3. Lake Success Cottage

308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston

4. Public Works

308 Lakeville Road
Great Neck, NY 11020
Contact: Patrick McDermott

5. Golf Course

308 Lakeville Road
Great Neck, NY 11020
Contact: Robert Johnston

6. PATV Studios

1111 Marcus Ave. LL27
Lake Success, NY 11042

7. Administration Offices

345 Lakeville Rd.
Great Neck, NY 11020

8. Great Neck South High School

341 Lakeville Road
Great Neck, NY 11020

9. Cumberland Adult Center

30 Cumberland Ave.

Great Neck, NY 11020

10. Great Neck South Middle School
349 Middle Neck Rd.
Great Neck, NY 11021

11. Lake Success Golf Activities Building
318 Lakeville Road
Lake Success, NY

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF MUNSEY PARK

1. Munsey Park Village Hall

1777 Northern Boulevard

Manhasset, NY 11030

Contact: Helen L. Averso, Clerk/Treasurer

2. Munsey Park Elementary School

1 Hunt Lane

Manhasset, NY 11030

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF NORTH HILLS

1. North Hills Village Hall
1 Shelter Rock Road
Roslyn, NY 11576
Contact: Nancy G. Ritirato, Administrator
5 16-627-345

2. Shelter Rock Elementary School
27 Shelter Rock Road
Manhasset, NY

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF PLANDOME

1. Plandome Village Hall
65 South Drive
Plandome, NY 11030
Contact: 516-627-1748

2. Plandome Fire Department
65 South Drive
Plandome, NY 11030
Contact: 516-627-1 085

3. Plandome Highway/Water Department
Stonytown Road
Plandome, NY 11030
Contact: 516-365-2757

EXHIBIT A

**MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN
VILLAGE OF PLANDOME HEIGHTS**

N/A

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF PLANDOME MANOR

Plandome Manor Village Hall

53 Manhasset Avenue, 2nd floor
Manhasset, NY 11030

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF RUSSELL GARDENS

Russell Gardens Village Hall
6 Tain Drive
Great Neck, NY 11021

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF SADDLE ROCK

1. Saddle Rock Village Hall
18 Masfield Way
Great Neck, NY 11023
Contact: Donna Perone, Clerk
5 16-482-9400

2. Great Neck Library
159 Bayview Ave.
Great Neck, NY 11023

3. Saddle Rock Elementary School
10 Hawthorne La.
Great Neck, NY 11023

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE IN VILLAGE OF THOMASTON

Thomaston Village Hall
100 East Shore Road
Thomaston, NY 11023

EXHIBIT B

SERVICE AREA

VILLAGE OF GREAT NECK PLAZA

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 23% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 23% deployment by December 2007, 40% deployment by June 2008, 45% deployment by December 2008, 55% deployment by June 2009, 60% deployment by December 2009, 65% deployment by June 2010, 75% deployment by December 2010, 85% deployment by June 2011, 90% deployment by December 2011, 95% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF GREAT NECK ESTATES

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 91% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 91% deployment by December 2007, 91% deployment by June 2008, 92% deployment by December 2008, 93% deployment by June 2009, 94% deployment by December 2009, 95% deployment by June 2010, 96% deployment by December 2010, 97% deployment by June 2011, 98% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF GREAT NECK

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 71% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 71% deployment by December 2007, 74% deployment by June 2008, 80% deployment by December 2008, 85% deployment by June 2009, 89% deployment by December 2009, 92% deployment by June 2010, 93% deployment by December 2010, 95% deployment by June 2011, 98% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA VILLAGE OF FLOWER HILL

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 86% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 86% deployment by December 2007, 86% deployment by June 2008, 88% deployment by December 2008, 91% deployment by June 2009, 93% deployment by December 2009, 95% deployment by June 2010, 96% deployment by December 2010, 97% deployment by June 2011, 98% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA VILLAGE OF KENSINGTON

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 79% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 79% deployment by December 2007, 79% deployment by June 2008, 83% deployment by December 2008, 87% deployment by June 2009, 90% deployment by December 2009, 92% deployment by June 2010, 94% deployment by December 2010, 96% deployment by June 2011, 98% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA VILLAGE OF KINGS POINT

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 93% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 93% deployment by December 2007, 93% deployment by June 2008, 94% deployment by December 2008, 95% deployment by June 2009, 96% deployment by December 2009, 96% deployment by June 2010, 97% deployment by December 2010, 98% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF LAKE SUCCESS

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 98% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 98% deployment by December 2007, 98% deployment by June 2008, 99% deployment by December 2008, 99% deployment by June 2009, 99% deployment by December 2009, 99% deployment by June 2010, 99% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF MUNSEY PARK

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 98% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 98% deployment by December 2007, 98% deployment by June 2008, 99% deployment by December 2008, 99% deployment by June 2009, 99% deployment by December 2009, 99% deployment by June 2010, 99% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF NORTH HILLS

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 25% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 25% deployment by December 2007, 25% deployment by June 2008, 30% deployment by December 2008, 40% deployment by June 2009, 50% deployment by December 2009, 65% deployment by June 2010, 75% deployment by December 2010, 85% deployment by June 2011, 90% deployment by December 2011, 95% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF PLANDOME

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 98% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 98% deployment by December 2007, 98% deployment by June 2008, 99% deployment by December 2008, 99% deployment by June 2009, 99% deployment by December 2009, 99% deployment by June 2010, 99% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF PLANDOME HEIGHTS

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 98% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 98% deployment by December 2007, 98% deployment by June 2008, 99% deployment by December 2008, 99% deployment by June 2009, 99% deployment by December 2009, 99% deployment by June 2010, 99% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF PLANDOME MANOR

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 98% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 98% deployment by December 2007, 98% deployment by June 2008, 99% deployment by December 2008, 99% deployment by June 2009, 99% deployment by December 2009, 99% deployment by June 2010, 99% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF RUSSELL GARDENS

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 61% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 61% deployment by December 2007, 61% deployment by June 2008, 65% deployment by December 2008, 70% deployment by June 2009, 75% deployment by December 2009, 80% deployment by June 2010, 85% deployment by December 2010, 90% deployment by June 2011, 95% deployment by December 2011, 98% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF SADDLE ROCK

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 96% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 96% deployment by December 2007, 96% deployment by June 2008, 97% deployment by December 2008, 97% deployment by June 2009, 98% deployment by December 2009, 98% deployment by June 2010, 98% deployment by December 2010, 99% deployment by June 2011, 99% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT B

SERVICE AREA

VILLAGE OF THOMASTON

The Franchise Area is the Service Area. A map of the Service Area is attached hereto.

The construction of the Franchisee's FTTP Network has been completed to approximately 82% of the current households in the Franchise Area. At present, Franchisee's anticipated schedule calls for 82% deployment by December 2007, 84% deployment by June 2008, 86% deployment by December 2008, 88% deployment by June 2009, 90% deployment by December 2009, 92% deployment by June 2010, 94% deployment by December 2010, 96% deployment by June 2011, 98% deployment by December 2011, 99% deployment by June 2012, and 100% deployment by December 2012. This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK PLAZA

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Plaza Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 1") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 1

Great Neck Plaza Village Hall
2 Gussack Plaza
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Plaza Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Plaza Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 1 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 1; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 1; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 1 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK ESTATES

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Estates Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 2") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 2

Great Neck Estates Village Hall
Atwater Plaza
4 Gateway Drive
Great Neck Estates, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Estates Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Estates Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 2 and

the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 2; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 2; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 2 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF GREAT NECK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 3") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose

PEG Access Origination Site No. 3

Great Neck Village Hall
61 Baker Hill Road
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 3 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 3; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 3; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 3 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection/Aggregation Site ("PEG Access Interconnection/Aggregation Site No. 3") shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection/Aggregation Site No. 3

Great Neck Park District
Great Neck House
14 Arrandale Ave.,
Great Neck, NY 11023

PEG Access Interconnection/Aggregation Site No. 3 shall serve as the aggregation point for PEG Access Origination Point No. 16 designated below feeding signals to the Great Neck Park District Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of this Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 16") feeding a signal to PEG Access Interconnection/Aggregation Site No. 3 shall be operable no later than the first anniversary of the Effective Date:

PEG Access Origination Site No. 16

Great Neck Park District
Parkwood Sports
65 Arrandale Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF FLOWER HILL

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Flower Hill Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 4") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 4

Flower Hill Village Hall
One Bonnie Heights Road
Manhasset. NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Flower Hill Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Flower Hill Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 4 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 4; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 4; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 4 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KENSINGTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kensington Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 5") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 5

Kensington Village Hall
2 Nassau Drive
Kensington, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kensington Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kensington Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 5 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 5; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 5; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 5 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KINGS POINT

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kings Point Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 6") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 6

Kings Point Village Hall
32 Steppingstone Lane
Kings Point, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kings Point Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kings Point Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 6 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 6; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 6; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 6 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF LAKE SUCCESS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck/North Shore Public Access Channel PEG Access Interconnection/Aggregation Site No. 1 ("PEG Access Interconnection/Aggregation Site No. 1") shall be operable on the Effective Date:

PEG Access Interconnection/Aggregation Site No. 1

The Public Access Television Corporation
1111 Marcus Ave. LL27 (Main Telephone Room)
Lake Success, NY 11042

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Points Nos. 1 - 15 feeding LIVE signals to the Great Neck and North Shore Government Access Channels from the respective fifteen (15) Village Halls. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Additionally, until such time that the Members meet the criteria listed below for the provision of LIVE programming from the respective Village Halls and subject to the requirements set forth in Subsection 5.2 and Exhibit D, the PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for all Bulletin Board signals intended for the Great Neck and North Shore Government Access Channels.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Lake Success Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 7") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 7

Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Lake Success Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Lake Success Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 7 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 7; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 7; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Site No. 7 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Public School District Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 2") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 2

Great Neck Public School District
Great Neck South Middle School
349 Lakeville Rd.
Great Neck, NY 11020

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF THOMASTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Thomaston Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 8") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 8

Thomaston Village Hall
100 East Shore Road
Thomaston, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Thomaston Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Thomaston Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 8 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 8; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 8; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 8 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF SADDLE ROCK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Saddle Rock Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 9") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 9

Saddle Rock Village Hall
18 Masfield Way
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Saddle Rock Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Saddle Rock Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 9 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 9; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 9; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 9 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Library Access Channel PEG Access Interconnection Site (“PEG Access Interconnection Site No. 4”) shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection Site No. 4

Great Neck Library District
159 Bayview Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF MUNSEY PARK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Munsey Parks Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 10") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 10

Munsey Park Village Hall
1777 Northern Boulevard
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Munsey Park Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Munsey Park Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 10 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 10; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 10; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 10 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Manhasset Area Public Schools Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 5"), North Shore Library Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 6") and North Shore Parks Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 7") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 5

Manhasset Area Public Schools
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 6

North Shore Library District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 7

North Shore Park District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF NORTH HILLS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following North Hills Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 11") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 11

North Hills Village Hall
1 Shelter Rock Road
Roslyn, NY 11576

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the North Hills Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the North Hills Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 11 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 11; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 11; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 11 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 12") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 12

Plandome Village Hall
65 South Drive
Plandome, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 12 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 12; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 12; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 12 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME HEIGHTS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Heights Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 13") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 13

Plandome Heights Village Hall
37 Orchard Street
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Heights Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Heights Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 13 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 13; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 13; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 13 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME MANOR

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Manor Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 14") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 14

Plandome Manor Village Hall
53 Manhasset Avenue, 2nd floor
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Manor Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Manor Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 14 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 14; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 14; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 14 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF RUSSELL GARDENS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Russell Gardens Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 15") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 15

Russell Gardens Village Hall
6 Tain Drive
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Russell Gardens Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Russell Gardens Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 15 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

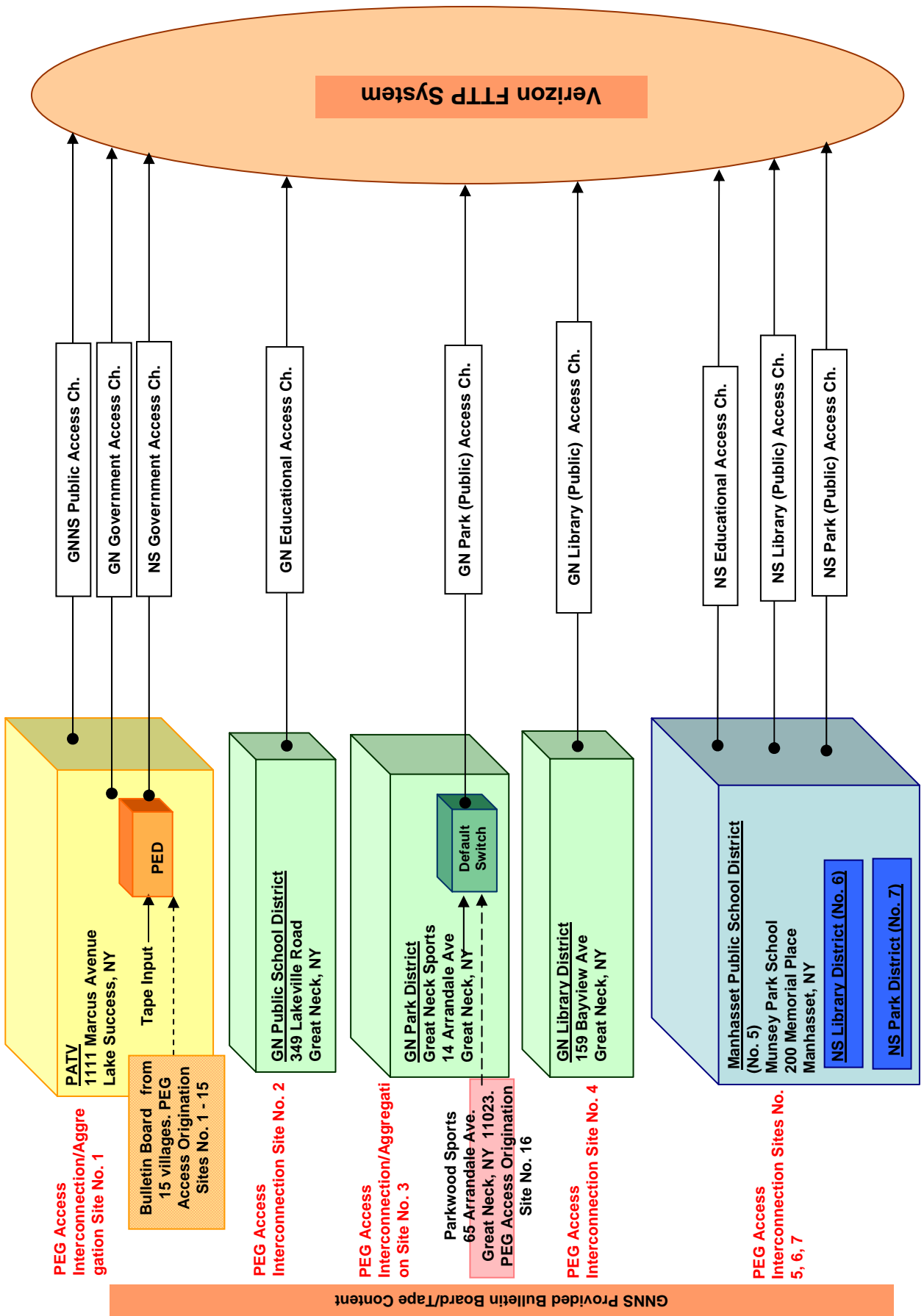
Origination Site No. 15; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 15; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 15 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

GNNs Consortium – PEG Channels 11/26/07



Video Network Services



Tab 8

From: McDonald, Nia [mailto:NMcDonald@wileyrein.com]
Sent: Tuesday, December 18, 2007 2:25 PM
To: A. Thomas Levin
Cc: Mac Kerbey; Stormo, Gabrielle S.
Subject: Verizon/Great Neck North Shore Final Franchise Agreements (2 of 3)

Tom,

Please find attached five more agreements.

Nia



Nia Y. McDonald
Attorney At Law
Wiley Rein LLP

1776 K Street NW
Washington, DC 20006
Tel: 202.719.4633 | Fax: 202.719.7049
Email: nmcdonal@wileyrein.com
www.wileyrein.com

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Cable Franchise Agreement
by and between
The Village of Lake Success, NY
and
Verizon New York Inc.

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EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

THIS CABLE FRANCHISE AGREEMENT (the “Franchise” or “Agreement”) is entered into by and between the incorporated Village of Lake Success, a validly organized and existing political subdivision of the State of New York (the “Local Franchising Authority” or “LFA”) and Verizon New York Inc., a corporation duly organized under the applicable laws of the State of New York (the “Franchisee”).

WHEREAS, the LFA wishes to grant Franchisee a nonexclusive franchise to construct, install, maintain, extend and operate a cable system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a “franchising authority” in accordance with Title VI of the Communications Act, (*see* 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended;

WHEREAS, the LFA is a member of the Great Neck/North Shore Cable Commission (the “Commission”), made up of the following fifteen villages: Flower Hill, Great Neck, Great Neck Estates, Great Neck Plaza, Kensington, Kings Point, Lake Success, Munsey Park, North Hills, Plandome, Plandome Heights, Plandome Manor, Russell Gardens, Saddle Rock and Thomaston (“the Members”);

WHEREAS, a substantially similar franchise agreement for the provision of cable service has been presented to each of the Members for approval and execution;

WHEREAS, pursuant to the franchises, and pursuant to law, it is the responsibility of each Member to administer and supervise the provisions of the franchise for its own benefit and for the benefit of its residents;

WHEREAS, each of the Members has heretofore determined that the franchises are interrelated, that administration and supervision of the franchises can be best performed in a cooperative arrangement between and among the Members, and that the ability of each Member to provide its residents with adequate cable television service would be enhanced by such a cooperative arrangement;

WHEREAS, the LFA has delegated to the Commission the power and authority to act on behalf of the LFA pursuant to and relating to negotiating the terms and conditions of this franchise agreement between the LFA and Franchisee, pursuant to the intergovernmental agreement (the “Resolution”) among the Members executed on or about December 3, 1997, as it exists on the Effective Date;

WHEREAS, Franchisee is in the process of completing the upgrading of its existing telecommunications and information services network through the installation of a Fiber to the Premise Telecommunications Network (“FTTP Network”) in the Franchise Area which transmits the Non-Cable Services pursuant to authority granted by Section 27 of the New York Transportation Corporations Law, as amended, and Title II of the Communications Act, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the FTTP Network to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's plans for its Cable System are adequate and feasible in a full public proceeding affording due process to all parties;

WHEREAS, the LFA has found Franchisee to be financially, technically and legally qualified to operate the Cable System;

WHEREAS, the LFA has determined that in accordance with the provisions of the Cable Law, this Franchise complies with NY PSC's franchise standards and the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA's grant of a franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. **DEFINITIONS**

Except as otherwise provided herein, the definitions and word usages set forth in the Cable Law are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1. *Access Channel*: One or more video Channels, which Franchisee shall make available to the LFA without charge for Public, Educational, or Governmental noncommercial use for the transmission of video programming as directed by the LFA.

1.2. *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3. *Basic Service*: Any service tier, which includes the retransmission of local television broadcast signals as well as the PEG Channels required by this Franchise.

1.4. *Cable Law*: Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, to the extent authorized under and consistent with federal law.

1.5. *Cable Service or Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6), as amended.

1.6. *Cable System or System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7), as amended.

1.7. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4), as amended.

1.8. *Communications Act*: The Communications Act of 1934, as amended.

1.9. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee's affairs.

1.10. *Educational Access Channel*: One or more educational Access Channels available for noncommercial use solely by local public schools and public school districts in the Franchise Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area as specified by the LFA.

1.11. *FCC*: The United States Federal Communications Commission, or successor governmental entity thereto.

1.12. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.13. *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA, and such additional areas as may be annexed or acquired.

1.14. *Franchisee*: Verizon New York Inc. and its lawful and permitted successors, assigns and transferees.

1.15. *Government Access Channel*: One or more governmental Access Channels available for the sole noncommercial use of the LFA.

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

1.16.1. Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) Basic Service;

(ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including without limitation Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) revenues from the sale or lease of access channel(s) or channel capacity; (iv) video-on-demand and pay-per-view; and (v) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Service Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue.

1.16.2. Gross Revenue shall not include:

1.16.2.1. Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers; revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise shall be included in Gross Revenue; the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable Franchise Fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing; or any fees or charges

collected from Subscribers or other third parties for any PEG Grant and Administration Grant payments.

1.16.2.2. Except as otherwise provided in Subsection 1.16.1, any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders. Should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment.

1.17. *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(20), as amended.

1.18. *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.19. *Local Franchise Authority (LFA)*: The Village of Lake Success, New York, or the lawful successor, transferee, or assignee thereof.

1.20. *Non-Cable Services*: Any service that does not constitute a Cable Service pursuant to this Franchise, including, but not limited to, Information Services and Telecommunications Services.

1.21. *Normal Business Hours*: Those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

1.22. *NY PSC*: The New York Public Service Commission.

1.23. *PEG*: Public, Educational, and Governmental.

1.24. *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.25. *Public Access Channel*: One or more public Access Channels available for the noncommercial use solely by the residents in the Franchise Area on a first-come, first-served, nondiscriminatory basis.

1.26. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.27. *Service Area*: All portions of the Franchise Area where Cable Service is being offered, as described in Exhibit B attached hereto.

1.28. *Subscriber*: A Person who lawfully receives Cable Service of the Cable System with Franchisee's express permission.

1.29. *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46), as amended.

1.30. *Title VI*: Title VI of the Communications Act, Cable Communications, as amended.

1.31. Transfer of the Franchise:

1.31.1. Any transaction in which:

1.31.1.1. a fifty percent ownership or other interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.31.1.2. the rights held by Franchisee under the Franchise and the certificate of confirmation issued therefor by the NY PSC are transferred or assigned to another Person or group of Persons.

1.31.2. However, notwithstanding Subsections 1.31.1.1 and 1.31.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.32. *Video Programming*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20), as amended.

2. **GRANT OF AUTHORITY; LIMITS AND RESERVATIONS**

2.1. *Grant of Authority*: Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order

to provide Cable Service. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *The FTTP Network:* Upon delivery of Cable Service, by subjecting the Franchisee's mixed-use facilities to the NY PSC's minimum franchise standards and the LFA's police power, the LFA has not been granted broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities.

2.3. *Effective Date and Term:* This Franchise shall become effective on the date that the NY PSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use itself, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System or Franchisee's FTTP Network.

2.5. *Franchise Subject to State and Federal Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of state and federal law as it may be amended, including but not limited to the Communications Act; provided, however, that nothing herein shall be deemed to restrict the LFA from the reasonable, necessary and lawful exercise of its police powers as referenced in Section 2.8 of this Agreement.

2.6. *No Waiver:*

2.6.1. The failure of the LFA on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require compliance or performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance of this Agreement, nor shall it excuse Franchisee from compliance or performance, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of the Franchisee on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or such performance has been specifically waived in writing.

2.7. Construction of Agreement:

2.7.1. The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545, as amended.

2.8. *Police Powers:* The LFA shall not enact any local laws that are inconsistent with this Franchise, provided, however, that nothing in this Franchise shall be construed to prohibit the LFA's reasonable, necessary and lawful exercise of the police powers, including, without limitation, in addition to the implementation and enforcement of the provisions of this Agreement and existing applicable laws and regulations, the enactment, adoption, implementation and enforcement of such additional laws and regulations as the LFA may deem necessary in the exercise of its police power; provided, however, that such laws and regulations are reasonable, not materially in conflict with the privileges granted in this Franchise and consistent with all federal and state laws, regulations and orders.

2.9. *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to preexisting condition in accordance with the Cable Law.

2.10. *Restoration of Subscriber Premises:* The Franchisee shall ensure that the Subscriber's premises are restored to their pre-existing condition if damaged by the Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service.

2.11. *LFA Designation of Representative:* The LFA's Mayor or designated representatives or representative of the Mayor will be responsible for the continuing administration of the rights and interests of the LFA in the franchise. However, the Franchisee agrees that the LFA may transfer or delegate any such responsibilities to the Commission pursuant to the Resolution; provided, however, that in the event the Commission acts on behalf of the LFA on a particular matter the LFA may not simultaneously exercise its rights on the same matter under this Franchise.

2.12. *Level Playing Field:* In accordance with the requirements of Section 895.3 of the PSC Rules, the parties hereto have determined that the terms of this Agreement, when compared against the terms of that certain cable franchise agreement (the "Incumbent Agreement"), dated June 27, 1991, by and between the LFA and the incumbent cable operator, Cablevision Systems Great Neck Corporation ("Cablevision"), does not contain economic or regulatory burdens, which, when taken as a whole, are greater or lesser than those burdens placed upon Cablevision pursuant to the Incumbent Agreement.

3. **PROVISION OF CABLE SERVICE**

3.1. *Service Area:*

3.1.1. *Service Area:* Subject to the issuance of all necessary permits by the LFA, Franchisee shall offer Cable Service to significant numbers of Subscribers within residential areas of the Service Area and may make Cable Service available to businesses in the Service Area, within twelve (12) months and shall offer Cable Service to all residential areas of the Service Area within five (5) years, of the Effective Date of this Franchise, or, in both instances, such longer period as may be permitted by the Cable Law, except, in accordance with NY PSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Primary Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density and other requirements set forth in Subsection 3.1.1.1. and Section 3.2. For purposes of Subsection 3.1.1, the Service Area shall be defined to be the Franchise Area.

3.1.1.1. *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than twenty-five (25) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active FTTP Network trunk or feeder line. Should, through new construction, an area within the Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within five hundred (500) feet of trunk or feeder lines, measured from the property line of a Subscriber (including those on private roads), not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed five hundred (500) feet or are in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile and the actual costs incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility.

3.3. *Cable Service to Public Buildings:* Subject to Section 3.1, Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each public school and public library, and such other buildings used for municipal purposes as designated by the LFA in Exhibit A attached hereto; or as designated by the LFA in the future during the Franchise term, upon sixty (60) days prior written notice to the Franchisee; provided however that any new additional buildings added to Exhibit A cannot exceed any more than five (5) buildings per year over the life of the agreement. If it is necessary to extend Franchisee's trunk or feeder lines more than five hundred (500) feet solely to provide service to any such school or public building, the LFA shall have the option either of paying Franchisee's direct costs for such extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than five hundred (500) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

3.4. *Contribution in Aid:* Notwithstanding the foregoing, Franchisee shall comply at all times, with the requirements of Section 895.5 of NY PSC rules and regulations.

4. **SYSTEM FACILITIES**

4.1. *Quality of Materials and Work:* Franchisee shall construct and maintain its System using materials of good and durable quality, and all work involved in the construction, installation, maintenance and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

4.2. *System Characteristics:* During the term hereof Franchisee's Cable System shall meet or exceed the following requirements:

4.2.1. The System shall be designed and operated with an initial analog and digital carrier passband between 50 and 860 MHz and shall provide for a minimum channel capacity of not less than 86 channels on the Effective Date.

4.2.2. The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for the selection or use of Cable Service.

4.3. *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

4.4. *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and the State of New York, including the NY PSC's rules and regulations and the current New York EAS Plan, in order that emergency messages may be distributed over the System.

4.5. *Parental Control:* Upon request by any Subscriber, and where technologically feasible, the Franchisee shall provide such requesting Subscriber with a parental control device at a reasonable rate to be paid by the Subscriber. Such device will, at a minimum, offer as an option that a Person ordering programming must provide a personal identification number or other means provided by the Franchisee only to a Subscriber. Provided, however, that the Franchisee shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls.

5. **PEG SERVICES**

5.1. PEG Set Aside

5.1.1. In order to ensure universal availability of public, educational and government programming, Franchisee shall provide on the Basic Service Tier up to a total of nine (9) shared Access Channels (collectively, "PEG Channels"), as requested by the LFA, to be used collectively by and between the fifteen communities that are the Members of the Commission. The PEG Channels shall be allocated as follows:

- (a) Five (5) full-time shared Public Access Channels:
 - (i) One (1) Great Neck/North Shore Public Access Channel
 - (ii) One (1) Great Neck Library Access Channel
 - (iii) One (1) North Shore Library Access Channel
 - (iv) One (1) Great Neck Park District Access Channel
 - (v) One (1) North Shore Parks Access Channel
- (b) Two (2) full-time shared Government Access Channels:
 - (i) One (1) Great Neck Government Access Channel
 - (ii) One (1) North Shore Government Access Channel
- (c) Two (2) full-time shared Educational Access Channels:
 - (i) One (1) Great Neck Public School District
 - (ii) One (1) Manhasset Area Public Schools

5.1.2. The LFA hereby authorizes Franchisee to transmit such programming within and without LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. Franchisee will not change the channel assignment for the Great Neck/North Shore Public Access Channel except upon at least sixty (60) days advance written notice to the LFA. In the event the channel assignment for the Great Neck/North Shore Public Access Channel is changed, Franchisee will provide notice to subscribers thirty (30) days in advance of such change if such change is within the control of the Franchisee, in accordance with Section 890.8 of NY PSC rules and regulations. If a PEG Channel provided under this Article is not being utilized by the LFA, Franchisee, in accordance with Section 895.4 of NY PSC rules and regulations, may utilize such PEG Channel in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose. In the event that the LFA determines to use PEG capacity, the LFA shall provide Franchisee with prior written notice of such request in accordance with NY PSC rules and regulations.

5.1.3. *Tape Play Back*: Franchisee shall provide the technical ability to play back pre-recorded programming provided to Franchisee consistent with this Section. On behalf of all Members of the Commission, on the date on which Franchisee initiates Cable Service to the Village of Lake Success, Franchisee shall provide the technical ability to play pre-recorded programming generated by Public Access Television Corporation (“PATC”), subject to: (1) the Members provide the pre-recorded programming for Franchisee’s receipt at the main telephone room located next to PATC’s offices at 1111 Marcus Ave. LL27, Lake Success, NY 11042 (“Main Telephone Room”); (2) Franchisee’s access to the Main Telephone Room shall not be subjected to interference from third parties; and (3) the Members provide such cooperation as is reasonably necessary for Franchisee to fulfill such obligations. Franchisee shall transmit programming consistent with the dedicated uses of PEG Access Channels. Franchisee shall comply at all times with the requirements of Section 895.4 of the NY PSC rules and regulations.

5.1.4. Franchisee shall use reasonable efforts to transmit the Town of North Hempstead’s public, educational and government programming to the LFA, so long as it has legal authority from the Town of North Hempstead to do so.

5.2. PEG Access Interconnection

5.2.1. LFA shall designate in its sole discretion not more than three (3) site(s) within the Franchise Area for the interconnection of PEG access facilities with the Cable System (each, a “PEG Access Interconnection Site”), as designated on Exhibit D to this Agreement.

5.2.2. Franchisee shall, without charge to the LFA, provide links between its video channel aggregation point and each PEG Access Interconnection Site in order to permit the signals to be correctly routed from the PEG Access Interconnection Sites to the appropriate PEG access channel for distribution to Subscribers. All PEG Access Interconnection Sites shall be operable on or before the dates designated on Exhibit D to this Agreement.

5.2.3. The LFA shall provide to Franchisee at each PEG Access Interconnection Site a suitable video signal and a suitable audio signal for each PEG Channel. Franchisee, upon receipt of the suitable video and audio signals, shall provide, install and maintain in good working order the equipment necessary for transmitting the PEG signal to the channel aggregation site for further processing for distribution to Subscribers. Franchisee’s obligations with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of reasonably suitable required space, environmental conditions, electrical power supply, access, pathway, and other facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill such obligations. Should Franchisee determine that it cannot fulfill such obligations as a result of LFA’s failure to cooperate or to provide suitable required space, environmental conditions, electrical power supply, access, pathway, or other facilities, it shall so notify LFA in a writing detailing the requirements of Franchisee that will enable it to fulfill its obligations hereunder.

5.2.4. Such upstream PEG Channel transmission provided by Franchisee shall comply with applicable FCC standards governing the transport and distribution of video and audio signals to Subscribers.

5.2.5. If Franchisee makes changes to the Cable System that require improvements to the access facilities or equipment in order to permit the PEG access equipment and facilities to continue to be used as they were intended under the terms of this Agreement, then Franchisee shall, without charge to the LFA, make such changes in either the equipment and facilities referred to in Subsection 5.2.3 or in the Franchisee's video channel aggregation point and distribution equipment and facilities in order to permit the continuation of such intended use.

5.3. *Backup Facilities and Equipment:* Subject to Section 5.2, Franchisee shall design, build, and maintain all PEG upstream feeds, connections, and distribution facilities in order that such feeds function as reliably as Franchisee's Cable System as a whole within the Franchise Area, and are no more likely to fail than is Franchisee's Cable System as a whole within the Franchise Area.

5.4. PEG Support:

5.4.1. *Continuing PEG Support:* The Franchisee shall provide Continuing PEG Support (the "Continuing PEG Support") to each LFA by making payment to PATC. The Continuing PEG Support shall be used to support ongoing operations of PEG access programming. The Continuing PEG Support shall consist of one percent (1%) of the Franchisee's annual Gross Revenues. Each Continuing PEG Support payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation. The Continuing PEG Support payment shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter during the franchise term. Payments made pursuant to this Subsection may be designated by the Members to a different payee, other than PATC subject to the new payee using such payments as provided for in Subsection 5.4.4. Franchisee shall upon 45 days prior written notice, signed by a majority of the Members on the same instrument, make payment to the payee indicated in such notice.

5.4.2. *Upfront PEG Grant:* Franchisee shall provide, on behalf of all Members of the Commission combined, for use in support of the production of local PEG programming an Upfront PEG Grant (the "Upfront PEG Grant") totaling Four Hundred Fifty Thousand Dollars (\$450,000) payable in two installments. The first installment in the amount of Three Hundred Thousand Dollars (\$300,000) shall be payable within sixty (60) days of the Effective Date. The second installment of One Hundred Fifty Thousand Dollars (\$150,000) shall be payable within one year of the payment of the first installment. Such payments shall be paid directly to PATC.

5.4.3. *Annual PEG Grant:* In addition to the Continuing PEG Support and Upfront PEG Grant in Subsections 5.4.1 and 5.4.2 respectively, Franchisee shall pay an Annual PEG Grant (the "Annual PEG Grant") in the amount of two dollars and twelve cents (\$2.12) per month, per subscriber in the Service Area to Franchisee's Basic Service Tier. Calculation of the Annual PEG Grant will commence with the first calendar month during which Franchisee obtains its first Subscriber in the Service Area. Commencing on the fifth anniversary

of the first payment of the Annual PEG Grant, the amount of the grant shall increase to two dollars and forty cents (\$2.40) per month, per subscriber. The Annual PEG Grant payment shall be accompanied by a brief summary of the Subscriber Information upon which it is based. The Annual PEG Grant shall be delivered to PATC within thirty (30) days of each anniversary of the Effective Date or to another payee designated by the LFA pursuant to the notice process in Subsection 5.4.1.

5.4.4. The Continuing PEG Support, Upfront PEG Grant and the Annual PEG Grant shall be used solely by the LFA for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities, and for other PEG costs as may be ascertained by the LFA. In the event both the LFA and Franchisee agree, any portion of the Annual PEG Grant payments may be made in cash or in kind.

5.4.5. The LFA shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 5.4.

5.4.6. The LFA shall continue to impose on all existing cable service providers within the Franchise Area: (i) the financial obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include the same percentage amount for the Continuing PEG Support Grant and total monetary amount for the Upfront PEG Grant as contained in Subsections 5.4.1 and 5.4.2; and (ii) at least all other PEG obligations currently being borne by such providers and shall, in the renewal franchise agreements of such providers, include such PEG obligations at least equivalent to the obligations contained in Subsection 5.4.3. (Annual PEG Grant). Further, the LFA agrees that it shall impose such equivalent obligations as those described above in the franchise agreements of any new providers of cable service in the Franchise Area.

5.5. *Indemnity for PEG:* The LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a PEG facility or Channel. The LFA shall establish rules and regulations for use of PEG facilities, consistent with, and as required by, 47 U.S.C. §531.

5.6. *Recovery of Costs:* To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of any PEG Grant, Administration Grant or any other costs arising from the provision of PEG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the foregoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

5.7. *PEG Interconnection with Existing Cable Operators:* Franchisee shall use reasonable efforts to interconnect its Cable System with the existing cable operator(s). Franchisee shall pursue interconnection negotiations with the existing cable operator(s) to cablecast, on a live basis, Public Access Channel and programming generated by PATC consistent with this Agreement. Interconnection may be accomplished by direct cable, microwave link, satellite or any other reasonable means of connection. Franchisee shall negotiate in good faith with existing cable operator(s) respecting reasonable, mutually convenient, cost-effective, and technically viable interconnection points, methods, terms and conditions. The Franchisee and existing cable operator(s) shall negotiate the interconnection agreement(s) on reasonable terms and conditions. In negotiating reasonable terms and conditions, Verizon's obligation shall be limited to agreeing to build to the interconnection point and paying only the reasonable incremental costs of creating the interconnection point, interconnecting to that point, and any continuing costs of maintaining the interconnection point. If, despite Franchisee's reasonable efforts, Franchisee is unable to interconnect its Cable System with the existing operator(s), Franchisee may file an application with the NY PSC pursuant to Section 223 of Article 11 of the New York Public Service Law, as amended, to effectuate interconnection consistent with the terms of this Agreement. The Members shall make all best efforts to support Franchisee's negotiations with the existing cable operator(s) and the Franchisee's application for interconnection before the NY PSC. If Franchisee is unable to negotiate an interconnection agreement(s) with the existing cable operator(s) for the provision of obtaining the Public Access Channel and programming generated by PATC, the Members shall designate an alternative interconnection point where Franchisee can obtain the Public Access Channel and programming at the closest technically feasible location on Franchisee's Cable System permitting the transmission of high quality signals for the least cost. If the cost of the Members designated interconnection point for PATC content would be unreasonable, not technically feasible, or would cause an unacceptable increase in Subscriber rates, the Members agree that they will provide PATC content directly to Franchisee in accordance with Subsection 5.1.3.

6. **FRANCHISE FEES**

6.1. *Payment to LFA:* Franchisee shall pay to the LFA a Franchise Fee of three percent (3%) of annual Gross Revenue. Notwithstanding the foregoing, if all cable operators providing cable service in the Franchise Area pay the LFA a lower Franchise Fee, Franchisee agrees to pay the same decreased Franchise Fee to the extent permitted by law. If all other cable operators cease the provision of cable service in the Franchise Area during the Term, Franchisee agrees that it will continue to pay the highest Franchise Fee assessed during the time that all cable operators provided cable service. In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be calculated on a quarterly basis and made no later than forty-five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

6.2. *Administration Grant:* Franchisee shall provide to the Commission, on behalf of all Members of the Commission combined, a one time administration grant of five

thousand dollars (\$5,000) for the purpose of addressing costs associated with the administration of this Franchise. This grant shall be payable within sixty (60) days of the Effective Date.

6.3. *Supporting Information:* Each Franchise Fee payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation.

6.3.1. *Audit of Franchise Fee Payments:* Subject to the confidentiality requirements set forth in Section 7.1 of this Franchise, Franchisee shall be responsible for making available to the LFA for inspection and audit, at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA, all records necessary to confirm the accurate payment of Franchise Fees, whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's Cable Services operation in the LFA subject to the payment of Franchise Fees under this Agreement, including, by way of illustration and not limitation, any entity that sells advertising on the Franchisee's behalf. Franchisee shall maintain such records for six (6) years, provided that, if the LFA commences an audit within that six (6) year period, Franchisee shall continue to maintain such records for the duration of any audit in progress at the end of that six (6) year period. The LFA shall conduct all audits expeditiously, and neither the LFA nor Franchisee shall unreasonably delay the completion of an audit. The LFA's audit expenses shall be borne by the LFA unless the audit determines that the payment to the LFA should be increased by five percent (5%) or more in the audited period, in which case the reasonable and customary costs of the audit, together with any additional amounts due to the LFA as a result of such audit, shall be paid by Franchisee to the LFA within sixty (60) days following written notice to Franchisee by the LFA of the underpayment, which notice shall include a copy of the audit report; provided, however, that Franchisee's obligation to pay or reimburse the LFA's audit expenses shall not exceed an aggregate of twenty thousand dollars (\$20,000.00) for all Members of the Commission combined. If re-computation results in additional revenue to be paid to the LFA, such amount shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules per annum during the period such unpaid amount is owed. If the audit determines that there has been an overpayment by Franchisee, the Franchisee may credit any overpayment against its next quarterly payment. Said audit shall be conducted by an independent third party and no auditor so employed by the LFA shall be compensated on a success based formula, e.g., payment based on a percentage of an underpayment, if any. The LFA shall not conduct an audit more frequently than once every three (3) years.

6.4. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due.

6.5. *Bundled Services:* If Cable Services subject to the Franchise Fee required under this Article 6 are provided to Subscribers in conjunction with Non-Cable Services, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders. Notwithstanding the foregoing, if the Franchisee bundles Cable Service with Non-Cable Service, the Franchisee agrees that it will not intentionally or

unlawfully allocate such revenue for the purpose of evading Franchise Fee payments under this franchise. The parties agree that tariffed telecommunications services that cannot be discounted by state or federal law or regulation are to be excluded from the bundled discount allocation basis.

6.6. *Section 626 Treatment:* Franchisee agrees that it will not apply the Franchise Fee as an offset against the special franchise tax payable to the LFA pursuant to the N.Y. Real Property Tax Law Section 626 commencing with the next full calendar month following the issuance by the NY PSC of an order confirming this Agreement. The LFA agrees that it shall impose the same full and complete waiver of the special franchise tax offset upon all existing and new providers of Cable Service or cable service (as such term may be defined by other providers) in the Service Area to be expressed in writing in the franchise agreement or the renewal of any existing franchise agreement of each respective cable provider. The operation of this Section 6.6 shall be strictly limited to Franchise Fees lawfully imposed upon Cable Service, and shall not be construed to affect the Franchisee's rights under any provision of State or Federal law regarding the provision of services other than Cable Service.

7. **REPORTS AND RECORDS**

7.1. *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Following the notice period set forth herein, Franchisee shall make such books and records available to the LFA at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as confidential and shall only disclose it to employees, representatives, and agents thereof who have a need to know, or in order to enforce the provisions hereof. Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

7.2. *Records Required:* Franchisee shall at all times maintain:

7.2.1. Records of all written complaints for a period of six (6) years after receipt by Franchisee. The term "complaint" as used herein refers to complaints about any aspect of the Cable System or Franchisee's cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

7.2.2. Records of outages for a period of six (6) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

7.2.3. Records of service calls for repair and maintenance for a period of six (6) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

7.2.4. Records of installation/reconnection and requests for service extension for a period of six (6) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

7.2.5. A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

7.3. *System-Wide Statistics:* Any valid reporting requirement in the Franchise may be satisfied with system-wide statistics, except those related to Franchise Fees and consumer complaints.

8. INSURANCE AND INDEMNIFICATION

8.1. *Insurance:*

8.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

8.1.1.1. Commercial General Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of Franchisee's Cable Service business in the LFA.

8.1.1.2. Automobile Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for bodily injury and property damage coverage.

8.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the State of New York.

8.1.1.4. Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; \$500,000 policy limit.

8.1.1.5. Excess liability or umbrella coverage of not less than ten million dollars (\$10,000,000).

8.1.2. The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance and Employer's Liability Insurance. The LFA is an additional insured under the excess liability or umbrella coverage to the extent it is named as an additional insured on the underlying primary policies.

8.1.3. Each of the required insurance policies shall be noncancellable except upon thirty (30) days prior written notice to the LFA. Franchisee shall not cancel any required insurance policy without submitting documentation to the LFA verifying that the Franchisee has obtained alternative insurance in conformance with this Agreement.

8.1.4. Each of the required insurance policies shall be with sureties qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition.

8.1.5. Within 15 days of the Effective Date, Franchisee shall deliver to the LFA proof of insurance, by means of an endorsement including the LFA as an additional insured, effective as of the day of the initiation of Cable Service in the LFA, in conformity with the terms of this Agreement. In the event any such policy is replaced or extended during the term of this Agreement, within 15 days of such replacement or extension Franchisee shall deliver such proof to the LFA with respect to such replacement or extended policy.

8.2. *Indemnification:*

8.2.1. Franchisee agrees to indemnify the LFA its officers, agents, boards, elected and appointed officials and employees, for, and hold it harmless from, all liability, damage, cost or expense arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees, or infringement of copyright or patent rights arising from Franchisee's provision of Cable Services over the Cable System other than PEG facilities and channels, provided that the LFA shall give Franchisee timely written notice of a claim or action for which it seeks indemnification pursuant to this Subsection; and in any event, the LFA shall provide Franchisee with such written notice within a period of time that allows Franchisee to take action to avoid entry of a default judgment and does not prejudice Franchisee's ability to defend the claim or action. Notwithstanding the foregoing, Franchisee shall not indemnify the LFA for any damages, liability or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, attorneys, consultants, independent contractors or third parties or for any activity or function conducted by any Person other than Franchisee in connection with PEG Access, or EAS.

8.2.2. With respect to Franchisee's indemnity obligations set forth in Subsection 8.2.1, Franchisee shall provide the defense of any claims brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the LFA from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA, Franchisee shall have the right to defend, settle or compromise any claim or action arising

hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA and the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

8.2.3. The LFA shall hold harmless and defend Franchisee from and against and shall be responsible for damages, liability or claims resulting from or arising out of the willful misconduct or negligence of the LFA.

8.2.4. The LFA shall be responsible for its own acts of willful misconduct, negligence, or breach, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the LFA for acts of the LFA which constitute willful misconduct or negligence on the part of the LFA, its officers, employees, agents, attorneys, consultants, independent contractors or third parties.

9. TRANSFER OF FRANCHISE

9.1. *Transfer:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or for transactions otherwise excluded under Subsection 1.31 above.

10. RENEWAL OF FRANCHISE

10.1. *Governing Law:* The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 12.11 below, the Cable Law and Section 626 of the Communications Act, 47 U.S.C. §546, as amended.

10.2. *Needs Assessment:* In addition to the procedures set forth in Section 626 of the Communications Act, 47 U.S.C. §546, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then current Franchise term. Such assessments shall be provided to Franchisee by the LFA promptly so that Franchisee will have adequate time to submit a proposal under Section 626 of the Communications Act, 47 U.S.C. §546 and complete renewal of the Franchise prior to expiration of its term.

10.3. *Informal Negotiations:* Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the LFA

and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

10.4. *Consistent Terms:* Franchisee and the LFA consider the terms set forth in this Article 10 to be consistent with the express provisions of Section 626 of the Communications Act, 47 U.S.C. §546, and the Cable Law.

11. **ENFORCEMENT AND TERMINATION OF FRANCHISE**

11.1. *Notice of Violation:* If at any time the LFA believes that Franchisee has not complied with the terms of the Franchise, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the LFA shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the “Noncompliance Notice”).

11.2. *Franchisee’s Right to Cure or Respond:* Franchisee shall have sixty (60) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such sixty (60) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which Franchisee reasonably projects that it will complete cure of such noncompliance. Upon cure of any noncompliance, the LFA shall provide written confirmation that such cure has been effected.

11.3. *Liquidated Damages:* For the violation of any of the following provisions of this Franchise, liquidated damages shall be paid by the Franchisee to the LFA. Any such liquidated damages shall be assessed as of the date that is sixty (60) days from the Franchisee’s receipt of the Noncompliance Notice, provided that the Franchisee has not cured the noncompliance upon which the Noncompliance Notice was issued, in accordance with the procedures set forth in Sections 11.1 and 11.2 above. On an annual basis from the Effective Date, the Franchisee shall not be liable for liquidated damages that exceed fifteen thousand dollars (\$15,000) in the aggregate for all Members of the Commission combined. Liquidated damages shall be assessed as follows.

For failure to provide Cable Service as set forth in Sections 3.1-3.3.....	\$100 per day for each day the violation continues;
For failure to maintain the system standards as set forth in Section 4.....	\$50 per day for each day the violation continues;
For failure to provide PEG Services to residents of the LFA specified in Section 5.1	\$100 per day for each day the violation continues;
For failure to provide LFA with any reports or records required by the Agreement	

within the time period required.....\$50 per day for each day the
.....violation continues;

For failure to carry the insurance specified in
Subsection 8.1.1\$100 per day for each day the
.....violation continues;

For a transfer specified in Article 9 without required
approval.....\$100 per day for each day the
.....violation continues.

11.3.1. Any liquidated damages assessed pursuant to this section shall not be a limitation upon any other provisions of this Franchise and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies; provided, however, that in the event that the LFA collects liquidated damages for a specific breach for a specific period of time, pursuant to Section 11.3 above, the collection of such liquidated damages shall be deemed to be the exclusive remedy for that specific breach for such specific period of time only.

11.3.2. The parties agree that each case of non-compliance as set forth in this Section 11.3 shall result in damage to the LFA, compensation for which will be difficult to ascertain. The parties agree that the liquidated damages in the amounts set forth in this Section 11.3 are fair and reasonable compensation for such damage with respect to those violations for which a specific liquidated damage is listed in Section 11.3.

11.3.3. *Public Hearing:* Consistent with Section 11.5 below, (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above, the LFA shall provide Franchisee at least thirty (30) business days prior written notice of a public hearing, which will specify the time, place and purpose of such public hearing, including, whether revocation of this Franchise is a possible consequence at such hearing, and provide Franchisee the opportunity to be heard and to present evidence.

11.4. *Enforcement:* Subject to Section 12.11 below and applicable federal and state law, in the event the LFA, after the public hearing set forth in Subsection 11.3.3, determines that Franchisee is in default of any provision of this Franchise, the LFA may:

11.4.1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

11.4.2. Commence an action at law for monetary damages or seek other equitable relief; or

11.4.3. In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 11.5.

11.5. *Revocation*: Should the LFA seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Subsection 11.3.3, the LFA shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

11.5.1. At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing.

11.5.2. Following the second public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions to the LFA in writing and promptly thereafter the LFA shall provide a written determination to the Franchisee setting forth: (i) whether an event of default has occurred under this Franchise; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The LFA shall also determine whether it will revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that it will revoke the Franchise, the LFA shall promptly provide Franchisee with a written determination setting forth the LFA's reasoning for such revocation. Franchisee may appeal such written determination of the LFA to an appropriate court, which shall, to the extent permitted under applicable law, have the power to review the decision of the LFA *de novo*. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Franchisee's receipt of the written determination of the LFA.

11.5.3. The LFA may, at its sole discretion, take any lawful action that it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

11.6. *Abandonment of Service*: Franchisee shall not abandon any Cable Service or portion thereof without the LFA's prior written consent as provided in the Cable Law.

12. **MISCELLANEOUS PROVISIONS**

12.1. *Actions of Parties*: In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

12.3. *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4. *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in practical difficulties and hardship being placed upon Franchisee that outweigh the benefit to be derived by the LFA and/or Subscribers.

12.5. *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

12.5.1. Notices to Franchisee shall be mailed to:

Verizon New York Inc.
Jack White, Senior Vice President and General Counsel
Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097

12.5.2. Notices to the LFA shall be mailed to:

Office of the Mayor
Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

12.5.3. with a copy to:

Office of the Village Clerk
Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

12.6. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any local laws or parts of local laws that materially conflict with the provisions of this Agreement are superseded by this Agreement.

12.7. *Amendments and Modifications:* Amendments and/or modifications to this Franchise shall be mutually agreed to in writing by the parties and subject to the approval of the NY PSC, pursuant to the Cable Law.

12.8. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

12.9. *Severability:* If any section, subsection, sub-subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise. For purposes of this Agreement, the term “material provision” or “material provisions” shall mean the following: Section 2.3 (Effective Date and Term), Section 2.5 (Franchise Subject to State and Federal Law), Article 3 (Provision of Cable Service) in its entirety, Section 4.2 (System Characteristics), Section 6.1 (Payment of Franchise Fees), and Article 9 (Transfer of Franchise).

12.10. *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

12.11. *FTTP Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee’s FTTP Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the FTTP Network or to relocate the FTTP Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services. This provision is not intended to

contravene leased access requirements under Title VI or PEG requirements set out in this Agreement.

12.12. *NY PSC Approval:* This Franchise is subject to the approval of the NY PSC. Franchisee shall file an application for such approval with the NY PSC within sixty (60) days after the date hereof. Franchisee shall also file any necessary notices with the FCC.

12.13. *Rates and Charges:* The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law.

12.14. *Publishing Information:* LFA hereby requests that Franchisee omit publishing information specified in 47 C.F.R. §76.952 from Subscriber bills.

12.15. *Customer Service:* Franchisee shall comply with the consumer protection and customer service standards set forth in Parts 890 and 896 of the NY PSC rules and regulations.

12.16. *Employment Practices:* Franchisee will not refuse to hire, nor will it bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, color, national origin, sex or any protected category of persons under federal or state law.

12.17. *Identification of Franchisee's Employees, Vehicles & Contractors.* The Franchisee shall require all the Franchisee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Franchisee to wear a clearly visible identification card bearing their name and photograph.

12.17.1. The Franchisee shall make reasonable effort to account for all identification cards at all times.

12.17.2. The Franchisee shall require all the Franchisee representatives to wear appropriate clothing while working at a Subscriber's premises.

12.17.3. The Franchisee shall require that all service vehicle of the Franchisee and its contractors or subcontractors be clearly identified as such to the public. Specifically, the Franchisee vehicles shall be required to have the Franchisee's logo plainly visible. The Franchisee shall require that all contractors and subcontractors working for the Franchisee shall have the contractor's/subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to the Franchisee.

12.18. *No Third Party Beneficiaries:* Except as expressly provided in this Agreement, this Agreement is not intended to, and does not, create any rights or benefits on behalf of any Person other than the parties to this Agreement.

12.19. *LFA Official:* The Mayor of the LFA, or the designated representative or representatives of the Mayor, will be responsible for the continuing administration of this Agreement.

12.20. *No Waiver of LFA's Rights:* Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall be construed as a waiver of the LFA's rights under applicable federal and state law.

AGREED TO THIS ____ DAY OF _____, 2007.

The Village of Lake Success

By: _____

Verizon New York Inc.

By: _____
Tracey A. Edwards, Vice President

EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: PEG Access Interconnection Site(s)

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

[List has been provided for each village]

EXHIBIT B

SERVICE AREA

The Franchise Area is the Service Area. [A build out schedule has been provided for each village.]

This schedule is subject to further review and modification by the Franchisee consistent with Section 895.5(b)(1) of the NY PSC rules and regulations; provided, however, that Franchisee shall provide notice to the LFA and the NY PSC of any material change in this schedule.

EXHIBIT C

PEG CHANNELS

Franchisee shall provide use of channel capacity as specified in Subsection 5.1.1 of the Agreement to the LFA's PEG Channel usage needs. These PEG Channel needs include the needs of school districts, public libraries and park districts and are subject to the jurisdiction of the franchising authority.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE(S)

[List has been provided for each village]

Tab 9

Cronan O'Connell-Director of Performance Assurance, Verizon
One Verizon Way
Basking Ridge, NJ 07920
908-559-1449 Office

cronan.q.oconnell@verizon.com



December 21, 2007

VIA OVERNIGHT DELIVERY

A. Thomas Levin
Meyer Suozzi English & Klein PC
990 Stewart Avenue, Suite 300
PO Box 9194
Garden City, New York 11530-9194

Dear Tom:

As you requested, please find additional information below concerning the means by which the Villages of Flower Hill, Great Neck, Great Neck Estates, Great Neck Plaza, Kensington, Kings Point, Lake Success, Munsey Park, North Hills, Plandome, Plandome Heights, Plandome Manor, Russell Gardens, Saddle Rocks and Thomaston (together, the "Commission") can: (i) input their government channel bulletin board content into Verizon's Fiber To The Premises system, for transmission over the Great Neck and North Shore government access channels; and, (ii) connect with Verizon's FTTP network at the various Interconnection/Aggregation Sites designated in the Franchise Agreement. The details below are intended for informational purposes only.

With respect to the former, as explained in Section 5.2 and Exhibit D of each of the proposed franchise agreements between Verizon New York, Inc. and the 15 villages that comprise the Commission, until such time that the villages meet certain criteria for the provision of live programming from the respective village halls, the Main Telephone Room at 1111 Marcus Ave., Lake Success, NY shall serve as the aggregation point for all bulletin board content intended for the Great Neck and North Shore Government Access Channels. These feeds will be aggregated by use of a NEXUS (PED) event controller.

The NEXUS (PED) event controller is controlled by a free client software application that resides on a user's personal computer (PC). This PC can either be directly connected to the NEXUS, or through the use of a local area network (LAN)/wide area network (WAN) connection, can be accessed from any PC which has access to the LAN/WAN network. WAN access can include a networked connection to the internet via a static IP address internet service. In this instance, Verizon will provide the villages with the necessary static IP address.

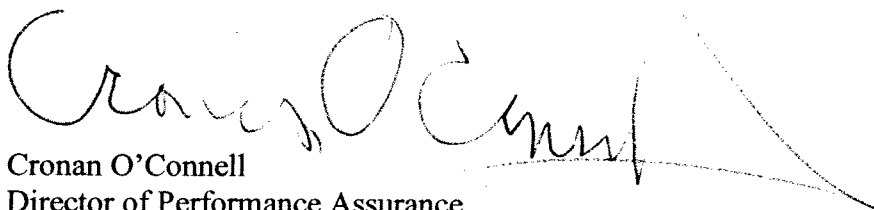
The shared access to the NEXUS allows individual users or users within a specified user group the ability to create, modify and publish a variety of slide show content images to be played back at

designated times through the NEXUS. Users and or user groups can be partitioned in such a way that the content they create can be limited to how and when it is played out. To help monitor or manage the quality of the content, one or more users may be designated by the villages to approve all content before it can be played out. The content is stored in folders on the NEXUS, or an external hard drive, in much the same way files are stored in folders on an individual's PC. Users who do not have direct access to the NEXUS via an Ethernet /IP connection can create slides in many common graphics programs such as Microsoft PowerPoint. The individual slides can then be saved as JPEG image files (filename.jpg) and e-mailed to a user that has access and the appropriate permissions for the destination folder.

With respect to the latter, to connect and deliver signal to Verizon's FTTP system at any of the designated Interconnection/Aggregation Sites, the villages will need to supply a single Baseband-Video and associated audio signal (monaural or stereo) per channel, through industry standard BNC or RCA type connectors, to jacks on Verizon's encoder. It is advisable that the villages route said signal through an audio/video distribution amplifier or spare output port on a switch, to which programming content can be duplicated. In the event neither is available, Verizon will provide one. Verizon technicians will work with the villages during the course of the installation to ensure the compatibility of formats and physical interfaces.

Please contact Mac Kerbey at (617) 628-3436, Gabrielle Stormo at (312) 750-5737 or Nia McDonald at (202) 719-4633 if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Cronan O'Connell", with a long, sweeping horizontal line extending to the right.

Cronan O'Connell
Director of Performance Assurance
Verizon Communications Inc.

cc: Nia McDonald, Wiley Rein LLP
Gabrielle Stormo, McGuire Woods LLP
McFall Kerbey, Telecommunications Insight Group, Inc.

Tab 10

McDonald, Nia

From: mkerbey@telecominsightgroup.com
Sent: Friday, February 01, 2008 12:36 AM
To: atlevin@msek.com
Cc: gstormo@mcguirewoods.com; McDonald, Nia
Subject: Fwd: email 2 -- GNNS Exhibit D language revisions
Attachments: signature.gif; Active_5031418_1_Great Neck Plaza - Revised Exh D - 131 08.DOC

Tom:

Good evening, hope the convention has gone well.

With respect to the 9 Villages requesting a "Flower Hill" type option, Verizon has reviewed the request and submits the following. As previously noted, moving from 1 Village to 10 (total) presents some challenges by way of scalability - ie., Verizon cannot build such connections for all at one time. Consequently we have built in some time constraints. What is set forth below is a redline to the original language. I have also appended a sample Exhibit D to indicate what a final form of the Exhibit will look like.

I will be in the office all day tomorrow - (617) 628-3436. Is there a time when we can go through any questions you may have? I will also be available during the weekend - (617) 823-9890:

~~In~~ **After January 1, 2009, in** the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No. ~~41~~ is fully functional to provide a live suitable video signal (NTSC) from the ~~Flower Hill~~ **Great Neck Plaza** Village Hall, the LFA may make such a request to the ~~Franchisee~~ **Commission for an auxiliary connection** for such live programming from the ~~Flower Hill~~ Village Hall and Franchisee shall accept ~~such request~~. ~~Franchisee will~~ **no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall** have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. **If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.**

Mac

 [Active_5031418_1_Great Neck Plaza - Revised Exh D - 1 31 08.DOC](#)

----- End forwarded message -----

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK PLAZA

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Plaza Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 1") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for its intended purpose:

PEG Access Origination Site No. 1

Great Neck Plaza Village Hall
2 Gussack Plaza
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Plaza Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Plaza Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 1 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 1; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 1; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 1 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Tab 11


From: Stormo, Gabrielle S. [mailto:gstormo@mcguirewoods.com]
Sent: Friday, February 01, 2008 3:08 PM
To: A. Thomas Levin
Cc: Mac Kerbey; maria.d.silveira@verizon.com; McDonald, Nia
Subject: GNNS Exhibit Ds

Tom:

Attached, please find the final Exhibit Ds for the Great Neck/North Shore villages as discussed and agreed upon by you and Mac. Please let me know if you have any questions.

Regards,
Gabrielle

Gabrielle S. Stormo, Esq.


McGuireWoods LLP
77 West Wacker Drive
Suite 4100
Chicago, IL 60601-1818
312.750.5737 (Direct Line)
312.698.4563 (Direct FAX)
gstormo@mcguirewoods.com

This e-mail may contain confidential or privileged information. If you are not the intended recipient, please advise by return e-mail and delete immediately without reading or forwarding to others.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK PLAZA

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Plaza Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 1") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 1

Great Neck Plaza Village Hall
2 Gussack Plaza
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Plaza Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Plaza Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 1 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 1; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 1; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 1 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK ESTATES

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Estates Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 2") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 2

Great Neck Estates Village Hall
Atwater Plaza
4 Gateway Drive
Great Neck Estates, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Estates Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Estates Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 2 and

the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 2; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 2; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 2 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF GREAT NECK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 3") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 3

Great Neck Village Hall
61 Baker Hill Road
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 3 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 3; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 3; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 3 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection/Aggregation Site ("PEG Access Interconnection/Aggregation Site No. 3") shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection/Aggregation Site No. 3

Great Neck Park District
Great Neck House
14 Arrandale Ave.,
Great Neck, NY 11023

PEG Access Interconnection/Aggregation Site No. 3 shall serve as the aggregation point for PEG Access Origination Point No. 16 designated below feeding signals to the Great Neck Park District Access Channel. For purposes of permitting LFA to select and switch feeds coming

into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of this Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 16") feeding a signal to PEG Access Interconnection/Aggregation Site No. 3 shall be operable no later than the first anniversary of the Effective Date:

PEG Access Origination Site No. 16

Great Neck Park District
Parkwood Sports
65 Arrandale Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF FLOWER HILL

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Flower Hill Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 4") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 4

Flower Hill Village Hall
One Bonnie Heights Road
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Flower Hill Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Flower Hill Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 4 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 4; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 4; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

In the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No. 4 is fully functional to provide a live suitable video signal (NTSC) from the Flower Hill Village Hall, the LFA may make such a request to the Franchisee for such live programming from the Flower Hill Village Hall and Franchisee shall accept such request. Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 4 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KENSINGTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kensington Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 5") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 5

Kensington Village Hall
2 Nassau Drive
Kensington, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kensington Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kensington Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 5 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 5; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 5; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 5 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KINGS POINT

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kings Point Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 6") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 6

Kings Point Village Hall
32 Steppingstone Lane
Kings Point, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kings Point Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kings Point Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 6 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 6; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 6; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 6 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF LAKE SUCCESS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck/North Shore Public Access Channel PEG Access Interconnection/Aggregation Site No. 1 ("PEG Access Interconnection/Aggregation Site No. 1") shall be operable on the Effective Date:

PEG Access Interconnection/Aggregation Site No. 1

The Public Access Television Corporation
1111 Marcus Ave. LL27 (Main Telephone Room)
Lake Success, NY 11042

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Points Nos. 1 - 15 feeding LIVE signals to the Great Neck and North Shore Government Access Channels from the respective fifteen (15) Village Halls. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Additionally, until such time that the Members meet the criteria listed below for the provision of LIVE programming from the respective Village Halls and subject to the requirements set forth in Subsection 5.2 and Exhibit D, the PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for all Bulletin Board signals intended for the Great Neck and North Shore Government Access Channels.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Lake Success Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 7") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 7

Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Lake Success Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Lake Success Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 7 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 7; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 7; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding.

If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Site No. 7 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Public School District Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 2") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 2

Great Neck Public School District
Great Neck South Middle School
349 Lakeville Rd.
Great Neck, NY 11020

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF THOMASTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Thomaston Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 8") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 8

Thomaston Village Hall
100 East Shore Road
Thomaston, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Thomaston Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Thomaston Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 8 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 8; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 8; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 8 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF SADDLE ROCK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Saddle Rock Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 9") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 9

Saddle Rock Village Hall
18 Masefield Way
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Saddle Rock Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Saddle Rock Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 9 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 9; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 9; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 9 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Library Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 4") shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection Site No. 4

Great Neck Library District
159 Bayview Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF MUNSEY PARK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Munsey Parks Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 10") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 10

Munsey Park Village Hall
1777 Northern Boulevard
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Munsey Park Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Munsey Park Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 10 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 10; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 10; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 10 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Manhasset Area Public Schools Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 5"), North Shore Library Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 6") and North Shore Parks Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 7") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 5

Manhasset Area Public Schools
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 6

North Shore Library District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 7

North Shore Park District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF NORTH HILLS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following North Hills Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 11") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 11

North Hills Village Hall
1 Shelter Rock Road
Roslyn, NY 11576

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the North Hills Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the North Hills Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 11 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 11; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 11; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 11 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 12") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 12

Plandome Village Hall
65 South Drive
Plandome, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 12 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 12; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 12; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 12 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME HEIGHTS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Heights Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 13") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 13

Plandome Heights Village Hall
37 Orchard Street
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Heights Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Heights Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 13 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 13; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 13; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 13 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME MANOR

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Manor Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 14") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 14

Plandome Manor Village Hall
53 Manhasset Avenue, 2nd floor
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Manor Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Manor Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 14 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 14; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 14; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 14 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF RUSSELL GARDENS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Russell Gardens Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 15") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 15

Russell Gardens Village Hall
6 Tain Drive
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Russell Gardens Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Russell Gardens Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 15 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 15; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 15; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 15 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Tab 12

From: Stormo, Gabrielle S. [mailto:gstormo@mcguirewoods.com]
Sent: Friday, February 01, 2008 3:24 PM
To: A. Thomas Levin
Cc: Mac Kerbey; maria.d.silveira@verizon.com; McDonald, Nia
Subject: RE: GNNS Exhibit Ds

Tom:

There were errors in the Exhibit Ds I just sent you. Please refer to these [corrected] Exhibit Ds instead. Thank you.

Gabrielle

Gabrielle S. Stormo, Esq.


McGuireWoods LLP
77 West Wacker Drive
Suite 4100
Chicago, IL 60601-1818
312.750.5737 (Direct Line)
312.698.4563 (Direct FAX)
gstormo@mcguirewoods.com

This e-mail may contain confidential or privileged information. If you are not the intended recipient, please advise by return e-mail and delete immediately without reading or forwarding to others.

-----Original Message-----


From: Stormo, Gabrielle S.
Sent: Friday, February 01, 2008 2:09 PM
To: 'A. Thomas Levin'
Cc: 'Mac Kerbey'; 'maria.d.silveira@verizon.com'; 'McDonald, Nia'
Subject: GNNS Exhibit Ds

Tom:

Attached, please find the final Exhibit Ds for the Great Neck/North Shore villages as discussed and agreed upon by you and Mac. Please let me know if you have any questions.

Regards,
Gabrielle

Gabrielle S. Stormo, Esq.


McGuireWoods LLP
77 West Wacker Drive
Suite 4100
Chicago, IL 60601-1818
312.750.5737 (Direct Line)
312.698.4563 (Direct FAX)
gstormo@mcguirewoods.com

This e-mail may contain confidential or privileged information. If you are not the intended recipient, please advise by return e-mail and delete immediately without reading or forwarding to others.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK PLAZA

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Plaza Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 1") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 1

Great Neck Plaza Village Hall
2 Gussack Plaza
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Plaza Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Plaza Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 1 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 1; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 1; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 1 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK ESTATES

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Estates Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 2") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 2

Great Neck Estates Village Hall
Atwater Plaza
4 Gateway Drive
Great Neck Estates, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Estates Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Estates Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 2 and

the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 2; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 2; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.2 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Estates Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 2 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF GREAT NECK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 3") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 3

Great Neck Village Hall
61 Baker Hill Road
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 3 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 3; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 3; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.3 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 3 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection/Aggregation Site ("PEG Access Interconnection/Aggregation Site No. 3") shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection/Aggregation Site No. 3

Great Neck Park District
Great Neck House
14 Arrandale Ave.,
Great Neck, NY 11023

PEG Access Interconnection/Aggregation Site No. 3 shall serve as the aggregation point for PEG Access Origination Point No. 16 designated below feeding signals to the Great Neck Park District Access Channel. For purposes of permitting LFA to select and switch feeds coming

into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of this Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 16") feeding a signal to PEG Access Interconnection/Aggregation Site No. 3 shall be operable no later than the first anniversary of the Effective Date:

PEG Access Origination Site No. 16

Great Neck Park District
Parkwood Sports
65 Arrandale Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF FLOWER HILL

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Flower Hill Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 4") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 4

Flower Hill Village Hall
One Bonnie Heights Road
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Flower Hill Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Flower Hill Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 4 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 4; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 4; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

In the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No. 4 is fully functional to provide a live suitable video signal (NTSC) from the Flower Hill Village Hall, the LFA may make such a request to the Franchisee for such live programming from the Flower Hill Village Hall and Franchisee shall accept such request. Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 4 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KENSINGTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kensington Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 5") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 5

Kensington Village Hall
2 Nassau Drive
Kensington, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kensington Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kensington Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 5 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 5; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 5; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 5 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KINGS POINT

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kings Point Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 6") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 6

Kings Point Village Hall
32 Steppingstone Lane
Kings Point, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kings Point Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kings Point Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 6 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 6; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 6; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.6 is fully functional to provide a live suitable video signal (NTSC) from the Kensington Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 6 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF LAKE SUCCESS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck/North Shore Public Access Channel PEG Access Interconnection/Aggregation Site No. 1 ("PEG Access Interconnection/Aggregation Site No. 1") shall be operable on the Effective Date:

PEG Access Interconnection/Aggregation Site No. 1

The Public Access Television Corporation
1111 Marcus Ave. LL27 (Main Telephone Room)
Lake Success, NY 11042

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Points Nos. 1 - 15 feeding LIVE signals to the Great Neck and North Shore Government Access Channels from the respective fifteen (15) Village Halls. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Additionally, until such time that the Members meet the criteria listed below for the provision of LIVE programming from the respective Village Halls and subject to the requirements set forth in Subsection 5.2 and Exhibit D, the PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for all Bulletin Board signals intended for the Great Neck and North Shore Government Access Channels.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Lake Success Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 7") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 7

Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Lake Success Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Lake Success Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 7 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 7; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 7; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.7 is fully functional to provide a live suitable video signal (NTSC) from the Lake Success Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding.

If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Site No. 7 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Public School District Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 2") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 2

Great Neck Public School District
Great Neck South Middle School
349 Lakeville Rd.
Great Neck, NY 11020

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF THOMASTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Thomaston Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 8") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 8

Thomaston Village Hall
100 East Shore Road
Thomaston, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Thomaston Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Thomaston Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 8 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 8; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 8; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 8 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF SADDLE ROCK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Saddle Rock Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 9") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 9

Saddle Rock Village Hall
18 Masefield Way
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Saddle Rock Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Saddle Rock Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 9 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 9; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 9; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.9 is fully functional to provide a live suitable video signal (NTSC) from the Saddle Rock Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 9 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Library Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 4") shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection Site No. 4

Great Neck Library District
159 Bayview Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF MUNSEY PARK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Munsey Parks Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 10") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 10

Munsey Park Village Hall
1777 Northern Boulevard
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Munsey Park Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Munsey Park Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 10 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 10; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 10; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.10 is fully functional to provide a live suitable video signal (NTSC) from the Munsey Park Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 10 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Manhasset Area Public Schools Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 5"), North Shore Library Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 6") and North Shore Parks Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 7") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 5

Manhasset Area Public Schools
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 6

North Shore Library District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 7

North Shore Park District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF NORTH HILLS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following North Hills Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 11") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 11

North Hills Village Hall
1 Shelter Rock Road
Roslyn, NY 11576

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the North Hills Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the North Hills Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 11 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 11; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 11; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.11 is fully functional to provide a live suitable video signal (NTSC) from the North Hills Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 11 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 12") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 12

Plandome Village Hall
65 South Drive
Plandome, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 12 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 12; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 12; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 12 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME HEIGHTS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Heights Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 13") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 13

Plandome Heights Village Hall
37 Orchard Street
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Heights Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Heights Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 13 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 13; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 13; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.13 is fully functional to provide a live suitable video signal (NTSC) from the Plandome Heights Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 13 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME MANOR

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Manor Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 14") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 14

Plandome Manor Village Hall
53 Manhasset Avenue, 2nd floor
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Manor Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Manor Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 14 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 14; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 14; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 14 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF RUSSELL GARDENS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Russell Gardens Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 15") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 15

Russell Gardens Village Hall
6 Tain Drive
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Russell Gardens Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Russell Gardens Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 15 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 15; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 15; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 15 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Tab 13

From: Stormo, Gabrielle S. [mailto:gstormo@mcguirewoods.com]
Sent: Friday, February 01, 2008 3:53 PM
To: ATLevin@msek.com
Cc: mkerbey@telecominsightgroup.com; McDonald, Nia; maria.d.silveira@verizon.com
Subject: RE: GNNS Exhibit Ds

Tom:

I apologize for the deluge of Exhibit D documents. Here is the final version correcting the typo in the Kings Point Exhibit D.

Gabrielle

Gabrielle S. Stormo, Esq.


McGuireWoods LLP
77 West Wacker Drive
Suite 4100
Chicago, IL 60601-1818
312.750.5737 (Direct Line)
312.698.4563 (Direct FAX)
gstormo@mcguirewoods.com

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-----Original Message-----

From: maria.d.silveira@verizon.com [mailto:maria.d.silveira@verizon.com]
Sent: Friday, February 01, 2008 2:32 PM
To: Stormo, Gabrielle S.; ATLevin@msek.com
Cc: mkerbey@telecominsightgroup.com; NMcdonald@wileyrein.com
Subject: RE: GNNS Exhibit Ds

Tom: One more typo to be corrected in the Kings Point Exhibit D.

Gabrielle: The added paragraph references Kensington Village Hall and it should reference Kings Point Village Hall. Please correct this Exhibit and send to Tom. Thanks.

Maria

MARIA SILVEIRA
Assistant General Counsel
Verizon
1515 N. Courthouse Road
Arlington, VA 22201
Tel: 703-351-3102
Mobile: 703-835-4820
Fax: 703-351-3652
E-mail: maria.d.silveira@verizon.com

From: Stormo, Gabrielle S. [mailto:gstormo@mcguirewoods.com]
Sent: Friday, February 01, 2008 3:24 PM
To: A. Thomas Levin
Cc: Mac Kerbey; Silveira, Maria F.; McDonald, Nia
Subject: RE: GNNS Exhibit Ds

Tom:

There were errors in the Exhibit Ds I just sent you. Please refer to these [corrected] Exhibit Ds instead. Thank you.

Gabrielle

Gabrielle S. Stormo, Esq.


McGuireWoods LLP
77 West Wacker Drive
Suite 4100
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312.750.5737 (Direct Line)
312.698.4563 (Direct FAX)
gstormo@mcguirewoods.com

This e-mail may contain confidential or privileged information. If you are not the intended recipient, please advise by return e-mail and delete immediately without reading or forwarding to others.

-----Original Message-----

From: Stormo, Gabrielle S.
Sent: Friday, February 01, 2008 2:09 PM
To: 'A. Thomas Levin'
Cc: 'Mac Kerbey'; 'maria.d.silveira@verizon.com'; 'McDonald, Nia'
Subject: GNNS Exhibit Ds

Tom:

Attached, please find the final Exhibit Ds for the Great Neck/North Shore villages as discussed and agreed upon by you and Mac. Please let me know if you have any questions.

Regards,
Gabrielle

Gabrielle S. Stormo, Esq.


McGuireWoods LLP
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gstormo@mcguirewoods.com

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EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK PLAZA

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Plaza Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 1") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 1

Great Neck Plaza Village Hall
2 Gussack Plaza
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Plaza Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Plaza Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 1 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 1; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 1; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.1 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Plaza Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 1 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF GREAT NECK ESTATES

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Estates Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 2") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 2

Great Neck Estates Village Hall
Atwater Plaza
4 Gateway Drive
Great Neck Estates, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Estates Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Estates Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 2 and

the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 2; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 2; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.2 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Estates Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 2 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF GREAT NECK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Great Neck Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 3") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 3

Great Neck Village Hall
61 Baker Hill Road
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Great Neck Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Great Neck Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 3 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 3; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 3; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.3 is fully functional to provide a live suitable video signal (NTSC) from the Great Neck Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 3 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection/Aggregation Site ("PEG Access Interconnection/Aggregation Site No. 3") shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection/Aggregation Site No. 3

Great Neck Park District
Great Neck House
14 Arrandale Ave.,
Great Neck, NY 11023

PEG Access Interconnection/Aggregation Site No. 3 shall serve as the aggregation point for PEG Access Origination Point No. 16 designated below feeding signals to the Great Neck Park District Access Channel. For purposes of permitting LFA to select and switch feeds coming

into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of this Agreement, the following Great Neck Park District Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 16") feeding a signal to PEG Access Interconnection/Aggregation Site No. 3 shall be operable no later than the first anniversary of the Effective Date:

PEG Access Origination Site No. 16

Great Neck Park District
Parkwood Sports
65 Arrandale Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF FLOWER HILL

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Flower Hill Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 4") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 4

Flower Hill Village Hall
One Bonnie Heights Road
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Flower Hill Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Flower Hill Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 4 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 4; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 4; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

In the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No. 4 is fully functional to provide a live suitable video signal (NTSC) from the Flower Hill Village Hall, the LFA may make such a request to the Franchisee for such live programming from the Flower Hill Village Hall and Franchisee shall accept such request. Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 4 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KENSINGTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kensington Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 5") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 5

Kensington Village Hall
2 Nassau Drive
Kensington, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kensington Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kensington Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 5 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 5; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 5; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 5 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF KINGS POINT

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Kings Point Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 6") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 6

Kings Point Village Hall
32 Steppingstone Lane
Kings Point, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Kings Point Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Kings Point Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 6 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 6; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 6; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.6 is fully functional to provide a live suitable video signal (NTSC) from the Kings Point Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 6 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES/AGGREGATION SITE VILLAGE OF LAKE SUCCESS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck/North Shore Public Access Channel PEG Access Interconnection/Aggregation Site No. 1 ("PEG Access Interconnection/Aggregation Site No. 1") shall be operable on the Effective Date:

PEG Access Interconnection/Aggregation Site No. 1

The Public Access Television Corporation
1111 Marcus Ave. LL27 (Main Telephone Room)
Lake Success, NY 11042

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Points Nos. 1 - 15 feeding LIVE signals to the Great Neck and North Shore Government Access Channels from the respective fifteen (15) Village Halls. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Additionally, until such time that the Members meet the criteria listed below for the provision of LIVE programming from the respective Village Halls and subject to the requirements set forth in Subsection 5.2 and Exhibit D, the PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for all Bulletin Board signals intended for the Great Neck and North Shore Government Access Channels.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Lake Success Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 7") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 7

Village Hall
Inc. Village of Lake Success
318 Lakeville Road
Great Neck, NY 11020

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Lake Success Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Lake Success Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 7 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access Origination Site No. 7; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 7; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.7 is fully functional to provide a live suitable video signal (NTSC) from the Lake Success Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding.

If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

PEG Access Interconnection/Aggregation Site No. 1 shall serve as the aggregation point for PEG Access Origination Site No. 7 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Public School District Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 2") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 2

Great Neck Public School District
Great Neck South Middle School
349 Lakeville Rd.
Great Neck, NY 11020

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF THOMASTON

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Thomaston Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 8") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 8

Thomaston Village Hall
100 East Shore Road
Thomaston, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Thomaston Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Thomaston Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 8 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 8; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 8; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 8 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF SADDLE ROCK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Saddle Rock Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 9") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 9

Saddle Rock Village Hall
18 Masefield Way
Great Neck, NY 11023

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Saddle Rock Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Saddle Rock Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 9 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 9; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 9; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.9 is fully functional to provide a live suitable video signal (NTSC) from the Saddle Rock Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 9 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Great Neck Library Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 4") shall be operable within one hundred and eighty (180) days of the Effective Date:

PEG Access Interconnection Site No. 4

Great Neck Library District
159 Bayview Ave.
Great Neck, NY 11023

EXHIBIT D

PEG ACCESS INTERCONNECTION SITES VILLAGE OF MUNSEY PARK

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Munsey Parks Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 10") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 10

Munsey Park Village Hall
1777 Northern Boulevard
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Munsey Park Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Munsey Park Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 10 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 10; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 10; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.10 is fully functional to provide a live suitable video signal (NTSC) from the Munsey Park Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 10 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

Subject to the requirements set forth in Subsection 5.2 of the Agreement, the following Manhasset Area Public Schools Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 5"), North Shore Library Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 6") and North Shore Parks Access Channel PEG Access Interconnection Site ("PEG Access Interconnection Site No. 7") shall be operable within one hundred and twenty (120) days of the Effective Date:

PEG Access Interconnection Site No. 5

Manhasset Area Public Schools
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 6

North Shore Library District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

PEG Access Interconnection Site No. 7

North Shore Park District
Munsey Park School
200 Memorial Place
Manhasset, NY 11030

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF NORTH HILLS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following North Hills Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 11") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 11

North Hills Village Hall
1 Shelter Rock Road
Roslyn, NY 11576

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the North Hills Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the North Hills Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 11 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 11; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 11; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.11 is fully functional to provide a live suitable video signal (NTSC) from the North Hills Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 11 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 12") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 12

Plandome Village Hall
65 South Drive
Plandome, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 12 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 12; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 12; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 12 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME HEIGHTS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Heights Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 13") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 13

Plandome Heights Village Hall
37 Orchard Street
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Heights Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Heights Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 13 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 13; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 13; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

After January 1, 2009, in the event the LFA wishes to broadcast live programming, but across an existing Government Access Channel without a need for a new or additional channel and PEG Access Origination Site No.13 is fully functional to provide a live suitable video signal (NTSC) from the Plandome Heights Village Hall, the LFA may make such a request to the Commission for an auxiliary connection for such live programming from the Village Hall and Franchisee shall accept no more than three (3) such requests per year from the Commission. The LFA is entitled to obtain only one such auxiliary connection for live programming from the Village Hall during the Term of this Agreement. Franchisee shall have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and transmit the live content on the existing shared Government Access Channel listed in subsection 5.1.1. of the Agreement, subject to the conditions set forth in this paragraph and the conditions set forth in numbers (1), (2) and (3) in the paragraph immediately proceeding. If, after three (3) years from the date of activation of the auxiliary connection, the LFA meets the criteria stated earlier in this Exhibit D for the use of one additional Government Access Channel, Franchisee shall accept such request in accordance with the procedures set forth therein and the LFA's live programming transmitted from Village Hall will be transmitted over the additional Government Access Channel.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 13 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF PLANDOME MANOR

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Plandome Manor Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 14") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 14

Plandome Manor Village Hall
53 Manhasset Avenue, 2nd floor
Manhasset, NY 11030

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Plandome Manor Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Plandome Manor Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 14 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG

Access Origination Site No. 14; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 14; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 14 designated above feeding signals to the North Shore Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.

EXHIBIT D

PEG ACCESS INTERCONNECTION SITE VILLAGE OF RUSSELL GARDENS

Subject to the requirements set forth in Subsection 5.2 of the Agreement, and subject to the criteria set forth below, the following Russell Gardens Government Access Channel PEG Access Interconnection Site ("PEG Access Origination Site No. 15") shall be operable within one hundred twenty (120) days after Franchisee receives written notice from the LFA that such PEG Access Interconnection Site is fully functional for alpha-numeric input:

PEG Access Origination Site No. 15

Russell Gardens Village Hall
6 Tain Drive
Great Neck, NY 11021

Franchisee shall provide the technical ability to transmit live programming provided to Franchisee at the Russell Gardens Village Hall subject to: (1) a comparable obligation being imposed by the LFA in writing in the cable television franchise agreements of all cable service providers operating in the Service Area; (2) the operable date of this obligation must not pre-date the operable date of any comparable obligation imposed by the LFA on the existing cable service provider(s) in the Service Area; (3) in no event will Franchisee be obligated to accept a request for such an additional Government Access Channel on a date earlier than January 1, 2009; (4) the Franchisee must have a minimum market penetration in the LFA requesting such additional channel of fifteen percent (15%); and (5) the LFA must demonstrate the ability to provide sufficient live content over such additional channel for a minimum of eight (8) hours per day, five (5) days a week for three (3) months, which programming for purposes of this calculation shall not include repeated or character-generated programming. Each LFA in the Commission is entitled, during the term of this Agreement, to make only one request pursuant to this process to obtain one direct connection to its own Village Hall with live programming capability in conjunction with receiving the use of one additional Government Access Channel.

Once an LFA decides that it meets the above conditions and wants to transmit such live programming, the LFA must send the Commission a written request to that effect. The Commission will decide the order in which to submit such requests to Franchisee. The Franchisee will not be obligated to accept requests for the provision of live programming from any Village Hall in the Commission in excess of one (1) request per year from 2009 to 2011 nor in excess of two (2) such requests per year from 2012 to 2017. The Commission is responsible for sending the Franchisee the written request from the LFA addressing the above-described conditions and need for the transmission of a live suitable video signal from the Russell Gardens Village Hall, Franchisee will have one hundred eighty (180) days from receipt of such written request to complete the build out of the physical connection to the Village Hall and activate a channel in its channel line-up for the digital tier to transmit the live content. Franchisee will only be responsible for the cost of building to the PEG Access Origination Site No. 15 and the LFA will be responsible for: (1) providing a suitable live signal to Franchisee at such PEG Access

Origination Site No. 15; (2) paying any and all costs that are incurred to create and transport such signal to the PEG Access Origination Site No. 15; and (3) making available, as described in more detail in subsection 5.2.3 of the Agreement, a suitable required space, environmental conditions, electrical power supply, access, pathway, and such cooperation from LFA as is reasonably necessary for Franchisee to fulfill its obligations hereunder.

The PEG Access Interconnection /Aggregation Site No. 1 located at 1111 Marcus Ave. Lake Success, NY 11042 (Main Telephone Room) shall serve as the aggregation point for PEG Access Origination Site No. 15 designated above feeding signals to the Great Neck Government Access Channel. For purposes of permitting LFA to select and switch feeds coming into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA.