CABLE TELEVISION
FINAL LICENSE

GRANTED TO
VERIZON NEW ENGLAND, INC.

SEPTEMBER 25, 2006

BOARD OF SELECTMEN
TOWN OF ANDOVER,
MASSACHUSETTS

TABLE OF CONTENTS

ARTICLE		PAGE
1.	DEFINITIONS	2
2.	GRANT OF AUTHORITY; LIMITS AND RESERVATIONS	6
3.	PROVISION OF CABLE SERVICE	9
4.	SYSTEM FACILITIES	10
5.	PEG SERVICES AND SUPPORT	11
6.	FRANCHISE AND LICENSE FEES	13
7.	CUSTOMER SERVICE	15
8.	REPORTS AND RECORDS AND PERFORMANCE EVALUATIONS	15
9.	INSURANCE AND INDEMNIFICATION	17
10.	PERFORMANCE BOND	19
11.	TRANSFER OF LICENSE	20
12.	RENEWAL OF LICENSE	21
13.	ENFORCEMENT AND TERMINATION OF LICENSE	21
14.	MISCELLANEOUS PROVISIONS	23

EXHIBITS

EXHIBIT A -- SERVICE AREA

EXHIBIT B -- MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

EXHIBIT C -- PEG CHANNELS

EXHIBIT D -- CUSTOMER SERVICE STANDARDS

EXHIBIT E -- PERFORMANCE BOND

THIS CABLE LICENSE AGREEMENT (this "License") is entered into by and between the Board of Selectmen of the Town of Andover, as Issuing Authority for the grant of the cable television license pursuant to the Massachusetts Cable Law (M.G.L. c. 166A), and Verizon New England, Inc., a corporation duly organized under the applicable laws of the State of New York (the "Licensee").

WHEREAS, the Issuing Authority wishes to grant Licensee a nonexclusive License to install, maintain, extend and operate a Cable System in the Town as designated in this License;

WHEREAS, the Issuing Authority is a "franchising authority" in accordance with Title VI (as hereinafter defined) (see 47 U.S.C. § 522(10)) and is authorized to grant one or more nonexclusive cable licenses pursuant to the Massachusetts Cable Law;

WHEREAS, Licensee is in the process of upgrading its existing Telecommunications Facilities through the installation of a Fiber to the Premise Telecommunications Network ("FTTP Network") in the Town which transmits Non-Cable Services pursuant to authority granted by M.G.L. c. 166 and Title II, which Non-Cable Services are not subject to the Massachusetts Cable Law or Title VI;

WHEREAS, the FTTP Network occupies the Public Rights-of-Way within the Town, and Licensee desires to use portions of the FTTP Network once installed to provide Cable Services (as hereinafter defined) in the Town;

WHEREAS, Licensee submitted an application dated April 16, 2005, on Cable Division Form 100 for a license to operate and maintain a Cable System in the Town;

WHEREAS, pursuant to 207 CMR 3.03(3), the Issuing Authority released an Issuing Authority Report dated July 12, 2005, and Licensee submitted an amended application dated December 5, 2005;

WHEREAS, pursuant to 207 CMR 3.03(4), the Issuing Authority held a public hearing to assess the qualifications of Licensee, and has found Licensee to be financially, technically and legally qualified to operate the Cable System;

WHEREAS, the Issuing Authority has determined that, in accordance with the provisions of the Massachusetts Cable Law, the grant of a nonexclusive License to Licensee is consistent with the public interest; and

WHEREAS, the Issuing Authority and Licensee 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 Issuing Authority's grant of a License to Licensee, Licensee's promise to provide Cable Service to residents of the Town pursuant to the terms and conditions set forth herein, and for 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 Communications Act are incorporated herein and shall apply in this License. For the purpose of this License, the following words, terms, phrases and their derivations shall have the meanings given herein, unless the context clearly requires a different meaning in which case such other meaning shall apply. When not inconsistent with the context, the masculine pronoun includes the feminine pronoun, words used in the present tense include the future tense, words in the plural number include the singular number and words in the singular number include the plural number. The word shall is always mandatory and not merely directory. In addition, the following definitions shall apply:

1.1. *Access Channel*: A video Channel, which Licensee shall make available to the Town or its designee(s) without charge for non-commercial public, educational, or governmental use for the transmission of Video Programming as directed by the Town.

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 Licensee.

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 License.

1.4. *Cable Division:* The Cable Television Division of the Massachusetts Department of Telecommunications and Energy.

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).

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).

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

1.8. *CMR:* The Code of Massachusetts Regulations.

1.9. *Communications Act*: The Communications Act of 1934, as amended (47 U.S.C. § 101 et seq.), which includes the Cable Communications Policy Act of 1984, as amended (including as amended by the Cable Television Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996).

1.10. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of corporate affairs.

1.11. *Educational Access Channel*: An Access Channel provided to the Town pursuant to the terms and conditions of this License and available for the use of the local public schools in the Town and/or of a non-profit entity, as designated by the Issuing Authority.

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

1.13. *Force Majeure*: An event or events reasonably beyond the ability of Licensee or the Issuing Authority to anticipate and control. With respect to the Licensee, Force Majeure includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances, lockouts, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Licensee 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 Licensee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.14. *Franchise Fee:* Shall have the meaning as set forth in Section 622 (g) of the Communications Act (47 U.S.C. §542(g)).

1.15. *FTTP Network*: Shall have the meaning set forth in the recitals of this License.

1.16. *Government Access Channel*: An Access Channel provided to the Town pursuant to the terms and conditions of this License and available for use of the Issuing Authority and/or its designee(s).

1.17. *Gross Revenue:* All revenue which is derived by Licensee and/or its Affiliates from the operation of the Cable System to provide Cable Service in the Town, including, without limitation, the following items: fees, charges and payments collected from Subscribers for Cable Services (including, but not limited to basic and premium Cable Services and pay-per-view Cable Services); installation, reconnection, change-in-service (upgrades, downgrades, etc.) and similar charges; revenues received from rentals or sales to Subscribers of converters, remote controls, and other Subscriber equipment used to provide Cable Service over the Cable System; fees from third parties for leased access programming; revenues that the Licensee receives from home shopping channels for the use of the Cable System to sell merchandise as prorated to include such revenue attributable to the Cable System in the Town; advertising revenues as prorated to include such revenue attributable to the Cable System in the Town; and all fees imposed on the Licensee by this License and applicable law that are passed through and paid to the Licensee by Subscribers (including the License Fee (Section 6.1) and the PEG Access Support (Section 5.4)). Gross Revenue shall include revenue of an Affiliate only to the extent that such Affiliate revenue relates to the provision of Cable Services over the Cable System in the Town, and not the revenues of any such Affiliate that are not related thereto. In no event shall revenue of an Affiliate be Gross Revenue to the Licensee if such revenue is otherwise subject to Franchise Fees and paid to the Issuing Authority.

Provided, however, that Gross Revenue shall not include:

1.17.1. Revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Licensee to provide Cable Service over the Cable System, except to the extent that such revenues are derived from the operation of the Cable System to provide Cable Service in the Town;

1.17.2. Bad debts written off by Licensee in the normal course of its business, provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected;

1.17.3. Refunds, rebates or discounts made to Subscribers or other third parties;

1.17.4. Any revenues classified as Non-Cable Services revenue under federal or State law including, without limitation, revenue received from Telecommunications Services; or revenue received from Information Services, including, without limitation, Internet Access Service, electronic mail service, electronic bulletin board service, or similar online computer services;

1.17.5. Any revenue of Licensee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, notwithstanding 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, which portion shall be included in Gross Revenue;

1.17.6. Revenues from the sale of Cable Services on the Cable System to a reseller, when the reseller is required by law to pay (and does pay) Franchise Fees and other cable license fees to the Town on the resale of the Cable Services. Nothing under this Section is intended to limit the rights of the Town pursuant to Section 622(h) of the Communications Act (47 U.S.C. § 542(h));

1.17.7. Any tax of general applicability imposed by a Town, state, federal or any other governmental entity and required to be collected from Subscribers by Licensee and remitted to the taxing entity (including, but not limited to, sales/use taxes and non-cable license fees);

1.17.8. Any revenue foregone as a result of the Licensee's provision of free or reduced cost Cable Services as required by this License to any Person, including without limitation, employees of Licensee and public institutions or other institutions as required or permitted herein and to other customers which are exempt, as required or allowed by the Town; provided, however, that such foregone revenue which Licensee chooses not to receive in exchange for trades, barters, services or other items of value shall be included in Gross Revenue;

1.17.9. Revenues from the sales of capital assets or sales of surplus equipment;

1.17.10. Program launch fees; and

1.17.11. Directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing.

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

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

1.20. *Issuing Authority*: The Board of Selectmen of the Town of Andover.

1.21. *License Fee*: The payments to be made by the Licensee to the Town, which shall have the meaning as set forth in Section 9 of the Massachusetts Cable Law.

1.22. *Licensee:* Verizon New England, Inc., and its lawful and permitted successors, assigns and transferees.

1.23. *Massachusetts Cable Law:* Chapter 166A of the General Laws of the Commonwealth of Massachusetts.

1.24. *Non-Cable Services*: Any service that does not constitute the provision of Cable Services, including, but not limited to, Information Services and Telecommunications Services.

1.25. *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.

1.26. *Normal Operating Conditions*: Those service conditions which are within the control of the Licensee. Those conditions which are not within the control of the Licensee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are within the control of the Licensee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System. *See* 47 C.F.R. § 76.309(c)(4)(ii).

1.27. *PEG*: Public, educational, and governmental.

1.28. *PEG Channel*: An Access Channel that the Licensee provides to the Town pursuant to the terms and conditions of this License, and managed by the Issuing Authority and/or its designee(s).

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

1.30. *Public Access Channel*: An Access Channel provided to the Town pursuant to the terms and conditions of this License and available for the use by the residents in the Town and managed by the Issuing Authority and/or its designee(s).

1.31. *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 Town.

1.32. *Service Area*: The geographic boundaries of the Town, as outlined in **Exhibit A**.

1.33. *Service Date*: The date that the Licensee first provides Cable Service on a commercial basis directly to multiple Subscribers in the Town. The Licensee shall memorialize the Service Date by notifying the Issuing Authority in writing of the same, and the date set forth in such notice shall become a part of this License.

1.34. *State*: The Commonwealth of Massachusetts.

1.35. *Subscriber*: A Person who lawfully receives Cable Service in the Town.

1.36. *Telecommunications Facilities*: Licensee's existing Telecommunications Services and Information Services facilities, including the FTTP Network.

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

1.38. *Title II*: Title II of the Communications Act, Common Carriers.

1.39. *Title VI*: Title VI of the Communications Act, Cable Communications.

1.40. *Town*: The Town of Andover.

1.41. *Transfer*: Any transaction in which:

1.41.1. an ownership or other interest in Licensee is transferred or assigned, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Licensee is transferred; or

1.41.2. the rights held by Licensee under the License are transferred or assigned to another Person or group of Persons.

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

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1. *Grant of Authority*: Subject to the terms and conditions of this License and the Massachusetts Cable Law, the Issuing Authority hereby grants the Licensee the right to operate and maintain a Cable System within the Town, for the purpose of providing Cable Service. Reference herein to "Public Rights-of-Way" shall not be construed to be a representation

or guarantee by the Town that its property rights are sufficient to permit its use for any purpose, or that the Licensee shall gain or be permitted to exercise any rights to use property in the Town greater than those already possessed by the Town or which is inconsistent with the purposes for which it was taken, purchased and/or dedicated. This License grants no authority for the Licensee to use the Public Rights-of-Way within the Town for any other purpose unless otherwise provided herein. However, nothing in this License shall be construed to prohibit the Licensee from offering any service over the Cable System that is not prohibited by federal or State law provided that any requirements for Town authorization or permitting not inconsistent with federal and State law are satisfied. The Licensee's FTTP Network in the Public Rights-of-Way, which the Licensee has upgraded under its Title II authority, is subject to M.G.L. c. 166 and as such is subject to regulation by the Town consistent with that law, including all lawful and applicable Town bylaws and regulations regarding rights-of-way and public works matters, including rights-of-way management requirements with regard to public safety and other legitimate municipal concerns. Nothing in this Section 2.1 shall be deemed to prohibit the right of the Licensee to challenge the legality of such a Town bylaw or regulation. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this License.

2.2. *Issuing Authority Does Not Regulate Telecommunications*: The parties recognize that the Licensee's FTTP Network is being constructed and will be operated and maintained as an upgrade to and/or extension of its existing Telecommunications Facilities for the provision of Non-Cable Services. The jurisdiction of the Town over such Telecommunications Facilities is restricted by federal and State law, and the Town does not assert jurisdiction over the Licensee's FTTP Network in contravention of those limitations. Therefore, the Issuing Authority's regulatory authority under Title VI is not applicable to the construction, installation, maintenance or operation of the FTTP Network to the extent the FTTP Network is constructed, installed, maintained and operated for the purpose of upgrading and/or extending Verizon's existing Telecommunications Facilities for the provision of Non-Cable Services

2.3. *Term*: This License shall become effective on September 25, 2006 (the "Effective Date"). The term of this License shall be ten (10) years from the Effective Date unless this License is earlier revoked or terminated as provided herein.

2.4. *Grant Not Exclusive*: This License and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the Issuing Authority reserves the right to grant other Licenses 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 themselves, at any time during the term of this License. Any such rights shall not be in conflict with the authority as granted by this License. Disputes between the Licensee and other parties regarding use of Public Rights-of-Way shall be resolved in accordance with applicable law.

2.5. *License Subject to Federal and State Law/Preemption*: Notwithstanding any provision to the contrary herein, but subject to the provisions of Section 14.7 of this License, this License is subject to and shall be governed by all applicable provisions of federal and State law and regulations as they may be amended, including but not limited to the Communications Act and the Massachusetts Cable Law. In the event that federal or State law, rules, or regulations

preempt a provision or limit the enforceability of a provision of this License, 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 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 parties hereto. Notwithstanding the foregoing, if subsequent to the Effective Date, there is a change in federal or State law that eliminates the authority of the Issuing Authority to require, grant or maintain this License or permits the Licensee to opt out of this License, then to the extent permitted under law this License shall survive such legislation and remain in effect for the term of this License and the Licensee shall not exercise any such opt out rights that it may have under such legislation.

2.6. *No Waiver*:

2.6.1. The failure of the Issuing Authority on one or more occasions to exercise a right or to require compliance or performance under this License, the Massachusetts Cable Law or any other applicable law, bylaw or lawful regulation shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance by the Issuing Authority, nor to excuse Licensee from complying or performing, unless such right or such compliance or performance has been specifically waived in writing by the Issuing Authority.

2.6.2. The failure of the Licensee on one or more occasions to exercise a right under this License or applicable law, or to require performance under this License, shall not be deemed to constitute a waiver of such right or of performance of this License, nor shall it excuse the Issuing Authority from performance, unless such right or performance has been specifically waived in writing by the Licensee.

2.7. *Construction of Agreement*:

2.7.1. The provisions of this License shall be 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.

2.7.3. Should any change to local bylaws, rules or regulations cause the Licensee's provision of Cable Services in the Town to be commercially impracticable, then the parties shall modify this License to the mutual satisfaction of both parties to ameliorate such commercial impracticability. If the parties cannot reach agreement on the above-referenced modification to this License, then, at the Licensee's option the parties shall submit the matter to binding arbitration.

2.8. *Police Powers*: Nothing in this License shall be construed to prohibit the reasonable, necessary and lawful exercise of the Town's police powers. However, if the reasonable, necessary and lawful exercise of the Town's police powers causes the Licensee's provision of Cable Services in the Town to be commercially impracticable, then the parties shall modify this License to the mutual satisfaction of both parties to ameliorate such commercial

impracticability. If the parties cannot reach agreement on the above-referenced modification to this License, then, at the Licensee's option, the parties shall submit the matter to binding arbitration.

3. PROVISION OF CABLE SERVICE

3.1. *Service Area*: Licensee shall offer Cable Service to a significant number of residents in the Service Area within twelve (12) months of the Effective Date, and shall offer Cable Service to all occupied residential dwelling units of the Service Area within three (3) years of the Effective Date of this License, except: (A) for periods of Force Majeure; (B) for periods of delay caused by the Town; (C) for periods of delay resulting from Licensee's inability to obtain authority to access rights-of-way in the Town; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in developments or buildings that Licensee cannot obtain permission to access under reasonable terms and conditions after good faith negotiation, as reasonably determined by Licensee; and (F) in buildings where Licensee is unable to provide Cable Service for technical reasons or which require non-standard facilities which are not available on a commercially reasonable basis. The "Service Date" notice that the Licensee provides to the Issuing Authority pursuant to Section 1.33 above shall include a description of the areas of the Town to be served as of the Service Date.

3.2. *Availability of Cable Service*: Licensee shall make Cable Service available to all residential dwelling units within the Town in conformance with Section 3.1 and Licensee shall not discriminate between or among any individuals in the availability of Cable Service. In the areas in which Licensee provides Cable Service, the Licensee shall be required to connect, at Licensee's expense, all residential dwelling units that are within one hundred fifty (150) feet of trunk or feeder lines not otherwise already served by Licensee's FTTP Network. Where a residential connection exceeds such length, the Licensee shall be allowed to recover from such Subscriber the actual cost of connection attributable to the distance in excess of one hundred fifty (150) feet.

3.3. *Availability of Cable Service To Businesses*: The Licensee, may make Cable Service available to businesses. The Licensee may recover the actual cost incurred to connect any business to the Cable System for the provision of Cable Service.

3.4. *Cable Service to Public Buildings*:

3.4.1. Licensee shall comply with Section 5(e) of the Massachusetts Cable Law with respect to providing a cable drop and an outlet at no cost to public buildings in the Town. Without limiting the foregoing, subject to Section 3.1, Licensee shall provide the below referenced Cable Service and related equipment, without charge, within the Town, at those public buildings set forth in **Exhibit B** and up to two (2) additional public buildings as designated by the Issuing Authority during the term of this License:

3.4.1.1 The first service drop for each site;

3.4.1.2 One Subscriber digital converter activated for the most commonly subscribed to digital tier; and

3.4.1.3 One service outlet activated for the most commonly subscribed to digital tier. The parties recognize that this only pertains to the flat rate digital tier offered by the Licensee and does not include any pay per view services or similar services.

3.4.2. The Licensee shall not be responsible for the cost of any "terminal equipment" including TV monitors, VCRs/DVD/DVRs and/or computers, and shall not be responsible for any lost, stolen or damaged converters or other equipment.

3.4.3. The cost of inside wiring, additional drops or outlets, and additional converters requested by the Issuing Authority within the public buildings is the responsibility of the Town (or its designee). The Licensee shall coordinate the location of each outlet with representatives for each of the buildings receiving service pursuant to this Section 3.4.

4. SYSTEM FACILITIES

4.1. *System Characteristics:* Licensee's Cable System shall meet or exceed the following requirements and/or have at least the following characteristics:

4.1.1. The Cable System shall be designed with an initial analog and digital passband of 50-860 MHz.

4.1.2. The Cable 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.

4.1.3. The Cable System shall comply with applicable FCC technical standards, as such standards may be amended from time to time.

4.1.4. The Cable System shall conform in all material respects to the following standards to the extent applicable: Occupational Safety and Health Administration regulations, the Massachusetts Electrical Code, the National Electrical Code, the National Electrical Safety Code, the Massachusetts State Building Code, and the rules and regulations of the Cable Division and the FCC.

4.2. *Interconnection With Other Cable Systems:*

4.2.1. The Licensee shall design its Cable System so that it may be interconnected with other cable systems in the Town. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

4.2.2. The Licensee shall in good faith cooperate with the Issuing Authority in implementing interconnection of the Cable Service with communications systems beyond the boundaries of the Town; provided that the cost of any such interconnection shall be borne by the Issuing Authority and/or the party seeking such interconnection.

4.3. *Emergency Alert System*: Licensee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and any Local Area plan implemented consistent with 47 C.F.R. 11.21 in order that emergency messages may be distributed over the Cable System.

4.4. *Parental Control Capability*: The Licensee shall comply with all applicable requirements of federal law(s) governing Subscribers' capability to control the reception of any channels being received on their television sets.

5. PEG SERVICES AND SUPPORT

5.1. *PEG Channels*:

5.1.1. In order to ensure universal availability of PEG programming, Licensee shall provide capacity on its Basic Service tier for three (3) Channels for Public Access, Educational Access and Government Access (collectively, "PEG Channels") and shall transmit all Andover PEG Channels and PEG programming to its Subscribers consistent with the terms of this License.

5.1.2. The PEG Channel designations (i.e. Public Access Channel, Educational Access Channel or Government Access Channel) for each of the PEG Channels set aside by the Licensee are reflected on **Exhibit C**. The Issuing Authority hereby authorizes the Licensee to transmit such programming within the Town's jurisdictional boundaries and outside the Town's jurisdictional boundaries to other areas that are served out of the same central offices as those that serve the Town. Licensee shall assign the PEG Channels on its channel line-up as set forth in such **Exhibit C**, to the extent such channel assignments do not interfere with Licensee's existing or planned channel line-up or Licensee's contractual obligations. Licensee specifically reserves the right to make or change such assignments in its sole discretion. If a PEG Channel provided under this Article is not being utilized by the Town or its designee for a period of 120 days, the Licensee may utilize such PEG Channel, in its sole discretion, until such time as the Town elects to utilize the PEG Channel for its intended purpose. In the event that the Town determines to again use such PEG capacity, the Town shall provide Licensee with 120 days' prior written notice.

5.2. *PEG Interconnection and Cablecasting:* The Licensee shall have until September 1, 2007 or ninety (90) days after the Town completes the construction of an Institutional Network whichever is later, to receive the PEG Access Channels and programming at and from a Town designated Institutional Network source location on the Town's Institutional Network. The Licensee shall provide, install, maintain, repair and replace all equipment necessary to receive and transmit such PEG programming as described above to Subscribers, including any amplification, optical conversion, receiving, cable system headend, processing, switching, and transmitting equipment needed. The Licensee shall monitor the PEG Access Channels for technical quality and shall ensure that they are maintained at standards the same or better than those which apply to the Cable System's commercial channels, provided, however, that the Licensee is not responsible for the production quality of PEG Access programming

productions, nor for any deficiencies in the source signal it receives from any party over which the Licensee has no control.

5.3. *PEG/Institutional Network-Video Transport and Technology Grant*: The Licensee shall provide a PEG/Institutional Network/Video Transport and Technology Grant (hereinafter also referred to as the "PEG Grant") to the Issuing Authority or its designee(s) to be used for PEG equipment and facilities, including Institutional Network/Video Transport and Technology, as follows: (i) within forty-five (45) days of the Effective Date – Two Hundred Thousand Dollars ($200,000); (ii) on the first through fifth anniversaries of the Effective Date Fifty Thousand Dollars ($50,000); and (iii) on the sixth anniversary of the Effective Date – Thirty Six Thousand Dollars ($36,000). The PEG Grant shall not be counted against either the PEG Access Support payment required by Section 5.4, or any Franchise Fee/License Fee required by Section 6.1. The Issuing Authority and/or its designee(s) shall own all facilities and equipment purchased with the PEG Grant. The Licensee shall have no obligation to maintain, repair, replace or insure any equipment or facilities purchased with the PEG Grant.

5.4. *PEG Access Support*:

5.4.1. The Licensee shall provide annual funding to the Issuing Authority and/or its designee(s) for any cable related purpose, including PEG Access operating support and/or other PEG Access costs and expenses in the amount of five percent (5%) of the Licensee's annual Gross Revenue, subject to the limitation in Section 6.2; provided, however, that if the renewal license of the incumbent cable operator (or its successor or assign) in the Town, which renewal license is currently under negotiation, provides for the incumbent to pay a lower percentage during a time period, then the percentage of the Licensee's PEG Access support payments shall be reduced to match such lower percentage over that same time period. The PEG Access payments made directly to the Issuing Authority shall be placed by the Issuing Authority in a restricted account for cable related purposes in the nature of a grant account and not into the general fund, which account will be under the control of the Issuing Authority.

5.4.2. The PEG Access support payments (Section 5.4.1) shall be made no later than forty-five (45) days following the end of each calendar quarter. The final PEG Access support payment shall be made no later than forty-five (45) days following the expiration of the License term. Each payment made pursuant to this Section 5.4.2 shall be accompanied by a statement certified by a duly authorized representative of the Licensee documenting, in reasonable detail, the Gross Revenue as defined in Section 1.17.

5.4.3. In no case shall said five percent (5%) payment(s) include: (i) the PEG Grant required by Section 5.4 above; (ii) the costs of PEG interconnection and cablecasting obligations required by Section 5.2 above; or (iii) any other fees or payments required by applicable law; provided, however, that said five percent (5%) payments shall be a Franchise Fee, and subject to the five percent (5%) cap on Franchise Fees pursuant to Section 622(b) of the Communications Act (47 U.S.C. §542(b)).

5.5. *PEG Operational Rules*: The Issuing Authority or its designee shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize the Licensee to transmit programming consistent with this License. The Issuing

Authority or its designee shall establish rules and regulations for use of PEG facilities consistent with, and as required by, Section 611 of the Communications Act (47 U.S.C. § 531).

5.6. *Recovery of Costs.* To the extent permitted by federal law, the Licensee shall be allowed to recover the costs of the PEG Grant (Section 5.3), costs of PEG interconnection (Section 5.2), the PEG Access support payments (Section 5.4), and any other costs arising from the provision of PEG services and related payments, required by this License, from Subscribers and to accurately reflect such costs as a separately billed line item on each Subscriber's bill.

5.7. *Late Payments*: In the event that the PEG Grant (Section 5.3), the PEG Access Support fee (Section 5.4) or the License Fee (Section 6.1) is not paid on or before the due date set forth in this License for such payments, then interest shall accrue from the due date until the date paid at the rate equal to the lesser of (i) two percent (2%) per annum above the Prime Rate, or (ii) eighteen percent (18%) per annum, in either case compounded annually.

5.8. *Listing of PEG Access Channels On Licensee's Electronic Program Guide*: If the Licensee lists PEG Access programming on its electronic program guide in any other city or town in the State (other than on a test or trial basis), then it shall, upon request of the Issuing Authority, discuss in good faith with the Issuing Authority the suitability of listing the Town's PEG Access programming on the Licensee's electronic program guide.

5.9. *PEG Access Video-On-Demand*: If the Licensee provides any other city or town in the State with PEG Access "video-on-demand" (VOD) (other than on a test or trial basis), it shall, upon request of the Issuing Authority, discuss in good faith with the Issuing Authority the provision of PEG Access VOD in the Town, provided that, as a result of said discussions, the Licensee shall be under no obligation to provide PEG Access VOD in the Town.

5.10. *Censorship*: Subject to Section 611(e) of the Communications Act (47 U.S.C. § 531(e)), the Licensee shall comply with applicable federal laws restricting censorship or control of the content of PEG Access programming over the Cable System.

5.11. *Leased Access:* The Licensee shall comply with Section 612 of the Communications Act (47 U.S.C. § 532) with respect to designating channel capacity for commercial use.

5.12. *Non-Commercial Programming*: The Issuing Authority and its designee(s) shall not use the PEG Access channels to provide for-profit commercial programming. Nothing in this Section 5.12 shall prohibit the Issuing Authority or its designee(s) from having memberships, sponsorships, underwriting or acknowledgements (such as underwriting and acknowledgements accepted by PBS), to the extent not otherwise prohibited by applicable law and regulation.

6. FRANCHISE AND LICENSE FEES

6.1. *License Fee*: Pursuant to Massachusetts Cable Law, (M.G.L. c. 166A, Section 9), the Licensee shall pay to the Town, throughout the term of this License, a license fee

equal to fifty cents ($.50) per Subscriber per year (the "License Fee"), or such other amount as may in the future be designated by applicable State law.

6.2. *Maximum Franchise Fee Obligation*: The Licensee shall not be liable for a total Franchise Fee, pursuant to this License and applicable law in excess of five percent (5%) of its annual Gross Revenues; provided that said five percent (5%) shall include (i) the License Fee payable to the Town (Section 6.1), (ii) the License Fee payable to the State pursuant to Section 9 of the Massachusetts Cable Law, and (iii) the PEG Access Support funding (Section 5.4), but it shall not include: (A) the PEG Grant (Section 5.3), (B) PEG interconnection costs (Section 5.2), (C) any payments, expenses, or replenishment of the performance bond pursuant to Article 10 below; and (D) any other exclusions to the term "Franchise Fee" pursuant to Sections 622(g)(2) of the Communications Act.

6.3. *Payment Information:* In determining the License Fee, the number of Subscribers shall be measured as of December 31 of the preceding calendar year. The License Fee shall be paid no later than March 15 of each year during the term of this License.

6.4. *Limitation on Actions*: The parties agree that the period of limitation for recovery of any payment obligation under this License shall be three (3) years from the date on which payment by Licensee is due.

6.5. *Method of Payment*: The PEG Grant, the PEG Access Support and the License Fee shall be made payable to the Town and provided to the Issuing Authority, unless the Licensee is otherwise notified in writing by the Issuing Authority.

6.6. *Other Payment Obligations and Exclusions*:

6.6.1. Unless otherwise required by applicable law, the License Fee payments shall be in addition to and shall not constitute an offset or credit against any and all taxes or other fees or charges of general applicability which Licensee or any Affiliate shall be required to pay to the Town, or to any State or federal agency or authority, as required herein or by law; the payment of said taxes, fees or charges shall not constitute a credit or offset against the License Fee payments all of which shall be separate and distinct obligations of the Licensee and each Affiliate.

6.6.2. In accordance with Section 622(h) of the Communications Act (47 U.S.C. § 542(h)), nothing in the Communications Act or this License shall be construed to limit any authority of the Issuing Authority to impose a tax, fee or other assessment of any kind on any Person (other than the Licensee) with respect to Cable Service or other communications service provided by such Person over the Cable System for which charges are assessed to Subscribers but not received by the Licensee. For any twelve (12) month period, the fees paid by any such Person with respect to any such Cable Service or other communications service shall not exceed five percent (5%) of such Person's gross revenues derived in such period from the provision of such service over the Cable System.

6.7. *Affiliates Use of System*: Use of the Cable System and the provision of Cable Services within the Town by Affiliates shall be in compliance with applicable federal and State laws and regulations.

6.8. *Tender and Acceptance*: Tender or acceptance of any payment made pursuant to Articles 5 or 6 shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the Issuing Authority may have for additional sums, including interest payable under this License.

7. CUSTOMER SERVICE

Customer Service Requirements are set forth in **Exhibit D**, which shall be binding unless amended by written consent of the parties. Licensee shall comply with the billing and termination of service provisions set forth in 207 CMR 10.00, as amended, which shall supersede any conflicting provisions set forth in **Exhibit D**.

8. REPORTS AND RECORDS AND PERFORMANCE EVALUATIONS

8.1. *Open Books and Records*: Upon reasonable written notice to the Licensee and with no less than thirty (30) business days written notice to the Licensee, the Issuing Authority or its designated authorized representative(s) shall have the right to inspect Licensee's books and records including all documents in whatever form maintained, including electronic media, pertaining to the Cable System or the Licensee's provision of Cable Service in the Town at any time during Normal Business Hours and on a nondisruptive basis as are reasonably necessary to ensure compliance with the terms of this License. Such notice shall specifically reference the purpose of the review, so that Licensee may organize the necessary books and records for appropriate access by the Issuing Authority. Licensee shall not be required to maintain any books and records for License compliance purposes longer than three (3) years, except if required by applicable law or regulation. If any books, records, Service Area maps, plans, or other requested documents are too voluminous, not available locally, or for security reasons cannot be copied and moved, then the Licensee may request that the inspection take place at the Licensee's designated offices within the State (or other location mutually agreed to by the Issuing Authority and the Licensee), provided that (i) the Licensee must make necessary arrangements for copying documents selected by the Town after its review; and (ii) the Licensee must pay all travel and additional copying expenses incurred by the Town (above those that would have been incurred had the documents been produced in the Town) in inspecting those documents or having those documents inspected by its designee.

8.2. *Proprietary Books and Records*: If Licensee believes that the requested information is confidential and proprietary, the Licensee must provide the following documentation to the Town: (i) specific identification of the information; (ii) statement attesting to the reason(s) Licensee believes the information is confidential; and (iii) statement that the documents are available at the Licensee's designated offices within the State for inspection by the Town. The Town shall take reasonable steps to protect the proprietary and confidential nature of any books, records, Service Area maps, plans, or other Town-requested documents that are provided to the extent they are designated as such by the Licensee in accordance herewith, including, without limitation, cooperating with the Licensee's exercise of its rights to protect its confidential information from public disclosure.

8.3. *Privacy*: The Licensee shall take all reasonable steps required to ensure that it is able to provide the Town with all information that must be provided or may be requested under this License or applicable law, including the issuance of appropriate Subscriber privacy notices. The Licensee shall be responsible for redacting any data that applicable law prevents it from providing to the Town. Nothing in this Article 8 shall be read to require a Licensee to violate federal or State law protecting Subscriber privacy.

8.4. *Copying of Books and Records*: The Town shall have the right to copy any such books and records, at the Town's expense, except to the extent that the Town's review as the Issuing Authority is prohibited pursuant to applicable law.

8.5. *Complete and Accurate Records*: The Licensee shall keep complete and accurate books of account and records of its business and operations under and in connection with the License. Unless otherwise provided in this License or by applicable law, all such materials and information shall be maintained for a period of three (3) years. Said records shall include, but not be limited to the following:

8.5.1. Records of all written complaints for a period of three (3) years after receipt by Licensee. The term "complaint" as used herein refers to complaints about any aspect of the Cable System or Licensee's cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

8.5.2. Records of outages for a period of three (3) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

8.5.3. Records of service calls for repair and maintenance for a period of three (3) years after resolution by Licensee, 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;

8.5.4. Records of installation/reconnection and requests for service extension for a period of three (3) years after the request was fulfilled by Licensee, indicating the date of request, date of acknowledgment, and the date and time service was extended;

8.5.5. A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence the further provision of Cable Service; and

8.5.6. Records relating to Gross Revenues.

8.6. *Additional Reports*: The Licensee shall provide the Issuing Authority with a copy of any reports required to be provided to the Issuing Authority pursuant to applicable State law and regulation. In addition, the Licenses shall, upon written request by the Issuing Authority, provide the Issuing Authority with a copy of any documents or forms filed by the Licensee with the FCC and/or the DTE that materially pertain to the Licensee's Cable System in the Town.

8.7. *Proof of Performance Tests*: Upon written request of the Issuing Authority, the Licensee shall provide copies of performance tests required by applicable law

8.8. *Performance Evaluations*: The Licensee, if requested in writing by the Issuing Authority, shall attend a performance evaluation hearing no more than once per year. Nothing in this Section 8.8 shall limit any rights that the Issuing Authority may have to conduct additional hearings and/or compel the Licensee's attendance at such hearing. The Issuing Authority shall provide Licensee with the results of its performance evaluation in writing within thirty (30) days after the conclusion of such hearing.

9. INSURANCE AND INDEMNIFICATION

9.1. *Insurance*:

9.1.1. Licensee shall maintain in full force and effect, at its own cost and expense (including all deductibles), during the term of this License, the following insurance coverage:

9.1.1.1. Commercial General Liability Insurance in the amount of one million dollars ($1,000,000) combined single limit for property damage, bodily injury and death. Such commercial general liability insurance must include coverage for all of the following: comprehensive form, premises-operations, explosion and collapse hazard, underground hazard, products/completed operations hazard, contractual insurance, broad form property damage, and personal injury.

9.1.1.2. Automobile Liability Insurance for owned, non-owned, hired and/or rented motor vehicles in the amount of one million dollars ($1,000,000) combined single limit for bodily injury and property damage coverage.

9.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the State.

9.1.1.4. 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.

9.1.1.5. Excess liability or umbrella coverage covering in umbrella form all other insurance required by this Article 9, of not less than five million dollars ($5,000,000).

9.1.2. The Town shall be designated as additional insured under each of the insurance policies required in this Section 9.1 except Worker's Compensation and Employer's Liability.

9.1.3. Licensee shall not cancel any required insurance policy without submitting documentation to the Issuing Authority verifying that the Licensee has obtained alternative insurance in conformance with this License.

9.1.4. Each of the required insurance policies shall be with sureties qualified to do business in the State, with a B+ or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition or its successor.

9.1.5. Licensee shall deliver to the Issuing Authority Certificates of Insurance showing evidence of the required coverage.

9.1.6. All insurance shall be primary with respect to any insurance maintained by the Town and shall not call on the Town's insurance for contributions.

9.1.7. The Licensee shall require that every one of its contractors and their subcontractors are covered by the Licensee's insurance as required herein or, in the alternative, carry in full force and effect, the same insurance in the same minimum amounts and meeting the same minimum requirements as required herein.

9.1.8. Neither this Section 9.1, nor the provision of insurance or insurance proceeds pursuant to this Section 9.1, shall limit the liability of the Licensee or its obligation to indemnify the Town pursuant to this License.

9.1.9. All insurance policies shall have a thirty (30) day notice of cancellation.

9.2. *Indemnification*:

9.2.1. The Licensee shall, at its sole cost and expense, indemnify, hold harmless and defend the Town, its officials, officers, boards, committees, employees and agents, (hereinafter referred to as the "Town" for purposes of this Section 9.2) against any and all claims, suits, causes of action, proceedings, and judgments, whether for damages or otherwise arising out of or alleged to arise out of or from the installation, operation, or maintenance of the Cable System. Notwithstanding the foregoing, Licensee shall not indemnify the Town for any portion of damages, liability or claims resulting from the willful misconduct or negligence of the Town, its officers, agents, employees, or for any activity or function conducted by any Person other than Licensee, its officers, agents or employees, in connection with PEG Access or the Emergency Alert System.

9.2.2. The Town shall provide the Licensee with timely written notice of a claim or action for which it seeks indemnification under this Section 9.2; provided that in any event the Town shall provide the Licensee with such written notice within a period of time that allows the Licensee to take action to avoid entry of a default judgment and does not prejudice the Licensee's ability to defend the claim or action.

9.2.3. With respect to Licensee's indemnity obligations set forth in this Article 9, Licensee shall, at its own expense, provide the defense of any claims, suits, causes of action, or proceedings brought against the Town by selecting counsel of Licensee's choice to defend the claim, subject to applicable professional ethics laws and standards and the consent of the Town, which shall not unreasonably be withheld, delayed or conditioned. The Licensee shall, subject to the consent of the Issuing Authority as described herein, have the right to defend, settle or compromise any claim or action arising hereunder, so long as the settlement

includes a full release of the Town with respect to the claim giving rise to Licensee's indemnification obligation. In the event that the Town does not consent to the terms of any such settlement or compromise, the Licensee shall not settle the claim or action but its obligation to indemnify the Town shall in no event exceed the amount of the otherwise agreed upon settlement.

9.2.4. In the event that Licensee fails, after notice pursuant to Section 9.2.3, to undertake the Town's defense of any claims encompassed within this Section 9.2, then the Town may provide a second written notice to the Licensee. In the event that the Licensee fails to undertake the Town's defense within a reasonable time after receipt of said second notice, then Licensee's indemnification obligation under this Section 9.2 shall include the Town's costs of defending such claim, suit, cause of action or proceeding, including, but not limited to, reasonable attorneys' fees.

9.2.5. Neither the provisions of this Section 9.2, nor any damages recovered by the Town shall be construed to limit the liability of the Licensee or its subcontractors for damages under this License or to excuse the faithful performance of obligations required by this License, except to the extent that any monetary damages suffered by the Town have been satisfied by a financial recovery under this section or other provisions of this License.

10. PERFORMANCE BOND

10.1. Prior to the Service Date, Licensee shall provide to the Town, and shall maintain throughout the remainder of the term of this License and at no less than the following minimum amounts, a performance bond in the Town's favor in the amount of thirty thousand dollars ($30,000) securing the performance of Licensee's obligations under this License. The Town may not attempt to collect under this bond unless thirty (30) days have passed since the Town provided the Licensee with written notice of its intent to collect under this bond. If within this thirty (30) day time frame, Licensee gives written notice it disputes entitlement to payments from Licensee for which it has refused to make payment, the parties shall promptly meet to attempt to resolve the dispute in good faith amongst themselves.

10.2. The performance bond shall be in the same form as attached hereto as **Exhibit E**, however, notwithstanding any provision in **Exhibit E**, nothing shall permit the amount of the bond or any replacement bond to be less than the minimum amount required by Section 10.1 above. The Licensee shall not permit the performance bond to expire or approach less than thirty (30) days prior to expiration without securing and delivering to the Town a substitute, renewal or replacement bond in conformance with applicable law. The Licensee shall not materially change the terms of said bond without the prior written consent of the Issuing Authority.

10.3. There shall be recoverable by the Town from the principal and surety, any and all amounts due to the Town and any and all damages, losses, costs, and expenses incurred by the Town resulting from the failure of the Licensee to comply with the material provisions of this License, to comply with all orders, permits and directives of any Town agency or body

having jurisdiction over its acts or defaults, to pay fees, or penalties due to the Town, or to pay any claims, taxes or liens due to the Town. Such losses, costs and expenses shall include but not be limited to reasonable attorney's fees and other associated expenses, provided that the total of such losses, costs and expenses recovered from the bond shall not exceed the amount of such bond.

11. TRANSFER OF LICENSE

11.1. *Town Approval Required*: Subject to Section 617 of the Communications Act (47 U.S.C. §537) and Sections 11.2 and 11.3 below, Licensee shall not Transfer this License, voluntarily or involuntarily, directly or indirectly, to any other Person, without the prior written consent of the Issuing Authority, which consent shall not be arbitrarily or unreasonably withheld or delayed. Such consent shall be given only upon a written application therefore on forms prescribed by the Cable Division and/or the FCC.

11.2. *No Consent Required For Transfers Securing Indebtedness*: The Licensee shall not be required to file an application or obtain the consent or approval of the Town for a Transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Licensee in this License, the Licensee or Cable System in order to secure indebtedness. However, the Licensee will notify the Town within thirty (30) business days if at any time there is a mortgage or security interest granted on substantially all of the assets of the Cable System. The submission of the Licensee's audited financial statements prepared for the Licensee's bondholders shall constitute such notice.

11.3. *Consent Required For Any Affiliate Transfer*: Unless required by applicable federal or State law, the Licensee shall not be required to file an application or obtain the consent or approval of the Town for: any Transfer of an ownership or other interest in Licensee, the Cable System, or the Cable System assets to the parent of Licensee or to another Affiliate of Licensee; any Transfer of an interest in the License or the rights held by the Licensee under this License to the parent of Licensee or to another Affiliate of Licensee; any action which is the result of a merger of the parent of Licensee; or any action which is the result of a merger of another Affiliate of the Licensee. In the event such consent or approval of the Town is required by federal or State law, the Licensee shall notify the Town within thirty (30) business days if at any time a Transfer covered by this Section 11.3 occurs. The transferee of any Transfer covered by this Section 11.3 shall be legally qualified to hold, and shall be bound by the terms and conditions of, this License.

11.4. *Transfer Procedures*: Subject to applicable law, the Licensee shall submit to the Issuing Authority an original and a copy of the application and FCC Form 394 requesting any such Transfer consent. Pursuant to 207 CMR 4.03, the consent of the Issuing Authority shall be given only after a public hearing to consider the written application for Transfer. The Issuing Authority shall have 120 days from the filing of a completed FCC Form 394 to take final action on it. After 120 days, the application shall be deemed approved, unless said 120 day period is extended pursuant to applicable law. The Licensee shall reimburse the Town for its reasonable costs associated with the Transfer, assignment or disposition of the License, up to a maximum of Three Thousand Five Hundred Dollars ($3,500). The Licensee

shall make said payment within thirty (30) days of the Town providing the Licensee with documentation of the same.

11.5. *Non-Waiver*: The consent or approval of the Issuing Authority to any Transfer shall not constitute a waiver or release of any rights of the Town under this License, whether arising before or after the date of said Transfer.

12. RENEWAL OF LICENSE

The Town and Licensee agree that any proceedings undertaken by the Town that relate to the renewal of this License shall be governed by and comply with the provisions of Section 626 of the Communications Act (47 U.S.C. § 546), and the applicable provision of the Massachusetts Cable Law.

13. ENFORCEMENT/TERMINATION OF LICENSE

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

13.2. *Licensee's Right to Cure or Respond:* The Licensee shall have thirty (30) days from receipt of the Noncompliance Notice to: (i) respond to the Issuing Authority, if Licensee 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 thirty (30) day period, initiate reasonable steps to remedy such noncompliance as soon as reasonably possible and notify the Issuing Authority of the steps being taken and the date by which they are projected to be completed, all of which shall be to the reasonable satisfaction of the Issuing Authority. If the Licensee believes it has cured the subject non-compliance, it shall provide written notice of such to the Issuing Authority. The Town shall provide the Licensee with a written response as to whether such cure has been effected.

13.3. *Public Hearing*: In the event that the Licensee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or in the event that the alleged noncompliance is not remedied within thirty (30) days or the date projected pursuant to Section 13.2(iii) above, and if the Town seeks to continue its investigation into the alleged noncompliance, then the Issuing Authority shall schedule a public hearing. The Issuing Authority shall provide the Licensee with the following minimum written notice of such public hearing, which will specify the time, place and purpose of such public hearing, and provide Licensee the opportunity to be heard: (i) for a hearing for which the Issuing Authority states in the written notice that that revocation of the License shall not be a possible consequence – thirty (30) days written notice, and (ii) for a hearing for which the Issuing Authority does not state in the written notice that that revocation of the License shall not be a possible consequence – forty-five (45) days written notice.

13.4. *Enforcement*: Subject to applicable federal and State law, in the event the Issuing Authority, after the public hearing set forth in Section 13.3, determines that Licensee is in default of any provision of this License, the Issuing Authority may:

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

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

13.4.3. In the case of a substantial noncompliance of a material provision of this License, revoke this License in accordance with Section 13.5; and/or

13.4.4. Invoke any other lawful remedy available to the Town.

13.5. *Revocation Hearing*:

13.5.1. At the designated public hearing in which revocation is a possible consequence, the Licensee 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 Issuing Authority, 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 by the Issuing Authority of such hearing with the cost shared by the parties.

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

13.5.3. The Issuing Authority may, at its sole discretion, take any lawful action that it deems appropriate to enforce the Issuing Authority's rights under this License in lieu of revocation of this License.

14. MISCELLANEOUS PROVISIONS

14.1. *Actions of Parties*: In any action by the Town or Licensee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner.

14.2. *Binding Acceptance*: This License 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.

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

14.4. *Exhibits*: The Exhibits to this License attached hereto, and all portions thereof, are, except as otherwise specified in such Exhibits, incorporated herein by reference and expressly made a part of this License. The procedures for approval of any subsequent amendment or modification to said Exhibits shall be the same as those applicable to any amendment or modification hereof, except as specified in such Exhibit or elsewhere in this License.

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

14.6. *Equal Employment Opportunity*: The Licensee shall adhere to applicable Equal Employment Opportunity regulations of the FCC and to all federal, State and local laws pertaining to discrimination, equal employment opportunity and affirmative action that are applicable to the Licensee.

14.7. *Force Majeure*: The Licensee shall not be held in default under, or in noncompliance with, the provisions of the License, nor suffer any enforcement, liquidated damage, or penalty relating to noncompliance or default, where such noncompliance or alleged defaults were caused by a Force Majeure, provided that the Licensee takes reasonable steps under the circumstances to comply with the obligations of the License to the maximum extent possible without endangering the health or safety of the Licensee's employees or property, or the health or safety of the Town or the public, or their property. In the event that any such delay in performance or failure to perform affects only part of the Licensee's capacity to perform, the Licensee shall perform to the maximum extent it is able to do so in as expeditious a manner as possible under the circumstances. If Licensee's performance under this License is affected by Force Majeure, it shall notify the Issuing Authority within a reasonable period of time under the circumstances after it has knowledge of the Force Majeure event.

14.8. *Acts or Omissions of Affiliates*: During the term of this License, the Licensee shall be liable for the acts or omission of its Affiliates to the extent arising out of any such Affiliate's installation, maintenance or operation of the Cable System in the Town pursuant to this License.

14.9. *Warranties*: The Licensee represents and warrants to the Issuing Authority that, as of the Effective Date:

14.9.1. The Licensee is duly organized, validly existing and in good standing under the laws of its incorporation and is authorized to do business in the State;

14.9.2. The Licensee has the requisite power and authority under applicable law and its by-laws and articles of incorporation and other corporate authority to enter into and legally bind the Licensee to this License and to take all actions necessary to perform all of its obligations pursuant to this License;

14.9.3. This License is enforceable against the Licensee in accordance with the provisions herein, subject to applicable State and federal law; and

14.9.4. There is no action or proceedings pending against the Licensee that would reasonably interfere with its performance of this License.

14.10. *Notices*: Unless otherwise expressly stated herein, notices required under this License shall be forwarded in one of the following ways: (i) hand delivered (signature required), (ii) sent by express mail (signature required) or (iii) by certified mail/return receipt requested to, to the addressees below. Each party may change its designee by providing written notice to the other party.

Notices to Licensee shall be mailed to:

Verizon New England, Inc.
185 Franklin Street
Boston, MA 02110
Attention: Donna C. Cupelo, President

with a copy to:

Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097
Attention: Jack White, Senior VP and Deputy General Counsel

Notices to the Issuing Authority shall be mailed to:

Board of Selectmen
Town of Andover
Andover Town Hall
36 Bartlet Street
Andover, MA 01810

with a copy to:

Cable Advisory Committee, Chairman
Andover Town Hall
36 Bartlett Street
Andover, MA 01810

14.11. *Entire Agreement*: This License and the Exhibits hereto constitute the entire agreement between Licensee and the Town, and it supersedes all prior or contemporaneous agreements, representations or understandings (written or oral) of the parties regarding the subject matter hereof.

14.12. *Amendments*: Amendments or modifications to this License shall be mutually agreed to in writing by the parties.

14.13. *Severability*: If any section, subsection, sentence, paragraph, term or provision hereof is determined to be illegal, invalid or unenforceable 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 this License.

14.14. *No Third Party Beneficiary*: Nothing in this License shall be construed to create or confer any rights or benefits to any third party.

14.15. *No Recourse Against Issuing Authority*: Pursuant to Section 635A(a) of the Communications Act (47 U.S.C. §555a), the Licensee shall have no recourse against the Issuing Authority, the Town and/or its officials, members, employees or agents, other than injunctive relief or declaratory relief, arising from the regulation of cable service or from a decision of approval or disapproval with respect to a grant, renewal, transfer, or amendment of this License.

14.16. *Town's Right of Intervention*: The Town hereby reserves the right, as authorized by applicable law and/or regulation, to intervene in any suit, action or proceeding involving this License, or any provision in this License; provided, however, that this section shall not restrict the right of the Licensee to oppose such intervention, pursuant to applicable law.

14.17. *FTTP Network Transfer Prohibition*: Under no circumstance including, without limitation, upon expiration, revocation, termination, or denial of renewal of this License or any other action to forbid or disallow Licensee from providing Cable Services, shall Licensee or its assignees be required to sell any right, title, interest, use or control of any portion of Licensee's FTTP Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the Town or any third party. Licensee 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, or denial of renewal or any other action to forbid or disallow Licensee from providing Cable Services.

14.18. *Interpretation*: The Town and Licensee each acknowledge that it has received independent legal advice in entering into this License. In the event that a dispute arises over the meaning or application of any term(s) of this License, such term(s) shall not be construed by the reference to any doctrine calling for ambiguities to be construed against the drafter of the License.

14.19. *Jurisdiction:* Except as otherwise set forth in Section 2.8 and Subsection 2.7.3 of this License, exclusive jurisdiction and venue over any dispute arising out of this License shall be in a court of appropriate venue and subject matter jurisdiction located in the Commonwealth of Massachusetts, and the parties hereby agree to be subject to the personal jurisdiction of said court for the resolution of any such dispute. This provision is not intended to limit the right of either party to remove a matter to Federal or State court in Massachusetts as permitted by law.

[SIGNATURE PAGE FOLLOWS]

AGREED TO THIS 26 DAY OF September 2006.

TOWN OF ANDOVER
By its Board of Selectmen:

Alexander J. Vispoli, Chairman

John P. Hess, Vice Chair

Mary K. Lyman

Brian P. Major

Ted E. Teichert

Approved as to legal form:

William H. Solomon
Special Cable Counsel

VERIZON NEW ENGLAND, INC.

By: Donna C. Cupelo
Donna C. Cupelo, President

FORM APPROVED
Attorney
Date 9/22/06

EXHIBITS

EXHIBIT A – SERVICE AREA

EXHIBIT B – MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

EXHIBIT C – PEG CHANNELS

EXHIBIT D – CUSTOMER SERVICE STANDARDS

EXHIBIT E – PERFORMANCE BOND

EXHIBIT A

SERVICE AREA

(See attached map)

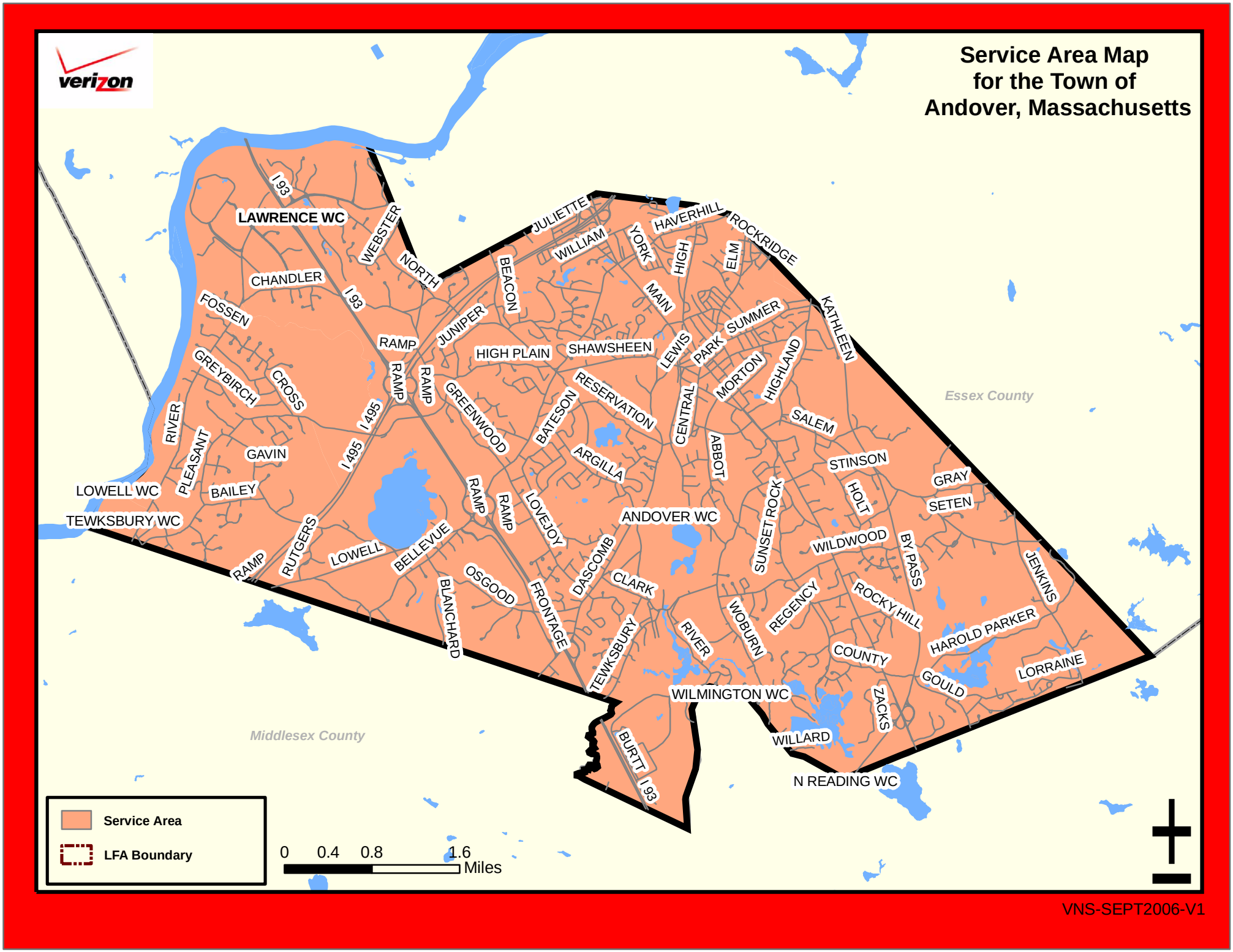
verizon
Service Area Map
for the Town of
Andover, Massachusetts
LAWRENCE WC
LOWELL WC
TEWKSBURY WC
ANDOVER WC
WILMINGTON WC
N READING WC
Essex County
Middlesex County
I 93
I 495
RAMP
WEBSTER
NORTH
CHANDLER
FOSSEN
GREYBIRCH
CROSS
RIVER
PLEASANT
GAVIN
BAILEY
RUTGERS
LOWELL
BELLEVUE
BLANCHARD
OSGOOD
FRONTAGE
TEWKSBURY
DASCOMB
CLARK
LOVEJOY
GREENWOOD
BATESON
RESERVATION
ARGILLA
JUNIPER
BEACON
HIGH PLAIN
SHAWSHEEN
JULIETTE
WILLIAM
YORK
HAVERHILL
ROCKRIDGE
HIGH
ELM
MAIN
LEWIS
PARK
SUMMER
KATHLEEN
MORTON
HIGHLAND
CENTRAL
ABBOT
SALEM
STINSON
GRAY
SETEN
HOLT
SUNSET ROCK
WILDWOOD
BY PASS
JENKINS
ROCKY HILL
REGENCY
WOBURN
HAROLD PARKER
COUNTY
LORRAINE
GOULD
ZACKS
WILLARD
BURTT
Service Area
LFA Boundary
0 0.4 0.8 1.6
Miles
VNS-SEPT2006-V1

EXHIBIT B

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

1.	Andover High School	80 Shawsheen Road
2.	Ballardvale Fire Station	163 Andover Street
3.	Bancroft School	15 Bancroft Road
4.	Doherty Middle School	50 Bartlet Street
5.	Memorial Hall Library	3 Main Street
6.	Municipal Maintenance Building	90 Red Spring Road
7.	Old Town House	20 Main Street
8.	Police/Fire Station	32 Main Street
9.	Public Works Yard	11 Lewis Street
10.	Sanborn School	90 Lovejoy Road
11.	School Administration Building	36R Bartlet Street
12.	Shawsheen School	18 Magnolia Avenue
13.	South School	55 Woburn Street
14.	Town Office Building	36 Bartlet Street
15.	Water Treatment Plant	397 Lowell Street
16.	West Andover Fire Station	200 Greenwood Road
17.	West Elementary School	60 Beacon Street
18.	West Middle School	70 Shawsheen Road
19.	High Plain Elementary School	High Plain Road
20.	Wood Hill Middle School	Cross Street
21.	Spring Grove Cemetery	Spring Grove Road

EXHIBIT C

PEG CHANNELS

Channel 10 - Educational Access Channel
Channel 8 - Public Access Channel
Channel 22 - Governmental Access Channel

EXHIBIT D

CUSTOMER SERVICE STANDARDS

These standards shall, starting six months after the Service Date, apply to the Licensee to the extent it is providing Cable Services over the Cable System in the Town.

DEFINITIONS

A. Respond: Licensee's investigation of a Service Interruption by receiving a Subscriber call and opening a trouble ticket, if required.

B. Service Call: The action taken by the Licensee to correct a Service Interruption the effect of which is limited to an individual Subscriber.

C. Service Interruption: The loss of picture or sound on one or more cable Channels.

D. Significant Outage: A significant outage of the Cable Service shall mean any Service Interruption lasting at least four (4) continuous hours that affects at least ten percent (10%) of the Subscribers in the Service Area.

E. Standard Installation: Installations where the Subscriber is within one hundred fifty (150) feet of trunk or feeder lines.

SECTION 1: BILL PAYMENT AND EQUIPMENT RETURN

The Licensee shall have a location convenient to the Town that shall be open during Normal Business Hours and accessible to Subscribers to make bill payments. For Subscriber equipment pick-up, the Licensee shall provide for one or more of the following methods: (i) setting a specific appointment time or four (4) hour time period during Normal Business Hours, during which Licensee's representative(s) shall visit the Subscriber's premises to pick-up or exchange Subscriber equipment, (ii) using a mailer, or (iii) establishing a reasonably convenient location for the pick-up and exchange of Subscriber equipment.

SECTION 2: TELEPHONE AVAILABILITY

A. The Licensee shall maintain a toll-free number to receive all calls and inquiries from Subscribers in the Town and/or residents regarding Cable Service. Licensee representatives trained and qualified to answer questions related to Cable Service in the Service Area must be available to receive reports of Service Interruptions twenty-four (24) hours a day, seven (7) days a week, and other inquiries at least forty-five (45) hours per week. Licensee representatives shall identify themselves by name when answering this number.

B. The Licensee's telephone numbers shall be listed, with appropriate description (e.g. administration, customer service, billing, repair, etc.), in the directory published by the local

telephone company or companies serving the Service Area, beginning with the next publication cycle after acceptance of this License by the Licensee.

C. Licensee may use an Automated Response Unit ("ARU") or a Voice Response Unit ("VRU") to distribute calls. If a foreign language routing option is provided, and the Subscriber does not enter an option, the menu will default to the first tier menu of English options.

After the first tier menu (not including a foreign language rollout) has run through three times, if customers do not select any option, the ARU or VRU shall forward the call to a queue for a live representative. The Licensee may reasonably substitute this requirement with another method of handling calls from customers who do not have touch-tone telephones.

D. Under Normal Operating Conditions, calls received by the Licensee shall be answered within thirty (30) seconds. The Licensee shall meet this standard for ninety percent (90%) of the calls it receives at all call centers receiving calls from Subscribers, as measured on a cumulative quarterly calendar basis. Measurement of this standard shall include all calls received by the Licensee at all call centers receiving calls from Subscribers, whether they are answered by a live representative, by an automated attendant, or abandoned after 30 seconds of call waiting.

E. Under Normal Operating Conditions, callers to the Licensee shall receive a busy signal no more than three (3%) percent of the time during any calendar quarter.

F. Upon request from the Town, but in no event more than once a quarter thirty (30) days following the end of each quarter, the Licensee shall report to the Town the following for all call centers receiving calls from Subscribers except for temporary telephone numbers set up for national promotions:

(1) Percentage of calls answered within thirty (30) seconds as set forth in Subsection 2.D.

(2) Percentage of time customers received busy signal when calling the Verizon service center as set forth in Subsection 2.E.

Subject to consumer privacy requirements, underlying activity shall be made available to the Town for review upon reasonable request.

G. At the Licensee's option, the measurements and reporting above may be changed from calendar quarters to billing or accounting quarters. The Licensee shall notify the Town of such a change at least thirty (30) days in advance of any implementation.

SECTION 3: INSTALLATIONS AND SERVICE APPOINTMENTS

A. All installations shall be in accordance with FCC rules, including but not limited to, appropriate grounding, connection of equipment to ensure reception of Cable Service, and the provision of required consumer information and literature to adequately inform the Subscriber in the utilization of the Licensee-supplied equipment and Cable Service.

B. The Standard Installation shall be performed within seven (7) business days after the placement of the Optical Network Terminal ("ONT") on the customer's premises or within seven (7) business days after an order is placed if the ONT is already installed on the customer's premises. The Licensee shall meet this standard for ninety-five percent (95%) of the Standard Installations it performs, as measured on a calendar quarter basis, excluding customer requests for connection later than seven (7) days after ONT placement or later than seven (7) days after an order is placed if the ONT is already installed on the customer's premises. Notwithstanding the foregoing sentences, all Standard Installations shall be performed within fourteen (14) business days after an order is placed.

C. The Licensee shall provide the Town with a report upon request from the Town, but in no event more than once a quarter thirty (30) days following the end of each quarter, noting the percentage of Standard Installations completed within the seven (7) day period, excluding those requested outside of the seven (7) day period by the Subscriber. Subject to consumer privacy requirements, underlying activity shall be made available to the Town for review upon reasonable request.

At the Licensee's option, the measurements and reporting of above may be changed from calendar quarters to billing or accounting quarters. The Licensee shall notify the Town of such a change not less than thirty (30) days in advance.

D. The Licensee shall offer Subscribers "appointment window" alternatives for arrival to perform installations, Service Calls and other activities of a maximum four (4) hours scheduled time block during appropriate daylight available hours, usually beginning at 8:00 AM unless it is deemed appropriate to begin earlier by location exception. At the Licensee's discretion, the Licensee may offer Subscribers appointment arrival times other than these four (4) hour time blocks, if agreeable to the Subscriber. These hour restrictions do not apply to weekends.

SECTION 4: SERVICE INTERRUPTIONS AND OUTAGES

A. The Licensee shall promptly notify the Town of any Significant Outage of the Cable Service.

B. The Licensee shall exercise commercially reasonable efforts to limit any Significant Outage for the purpose of maintaining, repairing, or constructing the Cable System. Except in an emergency or other situation necessitating a more expedited or alternative notification procedure, the Licensee may schedule a Significant Outage for a period of more than four (4) hours during any twenty-four (24) hour period only after the Town and each affected Subscriber in the Service Area have been given fifteen (15) days prior notice of the proposed Significant Outage.

C. Licensee representatives who are capable of responding to Service Interruptions must be available to Respond twenty-four (24) hours a day, seven (7) days a week.

D. Under Normal Operating Conditions, the Licensee must Respond to a call from a Subscriber regarding a Service Interruption or other service problems within the following time frames:

(1) Within twenty-four (24) hours, including weekends, of receiving Subscriber calls respecting Service Interruptions in the Service Area.

(2) The Licensee must begin actions to correct all other Cable Service problems the next business day after notification by the Subscriber or the Town of a Cable Service problem.

E. Under Normal Operating Conditions, the Licensee shall complete Service Calls within seventy-two (72) hours of the time Licensee commences to Respond to the Service Interruption, not including weekends and situations where the Subscriber is not reasonably available for a Service Call to correct the Service Interruption within the seventy-two (72) hour period.

F. The Licensee shall meet the standard in Subsection E of this Section for ninety percent (90%) of the Service Calls it completes, as measured on a quarterly basis.

G. The Licensee shall provide the Town with a report upon request from the Town, but in no event more than once a quarter within thirty (30) days following the end of each calendar quarter, noting the percentage of Service Calls completed within the seventy-two (72) hour period not including Service Calls where the Subscriber was reasonably unavailable for a Service Call within the seventy-two (72) hour period as set forth in this Section. Subject to consumer privacy requirements, underlying activity shall be made available to the Town for review upon reasonable request. At the Licensee's option, the above measurements and reporting may be changed for calendar quarters to billing or accounting quarters. The Licensee shall notify the Town of such a change at least thirty (30) days in advance.

H. Under Normal Operating Conditions, the Licensee shall provide a credit upon Subscriber request when all Channels received by that Subscriber are out of service for a period of twenty-four (24) consecutive hours or more. The credit shall equal, at a minimum, a proportionate amount of the affected Subscriber(s) current monthly bill. In order to qualify for the credit, the Subscriber must promptly report the problem and allow the Licensee to verify the problem if requested by the Licensee. If Subscriber availability is required for repair, a credit will not be provided for such time, if any, that the Subscriber is not reasonably available.

I. Under Normal Operating Conditions, if a Significant Outage affects all Video Programming Cable Services for more than twenty-four (24) consecutive hours, the Licensee shall issue an automatic credit to the affected Subscribers in the amount equal to their monthly recurring charges for the proportionate time the Cable Service was out, or a credit to the affected Subscribers in the amount equal to the charge for the basic plus enhanced basic level of service

for the proportionate time the Cable Service was out, whichever is technically feasible or, if both are technically feasible, as determined by Licensee provided such determination is non-discriminatory. Such credit shall be reflected on Subscriber billing statements within the next available billing cycle following the outage.

J. With respect to service issues concerning cable services provided to Town facilities, Licensee shall Respond to all inquiries from the Town within four (4) hours and shall commence necessary repairs within twenty-four (24) hours under Normal Operating Conditions. If such repairs cannot be completed within twenty-four (24) hours, the Licensee shall notify the Town in writing as to the reason(s) for the delay and provide an estimated time of repair.

SECTION 5: CUSTOMER COMPLAINTS

A. Under Normal Operating Conditions, the Licensee shall investigate Subscriber complaints referred by the Town within seventy-two (72) hours. The Licensee shall notify the Town of those matters that necessitate an excess of seventy-two (72) hours to resolve, but those matters must be resolved within fifteen (15) days of the initial complaint. The Town may require reasonable documentation to be provided by the Licensee to substantiate the request for additional time to resolve the problem. For purposes of this Section, "resolve" means that the Licensee shall perform those actions, which, in the normal course of business, are necessary to investigate the Customer's complaint and advise the Customer of the results of that investigation.

B. To the extent required by Section 10 of the Massachusetts Cable Law and 207 CMR 2.03(3), the Licensee shall notify the Issuing Authority on Cable Division Form 500 on an annual basis with respect to Subscriber complaints.

SECTION 6: BILLING

A. Subscriber bills must be itemized to describe Cable Services purchased by Subscribers and related equipment charges, and shall include the information required by 207 CMR 10.03(1) in clear, concise and understandable language and format. Bills shall clearly delineate activity during the billing period, including optional charges, rebates, credits, and aggregate late charges. Licensee shall, without limitation as to additional line items, be allowed to itemize as separate line items, License fees, taxes and/or other governmentally imposed fees. The Licensee shall maintain records of the date and place of mailing of bills.

B. Every Subscriber with a current account balance sending payment directly to Licensee shall be given at least five (5) days from the date statements are mailed to the Subscriber until the payment due date.

C. A specific due date shall be listed on the bill of every Subscriber.

D. Any Subscriber who, in good faith, disputes all or part of any bill shall have the option of withholding the disputed amount without disconnect or late fee being assessed until the dispute is resolved provided that:

(1) The Subscriber pays all undisputed charges;

(2) The Subscriber provides notification of the dispute to Licensee within thirty (30) days after the due date; and

(3) The Subscriber cooperates in determining the accuracy and/or appropriateness of the charges in dispute.

E. The Licensee shall notify the Subscriber of the result of its investigation of any complaint and shall give an explanation for its decision within 30 business days after the receipt of the complaint. The Subscriber shall forfeit any rights under 207 CMR 10.07 if he or she fails to pay the undisputed balance within 30 days. Any Subscriber who disagrees with the results of Licensee's investigation shall promptly inquire about and take advantage of any complaint resolution mechanism, formal or informal, available under this License or through the Issuing Authority before the Cable Division may accept a petition. The Subscriber or Licensee may petition the Cable Division to resolve disputed matters within 30 days of any final action.

F. The Licensee shall forward a copy of any Cable Service related billing inserts or other mailing sent to Subscribers to the Town upon request.

G. The Licensee shall provide all Subscribers with the option of paying for Cable Service by check or an automatic payment option where the amount of the bill is automatically deducted from a checking account designated by the Subscriber. Licensee may in the future, at its' discretion, permit payment by using a major credit card on a preauthorized basis. Based on credit history, at the option of the Licensee, the payment alternative may be limited.

H. In accordance with 207 CMR 10.05(2), a Subscriber account shall not be considered delinquent until a minimum of thirty (30) days has passed after the bill due date.

SECTION 7: DEPOSITS, REFUNDS AND CREDITS

A. The Licensee may require refundable deposits from Subscribers with 1) a poor credit or poor payment history, 2) who refuse to provide credit history information to the Licensee, or 3) who rent Subscriber equipment from the Licensee, so long as such deposits are applied on a non-discriminatory basis. The deposit the Licensee may charge Subscribers with poor credit or poor payment history or who refuse to provide credit information may not exceed an amount equal to an average Subscriber's monthly charge multiplied by six (6). The maximum deposit the Licensee may charge for Subscriber equipment is the cost of the equipment which the Licensee would need to purchase to replace the equipment rented to the Subscriber.

B. The Licensee shall refund or credit the Subscriber for the amount of the deposit collected for equipment, which is unrelated to poor credit or poor payment history, after one year and provided the Subscriber has demonstrated good payment history during this period.

C. Under Normal Operating Conditions, refund checks shall be issued within the next available billing cycle following the resolution of the event giving rise to the refund (e.g., equipment return and final bill payment.

D. Credits for Cable Service shall be issued no later than the Subscriber's next available billing cycle, following the determination that a credit is warranted, and the credit is approved and processed. Such approval and processing shall not be unreasonably delayed.

E. Bills shall be considered paid when appropriate payment is received by the Licensee or its' authorized agent. Appropriate time considerations shall be included in the Licensee's collection procedures to assure that payments due have been received before late notices or termination notices are sent.

SECTION 8: RATES, FEES AND CHARGES

A. The Licensee shall not, except to the extent expressly permitted by law, impose any fee or charge for Service Calls to a Subscriber's premises to perform any repair or maintenance work related to Licensee equipment necessary to receive Cable Service, except where such problem is caused by a negligent or wrongful act of the Subscriber (including, but not limited to a situation in which the Subscriber reconnects Licensee equipment incorrectly) or by the failure of the Subscriber to take reasonable precautions to protect the Licensee's equipment (for example, a dog chew).

B. The Licensee shall provide reasonable notice to Subscribers of the possible assessment of a late fee on bills or by separate notice.

SECTION 9: DISCONNECTION /DENIAL OF SERVICE

A. The Licensee shall not terminate Cable Service for nonpayment of a delinquent account unless the Licensee mails a notice of the delinquency and impending termination prior to the proposed final termination. The notice of termination shall be mailed to the Subscriber to whom the Cable Service is billed. The notice of delinquency and impending termination may be part of a billing statement.

B. Cable Service terminated in error must be restored without charge within twenty-four (24) hours of notice. If a Subscriber was billed for the period during which Cable Service was terminated in error, a credit shall be issued to the Subscriber if the Service Interruption was reported by the Subscriber.

C. Nothing in these standards shall limit the right of the Licensee to deny Cable Service for non-payment of previously provided Cable Services, refusal to pay any required deposit, theft of Cable Service, damage to the Licensee's equipment, abusive and/or threatening behavior toward the Licensee's employees or representatives, or refusal to provide credit history

information or refusal to allow the Licensee to validate the identity, credit history and credit worthiness via an external credit agency.

D. Charges for cable service shall be discontinued at the time of the requested termination of service by the Subscriber, except equipment charges may by applied until equipment has been returned. No period of notice prior to requested termination of service can be required of Subscribers by the Licensee. No charge shall be imposed upon the Subscriber for or related to total disconnection of Cable Service or for any Cable Service delivered after the effective date of the disconnect request, unless there is a delay in returning Licensee equipment or early termination charges apply pursuant to the Subscriber's service contract. If the Subscriber fails to specify an effective date for disconnection, the Subscriber shall not be responsible for Cable Services received after the day following the date the disconnect request is received by the Licensee. For purposes of this subsection, the term "disconnect" shall include Subscribers who elect to cease receiving Cable Service from the Licensee and to receive Cable Service or other multi-channel video service from another Person or entity.

SECTION 10: COMMUNICATIONS WITH SUBSCRIBERS

A. All Licensee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Licensee shall wear a clearly visible identification card bearing their name and photograph. The Licensee shall make reasonable effort to account for all identification cards at all times. In addition, all Licensee representatives shall wear appropriate clothing while working at a Subscriber's premises. Every service vehicle of the Licensee and its contractors or subcontractors shall be clearly identified as such to the public. Specifically, Licensee vehicles shall have the Licensee's logo plainly visible. The vehicles of those contractors and subcontractors working for the Licensee shall have the contractor's / subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to the Licensee.

B. All contact with a Subscriber or potential Subscriber by a Person representing the Licensee shall be conducted in a courteous manner.

C. The Licensee shall send annual notices to all Subscribers informing them that any complaints or inquiries not satisfactorily handled by the Licensee may be referred to the Town.

D. All notices identified in this Section shall be by either:

(1) A separate document included with a billing statement or included on the portion of the monthly bill that is to be retained by the Subscriber; or

(2) A separate electronic notification

E. The Licensee shall provide reasonable notice to Subscribers of any pricing changes or additional changes (excluding sales discounts, new products or offers) and, subject to the forgoing, any changes in Cable Services, including channel line-ups. Such notice must be

given to Subscribers a minimum of thirty (30) days in advance of such changes if within the control of the Licensee, and the Licensee shall provide a copy of the notice to the Town including how and where the notice was given to Subscribers.

F. The Licensee shall provide information to all Subscribers about each of the following items at the time of installation of Cable Services, annually to all Subscribers, at any time upon request, and, subject to Subsection 10.E., at least thirty (30) days prior to making significant changes in the information required by this Section if within the control of the Licensee:

(1) Products and Cable Service offered;

(2) Prices and options for Cable Services and condition of subscription to Cable Services. Prices shall include those for Cable Service options, equipment rentals, program guides, installation, downgrades, late fees and other fees charged by the Licensee related to Cable Service;

(3) Installation and maintenance policies including, when applicable, information regarding the Subscriber's in-home wiring rights during the period Cable Service is being provided;

(4) Channel positions of Cable Services offered on the Cable System;

(5) Complaint procedures, including the name, address and telephone number of the Town, but with a notice advising the Subscriber to initially contact the Licensee about all complaints and questions;

(6) Procedures for requesting Cable Service credit;

(7) The availability of a parental control device;

(8) Licensee practices and procedures for protecting against invasion of privacy; and

(9) The address and telephone number of the Licensee's office to which complaints may be reported.

A copy of notices required in this Subsection 10.F. shall be given to the Town at least fifteen (15) days prior to distribution to Subscribers if the reason for notice is due to a change that is within the control of Licensee and as soon as possible if not with the control of Licensee.

G. Notices of changes in rates shall indicate the Cable Service new rates and old rates, if applicable.

H. Notices of changes of Cable Services and/or Channel locations shall include a description of the new Cable Service, the specific channel location, and the hours of operation of

the Cable Service if the Cable Service is only offered on a part-time basis. In addition, should the channel location, hours of operation, or existence of other Cable Services be affected by the introduction of a new Cable Service, such information must be included in the notice.

I. Every notice of termination of Cable Service shall include the following information:

(1) The name and address of the Subscriber whose account is delinquent;

(2) The amount of the delinquency for all services billed;

(3) The date by which payment is required in order to avoid termination of Cable Service; and

(4) The telephone number for the Licensee where the Subscriber can receive additional information about their account and discuss the pending termination.

J. The Licensee shall comply with all applicable federal and State laws relating to Subscriber privacy, including the provisions of Section 631 of the Communications Act (47 U.S.C. §551).

SECTION 11: SUBSCRIBER PRIVACY

The Licensee shall comply with applicable federal and state law and regulations regarding Subscriber privacy, including 47 U.S.C. §551.

EXHIBIT E

FORM OF PERFORMANCE BOND

Franchise Bond
Bond No. _____

KNOW ALL MEN BY THESE PRESENTS: That (name & address) (hereinafter called the Principal), and (name and address) (hereinafter called the Surety), a corporation duly organized under the laws of the State of (state), are held and firmly bound unto (name & address) (hereinafter called the Obligee), in the full and just sum of _____ Dollars ($_____), the payment of which sum, well and truly to be made, the said Principal and Surety bind themselves, their heirs, administrators, executors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal and Obligee have entered into a License Agreement dated_____ which is hereby referred to and made a part hereof.

WHEREAS, said Principal is required to perform certain obligations under said Agreement.

WHEREAS, the Obligee has agreed to accept this bond as security against default by Principal of performance of its obligations under said Agreement during the time period this bond is in effect.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal shall perform its obligations under said Agreement, then this obligation shall be void, otherwise to remain in full force and effect, unless otherwise terminated, cancelled or expired as hereinafter provided.

PROVIDED HOWEVER, that this bond is executed subject to the following express provisions and conditions:

1. In the event of default by the Principal, Obligee shall deliver to Surety a written statement of the details of such default within 30 days after the Obligee shall learn of the same, such notice to be delivered by certified mail to address of said Surety as stated herein.

2. This Bond shall be effective _____, 20___, and shall remain in full force and effect thereafter for a period of one year and will automatically extend for additional one year periods from the expiry date hereof, or any future expiration date, unless the Surety provides to the Obligee not less than sixty (60) days advance written notice of its intent not to renew this Bond or unless the Bond is earlier canceled pursuant to the following. This Bond may be canceled at any time upon sixty (60) days advance written notice from the Surety to the Obligee.

3. Neither cancellation, termination nor refusal by Surety to extend this bond, nor inability of Principal to file a replacement bond or replacement security for its obligations under said Agreement, shall constitute a loss to the Obligee recoverable under this bond.

4. No claim, action, suit or proceeding shall be instituted against this bond unless same be brought or instituted and process served within one year after termination or cancellation of this bond.

5. No right of action shall accrue on this bond for the use of any person, corporation or entity other than the Obligee named herein or the heirs, executors, administrators or successors of the Obligee.

6. The aggregate liability of the surety is limited to the penal sum stated herein regardless of the number of years this bond remains in force or the amount or number of claims brought against this bond.

7. This bond is and shall be construed to be strictly one of suretyship only. If any conflict or inconsistency exists between the Surety's obligations as described in this bond and as may be described in any underlying agreement, permit, document or contract to which this bond is related, then the terms of this bond shall supersede and prevail in all respects.

This bond shall not bind the Surety unless it is accepted by the Obligee by signing below.

IN WITNESS WHEREOF, the above bounded Principal and Surety have hereunto signed and sealed this bond effective this _____ day of _____, 2006.

Principal	**Surety**
By: _____	By: _____ , Attorney-in-Fact

Accepted by Obligee: _____
(Signature & date above - Print Name, Title below)