CABLE TELEVISION
FINAL LICENSE

GRANTED TO

VERIZON NEW ENGLAND INC.

THE BOARD OF SELECTMEN

TOWN OF DANVERS,
MASSACHUSETTS

DECEMBER 2, 2008

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THIS CABLE TELEVISION FINAL LICENSE (this "Final License") is entered into by and between the Board of Selectmen of the Town of Danvers (the "Town"), as Issuing Authority for the grant of cable television license(s) pursuant to M.G.L. Chapter 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 the Licensee a nonexclusive Final License to construct, install, maintain, extend and operate a Cable System in the Town as designated in this Final License;

WHEREAS, the Issuing Authority is a "franchising authority" in accordance with Section 602(10) of the Communications Act, and is authorized to grant one or more nonexclusive cable licenses pursuant to M.G.L. Chapter 166A;

WHEREAS, the 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 for the transmission of Non-Cable Services pursuant to authority granted by M.G.L. c. 166 and Title II;

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

WHEREAS, the Issuing Authority initiated the cable television licensing process in the Town on January 15, 2008;

WHEREAS, pursuant to 207 CMR 3.03(2), the Licensee submitted an application to the Town dated March 19, 2008, 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 May 23, 2008, and the Licensee submitted an amended application in response thereto dated June 12, 2008;

WHEREAS, pursuant to 207 CMR 3.03(4), the Issuing Authority held a public hearing on December 2, 2008, to assess the qualifications of the Licensee, and has found the Licensee to be qualified to operate the Cable System;

WHEREAS, the Issuing Authority has determined that it is in the best interests of the Town to grant a nonexclusive Final License to the Licensee;

WHEREAS, the Issuing Authority and the 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; and

WHEREAS, the Issuing Authority exercised diligent efforts to ensure that the terms and conditions in this Final License are, in light of all relevant circumstances, on terms no more

favorable or less burdensome than those contained in the Cable Television Renewal License, dated April 17, 2001, granted to AT&T CSC, Inc.

NOW, THEREFORE, in consideration of the Issuing Authority's grant of a Final License to the Licensee, the Licensee's commitment 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 HERETO 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 Final License. For the purpose of this Final License, the following words, terms, phrases and their derivations shall have the meanings given herein. 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 the Licensee shall make available to the Town of Danvers and/or its designee(s) without charge for non-commercial public, educational, or governmental use for the transmission of non-commercial Video Programming as directed by the Issuing Authority and in accordance with the terms of this Final License.

1.2. *Access Corporation*: The entity, designated by the Issuing Authority of the Town of Danvers, that is responsible for operating and managing the use of PEG Access Channels, facilities, funding and programming in the Town.

1.3. *Affiliate*: When used in relation to any Person, another Person who owns or controls, is owned or controlled by, or is under common ownership or control with, such Person.

1.4. *Basic Service Tier*: Any service tier which includes the retransmission of local television broadcast signals.

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

1.6. *Cable Service* or *Cable Services*: Shall be defined herein as it is defined under Section 602(6) of the Communications Act, 47 U.S.C. § 522(6), meaning the one-way transmission to Subscribers of Video Programming or other programming service, and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming service.

1.7. *Cable System* or *System*: Shall be defined herein as it is defined under Section 602(7) of the Communications Act, 47 U.S.C. § 522(7), meaning a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple Subscribers within the Town, but such term does not include (A) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (B) a facility that serves subscribers without using any public right-of-way; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act, except that such facility shall be considered a cable system (other than for purposes of section 621(c) of the Communications Act) to the extent such facility is used in the transmission of video programming directly to subscribers unless the extent of such use is solely to provide interactive on-demand services; (D) an open video system that complies with Section 653 of the Communications Act; or (E) any facilities of any electric utility used solely for operating its electric utility systems.

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

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

1.10. *Commercial Subscriber*: A commercial, non-residential Subscriber.

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

1.12. *Complaint*: Shall be defined herein as it is defined by the Cable Division's Order Adopting Revised Form 500 (June 11, 1999), meaning any written or verbal contact with the Licensee in connection with Cable Service in which a Person expresses dissatisfaction with an act, omission, product or service that is (1) within the Licensee's control, and (2) requires a corrective measure on the part of the Licensee.

1.13. *Converter*: A device capable of unscrambling coded video signals distributed over the Cable System.

1.14. *Educational Access Channel*: An Access Channel available for the use of local educational institutions in the Town, as well as the Access Corporation.

1.15. *Effective Date*: The Effective Date of this Final License, being December 2, 2008.

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

1.17. *Force Majeure*: Acts of God; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightening; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; civil disturbances; explosions; strikes, labor disturbances or lockouts;

unavailability of essential equipment, services and/or materials and/or other matters beyond the control of the Issuing Authority, the Town or the Licensee, and unreasonable work delays.

1.18. *FTTP Network*: The network constructed and operated by the Licensee and having the meaning set forth in the recitals of this Final License.

1.19. *Government Access Channel*: An Access Channel made available by the Licensee for use of the Issuing Authority and/or its designee to present non-commercial governmental programming.

1.20. *Gross Revenues*: All revenues derived by the 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 collected from Subscribers (including Commercial Subscribers) for Cable Services, including, without limitation, Basic and premium Cable Services, pay-per-view Cable Services, video-on-demand Cable Services and digital Cable Services; installation, reconnection, downgrade, upgrade 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; Leased Access Channel programming revenues; revenues that the Licensee receives from home shopping channels 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 Final License and applicable law that are passed through and paid by Subscribers ("fee-on-fee") in accordance with applicable law. Gross Revenues based on bundled services shall be calculated in accordance with Section 5.3.3 below. Gross Revenues shall be determined in accordance with generally accepted accounting principles; provided, however, that Gross Revenues shall not include:

1.20.1. Revenues received by any of Licensee's Affiliates, except to the extent that such revenues relate directly to the provision of Cable Services over the Cable System in the Town;

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

1.20.3. Any revenues foregone as a result of (i) refunds, rebates or discounts made to Subscribers, or (ii) the Licensee's provision of free or reduced cost Cable Services to any Person, including without limitation, employees of the Licensee and public institutions pursuant to M.G.L. Chapter 166A, Section 5(e); provided, however, that if the Licensee receives trades, barters, services or other items of value instead of cash revenue then such items shall be included in Gross Revenue;

1.20.4. Any revenues wholly generated by services that are defined and classified as Non-Cable Services revenue under federal or State law including, without limitation, revenues received from Telecommunications Services; revenues received from Information Services, and directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing;

1.20.5. Any revenues of the 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;

1.20.6. Revenues from the sale of Cable Services on the Cable System to a reseller, when the reseller is required by the Town to pay (and does pay) License Fees to the Town on the resale of the Cable Services;

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

1.20.8. Revenues from the sales of capital assets or sales of surplus equipment; provided that this exclusion shall not include sales to Subscribers of Converters, remote controls and other Subscriber equipment for the provision of Cable Service over the Cable System; and

1.20.9. Any fees or charges collected from Subscribers for the PEG Access Capital Funding (except to the extent that the Issuing Authority provides the Licensee with evidence that such fees and charges are included in the Gross Revenues of other cable operators in the Town).

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

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

1.23. *Issuing Authority*: The Board of Selectmen of the Town of Danvers, Massachusetts.

1.24. *Leased Access Channel*: A Channel that the Licensee designates for commercial use pursuant to Section 612 of the Communications Act.

1.25. *License Fee*: The payments to be made by the Licensee to the Town, which shall have the meaning as set forth in Section 622(g) of the Communications Act and Section 9 of M.G.L. Chapter 166A.

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

1.27. *M.G.L. Chapter 166A*: Chapter 166A of the General Laws of the Commonwealth of Massachusetts.

1.28. *Non-Cable Services*: Any service that does not constitute Cable Service(s) as defined herein over the FTTP Network in the Town, including, but not limited to, Information Services (which includes, but is not limited to, Internet Access Service) and Telecommunications Services; provided that if Internet Access Service is hereafter determined by the FCC or a court of competent jurisdiction to be a Cable Service, then Internet Access Service shall not be considered a Non-Cable Service.

1.29. *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.

1.30. *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 ordinarily 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 upgrade of the Cable System.

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

1.32. *PEG Access Capital Funding*: Funding to be provided by the Licensee to the Issuing Authority for cable-related purposes, as set forth in Section 5.3.1 of this Final License.

1.33. *PEG Access Channel*: An Access Channel made available to the Town and/or the Access Corporation for PEG Access Programming pursuant to the terms of this Final License.

1.34. *PEG Access Programming*: Non-commercial Video Programming transmitted on the PEG Access Channel(s) pursuant to the terms of this Final License, and applicable laws.

1.35. *Person*: Any corporation, partnership, limited partnership, association, trust, organization, joint stock company, other business entity, individual, or governmental entity.

1.36. *Prime Rate*: The prime rate of interest as published in the Wall Street Journal.

1.37. *Public Access Channel*: An Access Channel made available by the Licensee for the use by the residents in the Town and/or the Access Corporation.

1.38. *Public Rights-of-Way*: The surface of, as well as the spaces above and below, any and all public streets, avenues, highways, boulevards, concourses, driveways, bridges, tunnels, parks, parkways, waterways, bulkheads, piers, dedicated public utility easements, and public grounds or waters and all other publicly owned real property within or belonging to the Town, now or hereafter existing.

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

1.40. *Service Area*: All portions of the Town where Cable Service is being offered, as outlined in **Exhibit A**, being the entire Town of Danvers.

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

1.42. *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, which notification shall become a part of this Final License.

1.43. *Service Interruption*: The loss of picture or sound on one or more Channels.

1.44. *Significant Outage*: Any Service Interruption lasting at least four (4) continuous hours that affects at least ten percent (10%) of the Subscribers in the Service Area.

1.45. *Standard Installation*: Residential installations where the Subscriber is within one hundred fifty (150) feet of the Licensee's Cable System, as described in Section 3.2 below.

1.46. *State*: The Commonwealth of Massachusetts.

1.47. *Subscriber*: Any Person who lawfully receives Cable Service distributed over the Cable System with the Licensee's express permission.

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

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

1.50. *Title II*: Title II of the Communications Act.

1.51. *Title VI*: Title VI of the Communications Act.

1.52. *Town*: The Town of Danvers, Massachusetts.

1.53. *Video Programming or Programming*: Shall be defined herein as it is defined under Section 602(20) of the Communications Act, 47 U.S.C. § 522(20), meaning programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

2. GRANT OF FINAL LICENSE AUTHORITY

2.1. *Grant of Authority*: Subject to the terms and conditions of this Final License and pursuant to M.G.L. Chapter 166A, the Issuing Authority hereby grants the Licensee the right to own, operate and maintain a Cable System in, under, over and along the Public Rights-of-Way within the Town and subsequent additions thereto, in order to provide Cable Service. This Final License grants no authority for the Licensee to use the Public Rights-of-Way within the Town for any other purpose(s) unless otherwise provided herein. The Licensee's FTTP Network is subject to M.G.L. c. 166 and as such is subject to regulation by the Town consistent with that law. The Licensee shall adhere to all applicable local bylaws and lawful regulations of the Town regarding Public Rights-of-Way and public works matters, including rights-of-way management requirements with regard to public safety, aesthetics, pole attachments 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 local bylaws, regulations and requirements, or the right of the Issuing Authority to oppose any such challenge. Consistent with and subject to the Licensee's existing authority to operate in the Public Rights-of-Way, grant of this Final License does not establish priority for use over other present or future permit holders or the Town's own use of Public Rights-of-Way. Any disputes between the Licensee and other parties regarding use of the Public Rights-of-Way shall be resolved in accordance with applicable law and regulations.

2.2. *Issuing Authority Does Not Regulate Telecommunications*: The parties recognize that the FTTP Network is being constructed and will be operated and maintained as an upgrade to and/or an extension of the Licensee's existing Telecommunications Facilities under Title II and M.G.L. c. 166. In accordance with applicable law(s), the Issuing Authority's regulatory authority under Title VI does not extend to the construction, installation, maintenance or operation of the FTTP Network to the extent the FTTP Network is and/or was constructed, installed, maintained or operated for the purpose of upgrading and/or extending Verizon's existing Telecommunications Facilities for the provision of Non-Cable Services. The Town does not and will not assert jurisdiction over the Licensee's FTTP Network in contravention of applicable federal or State law(s). The Cable System shall be limited to the optical spectrum wavelength(s), bandwidth or future technological capacity that is used for the transmission of Cable Services to Subscribers within the Town and shall not include the Telecommunications Facilities of the Licensee. Nothing in this Final 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.

2.3. *Term*: The term of this Final License shall be for a period of ten (10) years, commencing on December 2, 2008 (the "Effective Date"), and shall expire at midnight on December 1, 2018, unless sooner revoked or terminated as provided herein.

2.4. *Grant Not Exclusive*: This Final 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 itself, at any time during the term of this Final License. The issuance of additional cable license(s)

shall be subject to applicable federal laws, M.G.L. Chapter 166A and applicable regulations promulgated thereunder.

2.5. *Final License Subject to Applicable Federal and State Law*: Subject to Section 2.6 below, this Final License is subject to and shall be governed by all applicable provisions of federal and State law(s) and regulations as they may be amended, including but not limited to Title VI and M.G.L. Chapter 166A.

2.6. *Change of Laws*: If, subsequent to the Effective Date, there is a change in federal or State law that eliminates the authority of local governments to require and/or grant cable television licenses and/or franchises for the provision of Cable Service, then to the extent permitted by law this Final License shall survive such legislation and remain in effect for the term of this Final License.

2.7. *No Waiver*:

2.7.1. The failure of the Issuing Authority on one or more occasions to exercise a right or to require compliance or performance under this Final License, M.G.L. Chapter 166A or any other applicable law 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 the Licensee from complying or performing, unless such right or such compliance or performance has been specifically waived in writing.

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

2.8. *Construction of Final License*:

2.8.1. The provisions of this Final License shall be liberally construed to effectuate their objectives.

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

2.9. *Police Powers*: Nothing in this Final License shall be construed to prohibit the reasonable, necessary and lawful exercise of the Town's police powers, provided that the Town shall not exercise its police powers in a manner that would result in a material alteration of the terms and conditions of this Final License. Any such police powers exercised by the Town in contravention of the preceding sentence shall be of no effect with respect to this Final License.

2.10. *Transfer of the Final License*:

2.10.1. Subject to Section 617 of the Communications Act, M.G.L. Chapter 166A and Section 2.10.2 below, the Licensee shall not transfer this Final License

without the prior consent of the Issuing Authority, provided that such consent shall not be arbitrarily or unreasonably withheld, delayed or conditioned. Such consent shall be given only after a public hearing upon a written application therefore on forms prescribed by the Cable Division and/or the FCC. Subject to applicable law, the Licensee shall submit to the Issuing Authority an original and one (1) copy of the application on FCC Form 394 requesting such transfer request. The Issuing Authority shall have one hundred twenty (120) days, or such other time frame that may be established by applicable law, from the filing of the completed Form 394 to take final action on it. If the Issuing Authority has not taken final action within such 120 day period, then the application shall be deemed approved, unless said 120 day period is extended by mutual consent of the parties.

2.10.2. The Licensee shall not be required to obtain the Issuing Authority's consent to transfer this Final License in connection with any transaction that does not constitute a transfer of control under applicable State laws and regulations, including, without limitation, the following: (i) (A) a transfer of an ownership or other interest in the Licensee to the parent of the Licensee or to another Affiliate of the Licensee; (B) transfer or assignment of this Final License or control thereof to the parent of the Licensee or to another Affiliate of the Licensee; (C) any action which is the result of a merger of the parent of the Licensee; or (D) any action which is the result of a merger of another Affiliate of the Licensee; or (ii) in connection with a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Licensee in this Final License or the Cable System in order to secure indebtedness; provided, however, that to the extent that any of the foregoing transactions are determined to constitute a transfer of control pursuant to 207 CMR 4.01, then such transaction shall be subject to the Cable Division's transfer regulations (207 CMR 4.00, et. seq.).

2.10.3. Pursuant to 207 CMR 4.04, as may be amended, and applicable federal law, in considering a request to transfer control of this Final License, the Issuing Authority may consider only the transferee's management experience, technical expertise, financial capability and legal ability to operate the Cable System under this Final License, and any other criteria allowable under applicable law and/or regulation.

2.10.4. The consent or approval of the Issuing Authority to a transfer of this Final License shall not constitute a waiver or release of the rights of the Town under this Final License.

2.10.5. In the event that this Final License is transferred, the transferee shall be subject to all of the terms and conditions contained in this Final License.

3. PROVISION OF CABLE SERVICE

3.1. *Service Area*: The Licensee shall offer Cable Service to substantially all residential households in the Town served by aerial plant, and may make Cable Service available to businesses in the Service Area, within twelve (12) months of the Effective Date, and shall offer Cable Service to all residential households in the Town within four (4) years of the Effective Date, except: (A) for periods of Force Majeure; (B) for periods of delay resulting from the Licensee's inability to obtain authority from the Town to access Public Rights-of-Way in the Service Area; (C) in developments or buildings that are subject to claimed exclusive arrangements with other cable providers; (D) in developments or buildings that the Licensee cannot access under reasonable terms and conditions after good faith negotiations, as determined in good faith by the Licensee; and (E) in developments or buildings that the 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.

3.2. *Availability of Cable Service*: The Licensee shall make Cable Service available to all residential dwelling units, and may make Cable Service available to businesses, within the Town in conformance with Section 3.1. In the areas in which the Licensee shall provide Cable Service, the Licensee shall be required to connect, at the Licensee's expense, all residential dwelling units that are within one hundred fifty (150) feet of the Licensee's FTTP Network. The Licensee shall be allowed to recover, from a Subscriber who requests such connection, actual costs incurred for residential dwelling unit connections that exceed one hundred fifty (150) feet, and actual costs incurred to connect any non-residential dwelling unit Subscriber.

3.3. *Cable Service to Public Buildings*: The Licensee shall provide one Cable Service drop, outlet and monthly Basic Service along its activated Cable System route in the Town, as required by M.G.L. Chapter 166A, Section 5(e) at no cost to public schools, police and fire stations, public libraries and other public buildings designated in writing by the Issuing Authority. All such written designations shall include the street address of each building. The current designation of such buildings and their addresses is set forth in **Exhibit B**. The Licensee shall coordinate the location of each outlet with representatives for each of the buildings receiving service pursuant to this Section 3.3.

4. SYSTEM FACILITIES

4.1. *System Characteristics*: The Licensee's Cable System shall meet or exceed the following requirements:

4.1.1. The Cable System shall be designed with an initial digital carrier passband of between 54 and 863 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 National Electrical Code and the National Electrical Safety Code.

4.2. *Emergency Alert System*: The Licensee shall comply with the Emergency Alert System ("EAS") requirements of the FCC in order that emergency messages may be distributed over the Cable System.

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

5. PEG ACCESS SERVICES AND SUPPORT

5.1. *PEG Access Channels*:

5.1.1. The Licensee shall make available to the Issuing Authority and/or the Access Corporation, as designated by the Issuing Authority, capacity on its Basic Service Tier for Three (3) PEG Access Channels.

5.1.2. The Licensee may carry PEG Access Programming within and outside the Town's jurisdictional boundaries, provided that PEG Access Programming from outside the Town which is carried in the Town shall not be cablecast on any of the PEG Access Channels made available to the Issuing Authority and/or the Access Corporation pursuant to Section 5.1.1 above. The Licensee reserves the right to make or change PEG Access Channel assignments in its sole discretion. If a PEG Access Channel provided under this Article is not being utilized by the Issuing Authority and/or the Access Corporation, the Licensee may utilize such PEG Access Channel by providing at least sixty (60) days advance written notice to the Issuing Authority. In the event that the Issuing Authority and/or the Access Corporation determines to use such PEG Access capacity for PEG Access purposes, the Issuing Authority shall have the right to utilize such PEG Access Channel by providing at least sixty (60) days advance written notice to the Licensee.

5.2. *PEG Access Interconnection*: The Licensee, at the Licensee's expense, shall interconnect its Cable System with the existing cable operator's cable system at the PEG Access Studio (as of the Effective Date, located at 10 School Street) in order to cablecast, on a live basis, all PEG Access Programming consistent with this Final License. The Licensee shall take commercially reasonable steps to accomplish such interconnection within one-hundred twenty (120) days of the Effective Date. If the Licensee has not accomplished such interconnection within one-hundred twenty (120) days of the Effective Date, the Licensee shall provide a written description of the status of interconnection efforts to the Issuing Authority within ten (10) business days after the conclusion of such one-hundred twenty (120) day time period. The Issuing Authority shall work with the Licensee in good faith to resolve any interconnection issues.

5.3. *PEG Access Capital Funding and PEG Access Support*:

5.3.1. *PEG Access Capital Funding*: The Licensee shall provide equipment and/or facilities funding to the Issuing Authority and/or the Access Corporation, as directed by the Issuing Authority, for the support of the production of local PEG Access Programming and/or other cable-related purposes (the "PEG Access Capital Funding"). The PEG Access Capital Funding provided by the Licensee hereunder shall be Three Hundred Ninety Eight Thousand One Hundred Sixty Eight Dollars ($398,168), and payable as follows: Ninety Nine Thousand Five Hundred Forty Two Dollars ($99,542) paid within sixty (60) days of the Effective Date; and Ninety Nine Thousand Five Hundred Forty Two Dollars ($99,542) paid on each of the second (2nd), third (3rd) and fourth (4th) anniversaries of the Effective Date. The Town and/or the Access Corporation shall own all equipment purchased with funding pursuant to this Section 5.3.1, and the Licensee shall have no obligation to maintain, repair, replace or insure any such equipment.

5.3.2. *PEG Access Support*: The Licensee shall provide funding to the Issuing Authority and/or the Access Corporation, as directed by the Issuing Authority, to be used to support ongoing operations of PEG Access Programming (the "PEG Access Support"). Such funding shall be used by the Issuing Authority and/or the Access Corporation for personnel, operating and other related expenses incurred in connection with PEG Access Programming operations. Subject to Section 6.2 below, the PEG Access Support provided by the Licensee hereunder shall be three percent (3%) of the Licensee's annual Gross Revenues. Said PEG Access Support shall be paid in accordance with Section 5.3.3 below. Each such payment shall be accompanied by a Gross Revenue reporting form substantially similar to **Exhibit C**.

5.3.3. *Payments*: The PEG Access Support payments, pursuant to Section 5.3.2 above, shall be made no later than forty-five (45) days following the end of each calendar quarter. The Licensee shall be allowed to provide an extra payment if needed to correct any payments that were incorrectly omitted, or shall have the right to offset against future payments any payments that were incorrectly submitted, in connection with the quarterly remittances within ninety (90) days following the close of the calendar quarter for which such payments were applicable. For purposes of this Section 5.3.3, the period for determining Gross Revenues shall be the preceding calendar quarter. If the Licensee bundles Cable Service with Non-Cable Service, the Licensee agrees that it shall allocate the discount associated with such bundle consistent with the portion allocated in the Licensee's books and records kept in the regular course of the Licensee's business and consistent with generally accepted accounting principles. However, the parties agree that tariffed Telecommunications Services that cannot be discounted under State or federal law or regulation are excluded from the bundled discount allocation obligations in this Section.

5.3.4. *Recovery of Costs*: To the extent permitted by applicable federal law, the Licensee shall be allowed to recover the costs of the PEG Access Capital Funding, the PEG Access Support and any other costs, including interconnection costs (in accordance with applicable laws and/or regulations), arising from the provision of PEG Access services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill.

5.3.5. *Late Payments*: In the event that any of the PEG Access Capital Funding (Section 5.3.1), the PEG Access Support (Section 5.3.2) and/or the License Fee payments (Section 6.1 below) is or are not paid on or before the due date set forth in this Final

License for such payments, then interest shall accrue from the due date until the date paid at the rate of two percent (2%) per annum above the Prime Rate, compounded annually.

5.4. *Institutional Network Support*: The Licensee shall share in the costs incurred by the incumbent cable operator to construct, install and maintain the incumbent cable operator's Institutional Network ("I-Net") in the Town (which I-Net is required by Section 3.2 of the incumbent cable operator's renewal license with the Town dated April 17, 2001) by making payments to the incumbent cable operator pursuant to the interconnection agreement described in Section 5.2 of this Final License, as follows: from the Effective Date through April 21, 2011, the Licensee shall make payments in order to share in the construction, installation and maintenance costs of the I-Net; and from April 22, 2011 through the remaining term of this Final License, the Licensee shall make payments in order to share in the maintenance costs of the I-Net.

5.5. *PEG Access Channel Maintenance/Technical Standards/Performance Tests*: The Licensee shall monitor the PEG Access Channels for technical quality consistent with applicable FCC technical standards, as such standards may be amended from time to time, and shall ensure that they are maintained at standards the same as those which apply to the Cable System's commercial channels; provided that the Licensee is not responsible for the production quality of PEG Access Programming productions, nor for any deficiencies in the signal that it receives from the Town and/or the Access Corporation. Upon the written request of the Issuing Authority, the Licensee shall make available to the Issuing Authority a copy of the Licensee's most recent annual performance tests.

5.6. *Censorship*: The Licensee, the Issuing Authority and the Access Corporation shall comply with applicable laws regarding program censorship or any other control of the content of the PEG Access Programming on the Cable System.

5.7. *PEG Access Operational Rules*. The Issuing Authority and/or the Access Corporation shall establish rules and regulations that require all local producers and users of any of the PEG Access facilities or Channels to assume individual responsibility for any program-based liability including but not limited to liability for copyright infringement or defamation, and to hold the Issuing Authority, the Access Corporation, the Town and the Licensee harmless for same, subject to applicable Title VI and FCC requirements. The Access Corporation shall establish rules and regulations for use of PEG Access facilities consistent with, and as required by, Section 611 of the Communications Act (47 U.S.C. § 531) and this Final License.

6. LICENSE FEES

6.1. *License Fee*: Pursuant to Section 9 of M.G.L. Chapter 166A, the Licensee shall pay to the Town, throughout the term of this Final License, a license fee equal to fifty cents ($.50) per Subscriber per year.

6.2. *Maximum License Fee Obligation*: The Licensee shall not be liable for an annual License Fee commitment pursuant to this Final License and applicable law in excess of five percent (5%) of its annual Gross Revenues; provided that such five percent (5%) shall include (i) the License Fee payable to the Town (Section 6.1), (ii) the License Fee payable to the Commonwealth of Massachusetts pursuant to Section 9 of M.G.L. Chapter 166A, and (iii) the

PEG Access Support (Section 5.3.2); provided, however, that such five percent (5%) cap shall not include (A) the PEG Access Capital Funding (Section 5.3.1), (B) PEG Access interconnection costs (Section 5.2), (C) any interest due herein to the Issuing Authority and/or the Access Corporation because of late payments (Section 5.3.5), (D) any liquidated damages (Section 11.6), and (E) any other exclusions to the term "franchise fee" pursuant to Section 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 Final License.

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

6.5. *Recomputation*:

6.5.1. Tender or acceptance of any payment made pursuant to Article 5 and/or 6 herein 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 Section 5.3.5 above and/or pursuant to this Section 6.5. All amounts shall be subject to audit and recomputation by the Issuing Authority pursuant to this Section 6.5.

6.5.2. If the Issuing Authority has reason to believe that any such payment is incorrect, it shall notify the Licensee thereof in writing within ninety (90) business days after receiving such payment. The Licensee shall then have ninety (90) business days after receipt of such notice to provide the Town with additional information documenting the accuracy of such payment. In the event that the Issuing Authority does not reasonably believe that such documentation supports the accuracy of such payment, then the Issuing Authority may conduct an audit of such payment, provided that the Issuing Authority shall be limited to one audit every three years during the term of this Final License, which audit shall be applicable to the previous three (3) year period in accordance with Section 6.4 above. If, after such audit and recomputation, the Issuing Authority determines that an additional fee is owed to the Town, then the Licensee shall be provided with a reasonable opportunity to review the results of such audit and to dispute any audit results, and shall pay any such undisputed amounts within thirty (30) business days after completion of such review, together with any applicable late charges calculated pursuant to Section 5.3.5 above. Any auditor employed by the Issuing Authority shall not be compensated on a success-based formula (e.g., payment based on a percentage of underpayment, if any).

6.6. *Method of Payment*: All License Fee payments by the Licensee to the Town pursuant to this Final License shall be made payable to the Town and deposited with the Town Treasurer.

6.7. *Other Payment Obligations and Exclusions*: Subject to Section 622(g)(1) of the Communications Act, 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 the 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 herein.

6.8. *Affiliates Use of System*: Use of the Cable System by any Affiliates of the Licensee shall be in compliance with applicable State and/or federal laws.

7. CUSTOMER SERVICE

The customer service standards in this Article 7 shall apply to the Licensee regarding its provision of Cable Services over the Cable System in the Town, and shall be binding unless amended by written consent of the parties.

7.1. *Customer Service Office*. For the period beginning eighteen (18) months after the Effective Date through the end of the term of this Final License, the Licensee shall establish and operate a customer service office within the Town. Said customer service office shall be open for walk-in business during Normal Business Hours. At said office, Subscribers shall be able to file Complaints, return and/or exchange equipment, receive an explanation of the Cable System operation and pay bills.

7.2. *Telephone Availability*:

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

7.2.2. 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 Town, beginning with the next publication cycle after the Effective Date.

7.2.3. The Licensee may use an Automated Response Unit ("ARU") or a Voice Response Unit ("VRU") to distribute telephone 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 will 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.

7.2.4. 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.

7.2.5. Under Normal Operating Conditions, callers to the Licensee shall receive a busy signal less than three percent (3%) of the time during any calendar quarter.

7.2.6. Upon request from the Issuing Authority, but in no event more than once a quarter, thirty (30) days following the end of each quarter, the Licensee shall report to the Issuing Authority in writing 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 Section 7.2.4.

(2) Percentage of time customers received busy signal when calling the customer service center as set forth in Section 7.2.5.

Subject to applicable consumer privacy requirements, underlying information used to generate said reports will be made available to the Town for review upon reasonable request.

7.2.7. 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 Issuing Authority in writing of such a change at least thirty (30) days in advance of any implementation.

7.3. *Installations and Service Appointments*:

7.3.1. All installations shall be in accordance with applicable FCC rules relating to grounding, connection of equipment, and the provision of required consumer information and literature to adequately inform the Subscriber about using the Licensee-supplied equipment and Cable Service.

7.3.2. 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.

7.3.3. The Licensee shall provide the Issuing Authority with a report, upon request from the Issuing Authority 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 applicable consumer privacy requirements, underlying information used to generate said reports shall be made available to the Issuing Authority for review upon reasonable request. At the Licensee's option, the measurements and reporting of the above may be changed from calendar quarters to billing or accounting quarters. The Licensee shall notify the Issuing Authority in writing of such a change not less than thirty (30) days in advance.

7.3.4. 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, generally 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.

7.4. *Service Interruptions and Outages*:

7.4.1. The Licensee shall promptly notify the Issuing Authority in writing of any Significant Outage of the Cable Service.

7.4.2. 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.

7.4.3. Under Normal Operating Conditions, the Licensee shall 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 shall 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.

7.4.4. Under Normal Operating Conditions, the Licensee shall complete Service Calls within seventy-two (72) hours of the time the 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.

7.4.5. The Licensee shall meet the standard in Section 7.4.4 for ninety percent (90%) of the Service Calls it completes, as measured on a quarterly basis.

7.4.6. The Licensee shall provide the Issuing Authority with a report in writing, upon request from the Issuing Authority, 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 7.4. Subject to applicable consumer privacy requirements, underlying information used to generate said reports will be made available to the Issuing Authority for review upon reasonable request. At the Licensee's option, the above measurements and reporting may be changed from calendar quarters to billing or accounting quarters. The Licensee shall notify the Issuing Authority in writing of such a change at least thirty (30) days in advance.

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

7.4.8. With respect to service issues concerning Cable Services provided to Town facilities, the 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 Issuing Authority in writing as to the reason(s) for the delay and provide an estimated time of repair.

7.5. *Subscriber Complaints*:

Under Normal Operating Conditions, the Licensee shall resolve Subscriber Complaints referred by the Issuing Authority within seventy-two (72) hours; provided, however, that the Licensee shall notify the Issuing Authority of those matters that necessitate an excess of seventy-two (72) hours to resolve, which matters shall be resolved within fifteen (15) days of the initial Complaint. The Issuing Authority 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 7.5, "resolve" means that the Licensee shall perform those actions, which, in the normal course of business, are reasonable to investigate and effect a reasonable solution to the Subscriber's Complaint and to advise the Subscriber of said solution.

7.6. *Billing*:

7.6.1. Subscriber bills shall 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 all Cable Service activity during the billing period, including optional

charges, rebates, credits, and aggregate late charges. In accordance with applicable law(s), the Licensee shall be allowed to itemize as separate line items, without limitation, License Fees, taxes and/or other governmentally imposed fees. The Licensee shall maintain records of the date and place of mailing of Subscriber bills.

7.6.2. In accordance with 207 CMR 10.05(1), Subscriber payment shall be due on the due date marked on the bill, which shall be a date certain and in no case a statement that the bill is due upon receipt. The due date shall not be less than five (5) business days following the mailing date of the bill.

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

7.6.4. Any billing disputes registered by a Subscriber shall be resolved in accordance with 207 CMR 10.07.

7.6.5. The Licensee shall notify the Subscriber of the result of its investigation of any Complaint and shall give an explanation for its decision within thirty (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 the Licensee's investigation shall promptly inquire about and take advantage of any Complaint resolution mechanism, formal or informal, available under this Final License or through the Issuing Authority before the Cable Division may accept a petition. The Subscriber or the Licensee may petition the Cable Division to resolve disputed matters within thirty (30) days of any final action.

7.6.6. The Licensee shall forward a copy of any Cable Service related billing inserts or other mailing sent to Subscribers, to the Issuing Authority upon request.

7.6.7. 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. The 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.

7.7. *Deposits, Refunds and Credits*:

7.7.1. The Licensee shall comply with 207 CMR 10.08 with respect to security deposits.

7.7.2. 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).

7.7.3. 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.

7.8. *Rates, Fees and Charges*:

7.8.1. The Licensee shall not, except to the extent permitted by applicable laws, impose any fee or charge for Service Calls to a Subscriber's premises to perform any repair or maintenance work related to the Licensee's 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 the 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).

7.8.2. The Licensee shall provide reasonable notice to Subscribers of the possible assessment of a late fee on bills or by separate notice. The Licensee's imposition of late fees shall comply with 207 CMR 10.05(3).

7.9. *Termination of Service*:

7.9.1. The Licensee shall comply with 207 CMR 10.05 with respect to delinquency and termination of service.

7.9.2. In accordance with applicable laws and regulations, 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.

7.10. *Communications with Subscribers*:

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

7.10.2. The Licensee shall require that all contact with a Subscriber or potential Subscriber by a Person representing the Licensee shall be conducted in a courteous and professional manner.

7.10.3. 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.

7.10.4. All notices identified in this Section 7.10 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, if allowed under applicable laws and regulations.

7.10.5. Pursuant to 207 CMR 10.01(1), the Licensee shall give written notice of its billing practices to potential Subscribers before a subscription agreement is reached. Pursuant to 207 CMR 10.01(3), the Licensee shall provide the Issuing Authority and all affected Subscribers with at least thirty (30) days notice prior to implementing a change of one of its billing practices.

7.10.6. Pursuant to 207 CMR 10.02(2), the Licensee shall provide the Cable Division, Issuing Authority and all affected Subscribers with at least thirty (30) days notice prior to implementing an increase in one of its rates or charges or a substantial change in the number or type of Programming services in the Town.

7.10.7. 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, and at any time upon request from any Subscriber:

(1) Products and Cable Service offered;

(2) Prices and options for Cable Services and condition of subscription to Cable Services, including prices 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;

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

(5) Complaint procedures, including the name, address and telephone number of the Issuing Authority, 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.

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

7.10.9. 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.

7.10.10. 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 Cable 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.

8. REPORTS AND RECORDS

8.1. *Open Books and Records*: Upon at least thirty (30) business days written notice to the Licensee, the Issuing Authority or its designee shall have the right to inspect at a location reasonably and mutually convenient to the parties hereto the Licensee's books and records pertaining to the Licensee's provision of Cable Service in the Town at any time during Normal Business Hours and on a reasonable and nondisruptive basis, as is reasonably necessary to ensure compliance with the terms of this Final License. Such notice shall specifically reference the section or subsection of this Final License which is under review, so that the Licensee may organize the necessary books and records for appropriate access by the Issuing Authority. The Licensee shall not be required to maintain any books and records for License compliance purposes longer than three (3) years. Notwithstanding anything to the contrary set forth herein, the Licensee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Town. If the Licensee believes that the requested information is proprietary or confidential, the Licensee shall provide the following information to the Issuing Authority: (i) specific identification of the information; (ii) a statement attesting to the reason(s) the Licensee believes the information is confidential; and (iii) a statement that the documents are available at the Licensee's designated offices for inspection by the Issuing Authority. The Issuing Authority shall take reasonable steps consistent with applicable law to protect the proprietary and confidential nature of any books, records, maps,

plans or other documents requested by the Issuing Authority that are provided pursuant to this License to the extent they are designated as such by the Licensee. In the event that the Issuing Authority receives a request to disclose any information provided to the Issuing Authority by the Licensee pursuant to this Final License, which information is deemed by the Licensee to be confidential or proprietary, then the Issuing Authority shall promptly notify the Licensee in writing of such request, prior to disclosure of such information, consistent with applicable law, and to maintain such information as confidential and proprietary consistent with applicable law. The Licensee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. § 551.

8.2. *Records Required*: The Licensee shall at all times maintain:

8.2.1. Records of all written Complaints for a period of three (3) years after receipt by the Licensee.

8.2.2. 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;

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

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

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

8.3. *Dual Filings*: Upon written request of the Issuing Authority, the Licensee shall provide a copy of any documents or forms filed by the Licensee with the FCC and/or the DTC that materially pertain to the Licensee's Cable System in the Town.

8.4. *Proof of Performance Tests*: Upon written request of the Issuing Authority, the Licensee shall provide a copy of proof of performance tests required by applicable law.

8.5. *Annual Performance Review*: The Issuing Authority or its designee may, at its discretion but not more than once per twelve-month period, hold a performance evaluation session. The purpose of such evaluation session shall be to review the Licensee's compliance with the terms and conditions of this Final License. The Issuing Authority shall provide the Licensee with thirty (30) days advance written notice of such evaluation session. The Issuing Authority shall provide the Licensee with a written report with respect to the Licensee's compliance within sixty (60) days after the conclusion of such evaluation session.

8.6. *Quality of Service*: If there exists credible evidence which, in the reasonable judgment of the Issuing Authority, casts doubt upon the reliability or technical quality of the Licensee's Cable Services in the Town, then, after notice to the Licensee and an opportunity to cure, the Issuing Authority shall have the right to require the Licensee to test, analyze and report in writing on the performance of the Cable System.

9. INSURANCE AND INDEMNIFICATION

9.1. *Insurance*:

9.1.1. The Licensee shall maintain in full force and effect, at its own cost and expense, during the term of this Final 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 and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of the Licensee's Cable Service business in the Town.

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

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

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

9.1.1.5. Excess liability or umbrella coverage of not less than five million dollars ($5,000,000).

9.1.2. The Town shall be included as additional insured under each of the insurance policies required in this Article 9 except Worker's Compensation and Employer's Liability Insurance.

9.1.3. The 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 Final License.

9.1.4. Each of the required insurance policies shall be with insurers qualified to do business in the State of Massachusetts, with an A.M. Best Financial Strength rating of A- or better.

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

9.1.6. The limits required above may be satisfied with a combination of primary and excess coverage.

9.2. *Indemnification*:

9.2.1. The Licensee shall, at its sole cost and expense, indemnify and hold harmless the Issuing Authority, the Town, its officials, boards, commissions, committees, agents and/or employees against all claims for damage, including without limitation damage to Persons or property, real and personal, due to the actions of the Licensee, its employees, officers or agents arising out of the installation, maintenance and/or operation of the Cable System under this Final License. Indemnified expenses shall include all reasonable attorneys' fees and costs incurred by the Town up to such time that the Licensee assumes defense of any action hereunder. The Issuing Authority shall give the Licensee written notice of its obligation to indemnify and defend the Issuing Authority within ten (10) business days of receipt of a claim or action pursuant to this section.

9.2.2. With respect to the Licensee's indemnification obligations set forth in Section 9.2.1, the Licensee shall, at its own expense, provide the defense of any claims brought against the Town by selecting counsel of the Licensee's choice to defend the claim, subject to the consent of the Issuing Authority, which shall not unreasonably be withheld. Nothing herein shall be deemed to prevent the Issuing Authority from cooperating with the Licensee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the Issuing Authority, the Licensee shall have the right to defend, settle or compromise any claim or action arising hereunder, and the Licensee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such settlement includes the release of the Town and the Issuing Authority 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 such settlement.

9.3. *Performance Bond.* The Licensee shall maintain, without charge to the Town, throughout the term of the Final License a faithful performance bond running to the Town, with good and sufficient surety licensed to do business in the State in the sum of Fifty Thousand Dollars ($50,000). Said bond shall be conditioned upon the faithful performance and discharge of all of the obligations imposed by this Final License. The performance bond shall be effective throughout the term of this Final License and shall be conditioned that in the event that the Licensee shall fail to comply with any one or more provisions of this Final License, or to comply with any order, permit or direction of any department, agency, commission, board, division or office of the Town having jurisdiction over its acts, or to pay any claims, liens or taxes due the Town which arise by reason of the construction, upgrade, maintenance and/or operation of the Cable System, the Town shall recover from the surety of such bond all damages suffered by the Town as a result thereof, pursuant to Article 11 below. Said bond shall be a continuing obligation of this Final License, and thereafter until the Licensee has satisfied all of its obligations to the Town that may have arisen from the grant of the Final License or from the

exercise of any privilege herein granted. In the event that a performance bond provided pursuant to this Final License is not renewed or cancelled, the Licensee shall provide a new performance bond pursuant to this Section 9.3 within thirty (30) days of such failure to renew or cancellation. Neither cancellation, nor termination nor refusal by the surety to extend the bond, nor the inability of the Licensee to file a replacement bond or replacement security for its obligations under this Final License, shall constitute a loss to the Town recoverable under the bond. Neither this section, any bond accepted pursuant thereto, or any damages recovered thereunder shall limit the liability of the Licensee under the Final License. Recourse by the Issuing Authority of remedies available under this Section 9.3 shall not be exclusive of other lawful remedies available to the Town at law and equity. Said bond shall be substantially in the form of **Exhibit D** attached hereto.

10. RENEWAL OF LICENSE

The Issuing Authority and the Licensee agree that any proceedings undertaken by the Issuing Authority that relate to the renewal of this Final License shall be governed by and comply with the provisions of Section 626 of the Communications Act, 47 U.S.C. § 546, and M.G.L. Chapter 166A. The Issuing Authority shall notify the Licensee of any ascertainment proceedings conducted pursuant to Section 626 of the Communications Act, and shall provide the Licensee with a copy of the record of such proceeding.

11. ENFORCEMENT AND TERMINATION OF LICENSE

11.1. *Notice of Violation*: If at any time the Issuing Authority believes that the Licensee has not complied with the terms of this Final License, the Issuing Authority shall informally discuss the matter with the Licensee, however the Issuing Authority reserves the right to inform the Licensee of such non-compliance in writing prior to informal discussions. If such informal 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").

11.2. *The Licensee's Right to Cure or Respond*: The Licensee shall have thirty (30) days from receipt of the Noncompliance Notice to: (i) respond in writing to the Issuing Authority, if the 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, continue such efforts until said noncompliance is cured, and notify the Issuing Authority at no more than twenty-one (21) day intervals as to the Licensee's efforts and progress to remedy such noncompliance. Upon a jointly agreed upon cure of any noncompliance by the Issuing Authority and the Licensee, the Issuing Authority shall provide the Licensee with written confirmation that such cure has been effected.

11.3. *Public Hearing*: In the event that the Licensee fails to respond to the Noncompliance Notice pursuant to the procedures set forth in Section 11.2 above, and/or if the Issuing Authority otherwise 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 at least thirty (30) days prior written notice of such public hearing, which will specify the time, place and purpose of such public hearing and whether revocation of this Final License is a possible consequence. At any designated public hearing where revocation of this Final License is not a possible consequence, the Licensee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel and to introduce relevant evidence. At any designated public hearing where revocation of this Final License is a possible consequence, the Licensee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel and to introduce relevant evidence, and shall also have the right 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 record shall be made of such hearing. Within thirty (30) days of the close of the hearing, the Issuing Authority shall issue a written determination of its findings.

11.4. *Enforcement*: In the event the Issuing Authority, after the public hearing set forth in Section 11.3 above, determines that the Licensee is in default of any provision of this Final License, the Issuing Authority may:

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

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

11.4.3. Assess liquidated damages in accordance with the schedule set forth in Section 11.6 below;

11.4.4. Submit a claim against an appropriate part of the performance bond pursuant to Section 9.3 above;

11.4.5. In the case of a substantial noncompliance of a material provision of this Final License, seek to revoke this Final License in accordance with Section 11.5; or

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

11.5. *Revocation*: In the event that the Issuing Authority determines that it will revoke this Final License pursuant to Section 11.4 above, the Licensee may appeal such written determination of the Issuing Authority to an appropriate court or to the Cable Division, which shall have the power to review the decision of the Issuing Authority consistent with applicable law and regulation. The Licensee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of the Licensee's receipt of the written determination of the Issuing Authority. 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 Final License in lieu of revocation of this Final License.

11.6. *Liquidated Damages*: For the violation of any of the following provisions of this Final License, liquidated damages shall be paid by the Licensee to the Issuing Authority. Any such liquidated damages shall be assessed as of the date that the Licensee received written

notice of the provision or provisions which the Issuing Authority believes are in default, provided that the Issuing Authority has made a determination of default in accordance with the procedures set forth in Sections 11.1 through 11.4 above. On an annual basis from the Effective Date, the Licensee shall not be liable for liquidated damages that exceed Fifteen Thousand Dollars ($15,000). The liquidated damages shall be assessed as follows:

(1) For failure to obtain the advance, written consent of the Issuing Authority for any transfer of this Final License in accordance with Section 2.10 herein, Five Hundred Dollars ($500) per day for each day that such failure continues;

(2) For failure to comply with the PEG Access obligations in accordance with the Section 5.1 herein, Three Hundred Dollars ($300) per day for each day that such failure continues;

(3) Beginning six (6) months after the Service Date, for failure to comply with the customer service standards in accordance with Article 7 herein, One Hundred Dollars ($100) per day for each day that such failure continues;

(4) For failure to offer Cable Service in accordance with Sections 3.1 and 3.2 above, Five Hundred Dollars ($500) per day for each day that such failure continues;

(5) For failure to submit reports pursuant to Article 8 above, Fifty Dollars ($50) per day for each day that such failure continues; and

(6) For failure to provide Cable Service to public buildings in accordance with Section 3.3 above, Fifty Dollars ($50) per day for each day that such failure continues.

Such liquidated damages shall not be a limitation upon any other provisions of this Final License and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies; provided, however, that in the event that the Issuing Authority collects liquidated damages for a specific breach for a specific period of time, pursuant to Section 11.6 above, the collection of such liquidated damages shall be deemed to be the exclusive remedy for said specific breach for such specific period of time only. Each of the above-mentioned cases of non-compliance shall result in damage to the Town, its residents, businesses and institutions, compensation for which will be difficult to ascertain. The Licensee agrees that the liquidated damages in the amounts set forth above are fair and reasonable compensation for such damage. The Licensee agrees that said foregoing amounts are liquidated damages, not a penalty or forfeiture, and are within one or more exclusions to the term "franchise fee" provided by Section 622(g)(2)(A)-(D) of the Communications Act.

12. MISCELLANEOUS PROVISIONS

12.1. *Actions of Parties*: In any action by the Issuing Authority or the Licensee that is taken pursuant to the terms of this Final License, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required by either party under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2. *Jurisdiction*: Jurisdiction and venue over any dispute, action or suit arising out of this Final License shall be in a federal or State court of appropriate venue and subject matter jurisdiction located in the State, and the parties hereby agree to be subject to the personal jurisdiction of said court for the resolution of any such dispute.

12.3. *Binding Acceptance*: This Final License shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns.

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

12.5. *Force Majeure*: If by reason of Force Majeure, either party is unable in whole or in part to carry out its obligations hereunder, said party shall not be held in violation or default during the continuance of such inability.

12.6. *Acts or Omissions of Affiliates*: During the term of this Final License, the Licensee shall be liable for the acts or omissions of its Affiliates to the extent arising out of any such Affiliate's operation of the Cable System to provide Cable Services in the Town.

12.7. *Warranties*: Each party hereto warrants, represents and acknowledges to the other party that, as of the Effective Date, such party has the requisite power and authority under applicable law and its organizational documents, if any, and is authorized and has secured all consents which are required to be obtained as of the Effective Date, to enter into and be legally bound by the terms of this Final License.

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

12.8.1. Notices to the Licensee shall be mailed to:

Verizon New England Inc.

185 Franklin Street
Boston, MA 02110
Attention: Donna C. Cupelo, President

12.8.2. with a copy to:

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

12.8.3. Notices to the Issuing Authority shall be mailed to:

Board of Selectmen
Town Hall
Sylvan Street
Danvers, MA 01923

12.8.4. with a copy to:

Michael C. Lehane
Murphy, Hesse, Toomey & Lehane, LLP
Crown Colony Plaza
P.O. Box 9126
300 Crown Colony Drive
Quincy, MA 02269-9126

12.9. *Entire Agreement*: This Final License and the Exhibits hereto constitute the entire agreement between the Licensee and the Issuing Authority, and it supersedes all prior or contemporaneous agreements, representations or understandings (written or oral) of the parties regarding the subject matter hereof and can be amended or modified only by a written instrument executed by both parties.

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

12.11. *Severability*: If any section, subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any State or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of this Final License.

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

12.13. *No Recourse Against Issuing Authority*: Pursuant to Section 635A(a) of the Communications Act (47 U.S.C. § 555(a)), 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 Final License

12.14. *FTTP Network Transfer Prohibition*: Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of this Final License or any other action to forbid or disallow the Licensee from providing Cable Services, shall the Licensee or its assignees be required to sell any right, title, interest, use or control of any portion of the 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. The 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, denial of renewal or any other action to forbid or disallow the Licensee from providing Cable Services. This provision is not intended to contravene leased access requirements under Title VI or the PEG requirements set out in this Final License.

12.15. *Interpretation*: The Issuing Authority and the Licensee each acknowledge that it has received independent legal advice in entering into this Final License. In the event that a dispute arises over the meaning or application of any term(s) of this Final 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 Final License.

12.16. *No Third Party Beneficiaries*: The provisions of this Final License are for the benefit of the Licensee and the Issuing Authority and not for any other Person.

SIGNATURE PAGE FOLLOWS

AGREED TO THIS 2ND DAY OF DECEMBER 2008.

TOWN OF DANVERS
By its Board of Selectmen:

Keith G. Lucy, Chairman

Daniel C. Bennett

William H. Clark, Jr.

Michael W. Powers

Gardner S. Trask, III

VERIZON NEW ENGLAND INC.

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

FORM APPROVED
Attorney
Date 12/17/08

EXHIBITS

EXHIBIT A – SERVICE AREA

EXHIBIT B – PUBLIC BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

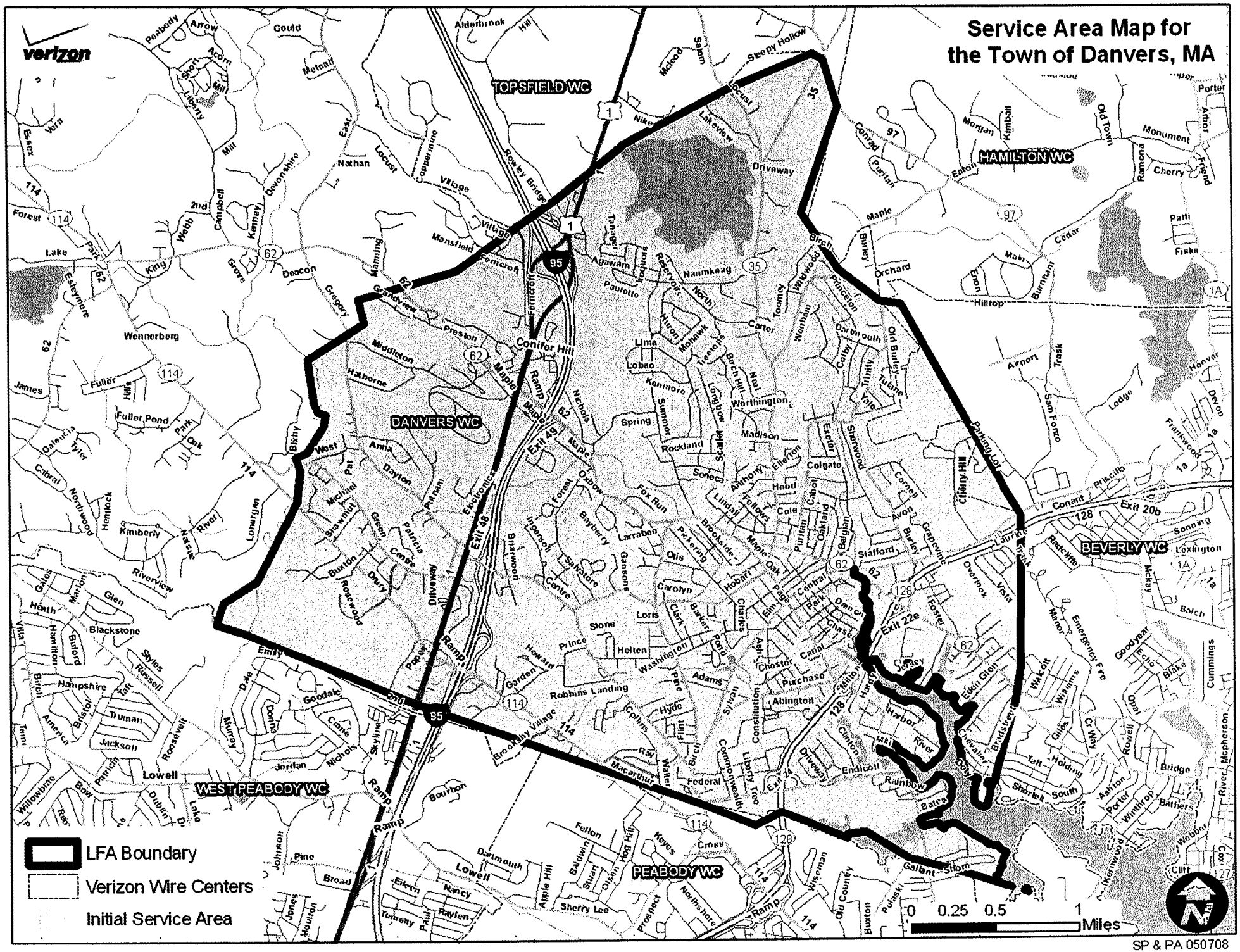
EXHIBIT C – GROSS REVENUE REPORTING FORM

EXHIBIT D – PERFORMANCE BOND

EXHIBIT A

SERVICE AREA

See attached map


Service Area Map for the Town of Danvers, MA
verizon
TOPSFIELD WC
HAMILTON WC
DANVERS WC
BEVERLY WC
WEST PEABODY WC
PEABODY WC
LFA Boundary
Verizon Wire Centers
Initial Service Area
0 0.25 0.5 1 Miles

SP & PA 050708

EXHIBIT B

PUBLIC BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

(1) Town Hall: One Sylvan Street
(2) Public Library: 15 Sylvan Street
(3) Police Station: 120 Ash Street
(4) Senior Center: Stone Street
(5) Public Works Garage: 95 Hobart Street
(6) Electric Department Office: 2 Burroughs Street (Hub Location)
(7) Engineering Office: 1 Burroughs Street
(8) Central Fire Station: 64 High Street
(9) Engine #2 Fire Station: 450 Maple Street
(10) Waterfront Manager's Office Popes Landing: 126 Liberty Street (8 Harbor Street)
(11) Thorpe School: 30 Oberlin Street
(12) High School: 60 Cabot Road
(13) Middle School: 55 Conant Street
(14) Smith School: 15 Labao Drive
(15) Great Oak School: 76 Pickering Street
(16) Highlands School: 190 Hobart Street
(17) Riverside School: 95 Liberty Street
(18) Endicott Park Carriage House: 57 Forest Street
(19) Transfer Station East Coast Road
(20) Grounds/Forestry Building Rear North Putnam
(21) Essex Agricultural and Technical High School, 562 Maple Street
(22) Hogan Regional Center, 450 Maple Street

PROPRIETARY AND CONFIDENTIAL

EXHIBIT C

GROSS REVENUES REPORTING FORM

Company: **Verizon New England Inc.**

Municipality: **Danvers, Massachusetts**

Quarterly Revenue Period: _____, **2**____

1.	Monthly Recurring Cable Service Charges (e.g., Basic, Enhanced Basic, Premium and Equipment Rental)	$_____
2.	Usage Based Charges (e.g, Pay Per View, Installation)	$_____
3.	Other Misc. Revenue (e.g., Late Charges, Advertising, Leased Access)	$_____ $_____
4.	License Fees Collected	$_____

Less (specify):

1.	_____	$_____
2.	_____	$_____

Total GAR Subject to License Fee Calculation	$_____
Franchise Fee Rate	x 3%
TOTAL LICENSE FEE DUE	$_____

EXHIBIT D
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 Fifty Thousand Dollars ($50,000), 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 _____, 2008, 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.

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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 _____, 2008.

Principal **Surety**

By: _____ By: _____
, Attorney-in-Fact

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

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