# CABLE TELEVISION FINAL LICENSE

GRANTED TO RCN-BECOCOM, L.L.C.

THE BOARD OF SELECTMEN

TOWN OF LEXINGTON,

MASSACHUSETTS

May 24, 1999

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#### AGREEMENT

This Cable Television Final License entered into this 24th day of May 1999, by and between RCN-BecoCom, L.L.C. and the Board of Selectmen of the Town of Lexington, Massachusetts, as Issuing Authority for the grant of the cable television license(s) pursuant to M.G.L. c. 166A.

#### WITNESSETH

WHEREAS, the Issuing Authority of the Town of Lexington, Massachusetts, pursuant to M.G.L. c. 166A, is authorized to grant one or more non-exclusive cable television licenses to construct, operate and maintain a Cable Television System within the Town of Lexington; and

WHEREAS, the Issuing Authority conducted an initial public hearing on July 14, 1997; and

WHEREAS, RCN-BecoCom, L.L.C. submitted an initial proposal and Massachusetts Cable Division Form 100 to the Town of Lexington, dated July 30, 1997, for a license to construct, operate and maintain a Cable Television System in the Town of Lexington; and

WHEREAS, pursuant to 207 CMR 3.03(3), the Issuing Authority of the Town of Lexington released an Issuing Authority Report on October 28, 1997; and

WHEREAS, RCN-BecoCom, L.L.C. submitted an amended proposal and Massachusetts Cable Television Division Form 100 to the Town, dated November 25, 1997, for a license to construct, operate and maintain a Cable Television System in the Town of Lexington; and

WHEREAS, pursuant to 207 CMR 3.03(4), the Issuing Authority conducted a public hearing on December 21, 1998, to assess the qualifications of RCN-BecoCom, L.L.C.; and

WHEREAS, the Issuing Authority and RCN-BecoCom, L.L.C. did engage in good faith negotiations to further clarify said proposals and did agree on proposals to construct, operate and maintain a Cable Television System in the Town of Lexington; and

WHEREAS, the Issuing Authority, after consideration, analysis and deliberation, approved the technical ability, financial qualifications, Cable Television System design and other proposals of RCN-BecoCom, L.L.C. on January 25, 1999; and

WHEREAS, the Issuing Authority determined that it was in the best interests of the Town of Lexington to grant a non-exclusive Provisional License to RCN-BecoCom, L.L.C., which it did on April 15, 1999, pursuant to 207 CMR 3.03(6); and

WHEREAS, RCN-BecoCom, L.L.C. has satisfied each and every one of the conditions pursuant to 207 CMR 3.04(1).

NOW THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound, the parties agree as follows:

#### **ARTICLE 1: DEFINITIONS**

For the purpose of this Final License, the following words, terms, phrases and their derivations shall have the meanings given herein, unless the context clearly requires a different meaning. 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.

- (1) Access: The right or ability of any Lexington resident and/or any Persons affiliated with a Lexington institution to use designated facilities, equipment and/or channels of the Cable Television System, subject to the conditions and procedures established for such use.
- (2) Access Channel: A video channel which the Licensee shall make available, without charge, for the purpose of transmitting non-commercial programming by members of the public, Town departments and agencies, public schools, educational, institutional and similar organizations.
- (3) Access Corporation: The entity, designated by the Issuing Authority of the Town of Lexington from time to time, for the purpose of operating and managing the use of public, educational and governmental access funding, equipment and channels on the Cable Television System.
- (4) Affiliate or Affiliated Person: When used in relation to any Person, means another Person who owns or controls, is owned or controlled by, or is under common ownership or control with, such Person.
- (5) Basic Cable Service or Basic Service: Any service tier which includes the retransmission of local television broadcast Signals.
- (6) CMR: The Code of Massachusetts Regulations.
- (7) Cable Communications Act (the "Cable Act"): Public Law No. 98-549, 98 Stat. 2779 (1984) (the Cable Communications Policy Act of 1984), as amended by Public Law No. 102-385, 106 Stat. 1460 (1992) (the Cable Television Consumer Protection and Competition Act of 1992, and as further amended by Public Law No. 104-458, 110 Stat. 110 (1996)(the Telecommunications Act of 1996).
- (8) Cable Service: The one-way transmission to Subscribers of Video Programming or other Programming services, together with Subscriber interaction, if any, which is required for the selection of such Video Programming or other Programming services, which the Licensee may make available to all Subscribers generally.

- (9) Cable Division: The Cable Television Division of the Massachusetts Department of Telecommunications and Energy.
- (10) Cable Television System or Cable System: 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.
- (11) Cable TV & Communications Advisory Committee (ôCTCACö): The TownÆs cable advisory committee appointed by the Issuing Authority as its primary designee on Cable Television matters and, in the absence of explicit language to the contrary in any Town cable television license or any applicable statute, regulations, etc., the Town entity authorized to act on behalf of the Issuing Authority with regard to any Town cable television license.
- (12) Commercial Subscriber: A commercial, non-residential Subscriber to Cable Service.
- (13) Converter: Any device altering a Signal coming to a Subscriber. A Subscriber Converter may control reception capacity and/or unscramble coded Signals distributed over the Cable System, among other capabilities.
- (14) Department of Public Works ("DPW"): The Department of Public Works of the Town of Lexington, Massachusetts.
- (15) Downstream Channel: A channel over which Signals travel from the Cable System Hub to an authorized recipient of Programming.
- (16) Drop or Cable Drop: The cable that connects an Outlet or Termination to the Cable System.
- (17) Educational Access Channel: A specific channel(s) on the Cable System made available by the Licensee to Lexington educational institutions and/or educators wishing to present non-commercial educational programming and information to the public.
- (18) Execution Date of Final License (the "Execution Date"): May 24, 1999.
- (19) FCC: The Federal Communications Commission, or any successor agency.
- (20) Feeder Line: A branch off one of the Town-wide distribution cable trunks which feeds a small area or neighborhood.

- (21) Final License: The non-exclusive Cable Television Final License granted to the Licensee.
- (22) Government Access Channel: A specific channel(s) on the Cable System made available by the Licensee to the Issuing Authority and/or its designees for the presentation of non-commercial programming and/or information to the public.
- (23) Gross Annual Revenues: Consideration of any form or kind derived by the Licensee and/or its Affiliates from the carriage of Signals over the Cable Television System including, without limitation: the distribution of any Service over the Cable System: Basic Service monthly fees; all other Service fees; any and all Cable Service fees and/or charges received from Subscribers; installation, reconnection, downgrade, upgrade and any similar fees; interest collected on Subscriber fees and/or charges; fees paid on all Subscriber fees; all Commercial Subscriber revenues; fees paid for channels designated for commercial use; Converter, remote control and other equipment rentals, and/or leases or and/or sales; all home-shopping service(s) revenues; and advertising revenues. In the event that an Affiliate is responsible for advertising, advertising revenues shall be deemed to be the pro-rata portion of advertising revenues, paid to the Cable System by an Affiliate for said Affiliate's use of the Cable System for the carriage of advertising. Gross annual revenues shall also include the Gross Revenue of any other Person which is derived directly or indirectly from or in connection with the operation of the Cable System to the extent that said revenue is derived, through a means which has the effect of avoiding payment of License Fees to the Town that would otherwise be paid herein. It is the intention of the parties hereto that Gross Annual Revenues shall only include such consideration of Affiliates and/or Persons relating to Signal carriage over the Cable System and not the gross revenues of any such Affiliates and/or Persons itself, where unrelated to such Signal carriage. In the event that the FCC or an appropriate jurisdiction redefines, revises or broadens the definition of Cable Services, then the Licensee shall include such other Service revenues in its Gross Annual Revenues payments to the Town; provided, however, that any other Cable Television licensee(s) operating in the Town that are actually offering such broader Services to Lexington Subscribers also include any such broader Service revenues as part of such other Cable Television licenseeÆs Gross Annual Revenues payments to the Town.
- (24) Headend: The electronic control center of the Cable System containing equipment that receives, amplifies, filters and converts incoming Signals for distribution over the Cable System.
- (25) Hub or Hub Site: A sub-Headend, located within the Town of Lexington, used either for the purpose of (i) Signal processing or switching, or (ii) placement of a fiber Node or transportation super trunk.

- (26) Institutional Network (ôI-Netö): The fiber-optic network for the exclusive use of the Issuing Authority, its designees and/or other Town Users, and which meets the requirements of Section 3.2 infra.
- (27) Internet: The world-wide computer network.
- (28) Issuing Authority: The Board of Selectmen of the Town of Lexington, Massachusetts.
- (29) Leased Channel or Leased Access: A video channel which the Licensee shall make available pursuant to Section 612 of the Cable Act.
- (30) License Fee or Franchise Fee: The payments to be made by the Licensee to the Town of Lexington, which shall have the meaning as set forth in Section 622(g) of the Cable Act.
- (31) Licensee: RCN-BecoCom, L.L.C., or any successor or transferee in accordance with the terms and conditions in the Final License.
- (32) Local Origination ("LO") Programming: Local Programming produced and presented by the Licensee.
- (33) Origination Capability or Origination Point: An activated cable and connection to an Upstream Channel, allowing a User(s) to transmit a Signal(s) upstream to a designated location.
- (34) Outlet: An interior or exterior receptacle, generally mounted in a wall, that connects a Subscriber's or User's television set to the Cable System. An Outlet can contain connections to either the Subscriber Network and/or the I-Net for Users.
- (35) Pay Cable or Premium Services: Programming delivered for a fee or charge to Subscribers on a per-channel or group-of-channels basis.
- (36) Pay-Per-View: Programming delivered for a fee or charge to Subscribers on a per-program or per-event basis.
- (37) PEG: The acronym for "public, educational and governmental," used in conjunction with Access Channels, support and facilities.
- (38) PEG Access Channels: Any channel(s) made available for the presentation of PEG Access Programming.
- (39) Person: Any corporation, partnership, limited partnership, association, trust, organization, other business entity, individual or group of individuals acting in concert.

- (40) Power Node or Node: A remote terminal device used to provide integrated network powering solutions for broadband, hybrid fiber-coax or switched digital video architecture(s).
- (41) Prime Rate: The prime rate of interest, at BankBoston.
- (42) Public Access Channel: A specific channel(s) on the Cable System made available by the Licensee for the use of Lexington residents and/or organizations wishing to present non-commercial programming and/or information to the public.
- (43) Public Way or Street: 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. Reference herein to "Public Way" or "Street" shall not be construed to be a representation or guarantee by the Town that its property rights are sufficient to permit its use for any purpose, or that the Licensee shall gain or be permitted to exercise any rights to use property in the Town greater than those already possessed by the Town.
- (44) Scrambling/encoding: The electronic distortion of a Signal(s) in order to render it unintelligible or unreceivable without the use of a Converter or other decoding device.
- (45) Service: Any Basic Service, any Pay Cable Service, and/or any other Cable Service, which is offered to any Subscriber or User in conjunction with, or which is distributed over, the Cable System.
- (46) Signal: Any transmission of electromagnetic or optical energy which carries Programming from one location to another.
- (47) State: The Commonwealth of Massachusetts.
- (48) Subscriber: Any Person, firm, corporation or other entity, located in Lexington, who or which elects to subscribe to, for any purpose, a Service provided by the Licensee by means of, or in connection with, the Cable Television System.
- (49) Subscriber Network: The bi-directional network to be owned and operated by the Licensee, over which Signals can be transmitted to Subscribers, and which meets the requirements of Section 3.1 infra.
- (50) Subscriber Network Completion: That point when the Licensee has provided written documentation to the Issuing Authority that its Subscriber Network has been made available to one hundred percent (100%) of the residential households in the Town.

- (51) Termination: An end device for a fiber-optic cable which shall be labeled and terminate the cable, both of which shall be in an industry-standard manner for data transmission. It shall be located as follows:
- A. At the Hub, in a rack-mounted fiber-patch panel not more than two (2) meters distant from the rack space to be provided to the Town for its data-transmission equipment.
- B. At buildings with existing Local Area networks (LANs), in the LAN main data cabinet or main wiring closet. For locations with a cabinet or standard rack, the Termination shall be in a rack-mounted fiber-patch panel. For locations without a cabinet or standard rack, the Termination shall be in a fiber-patch panel mounted in a self-contained box mounted not more than two (2) meters from the LAN hub stack.
- C. At buildings without existing LANs, in a fiber-patch panel located in a self-contained box mounted at a location specified by the I-Net Administrator.
- (52) Town: The Town of Lexington, Massachusetts.
- (53) Town Counsel: The Town Counsel of the Town of Lexington, Massachusetts.
- (54) Trunk, Feeder Line and Distribution System: That portion of the Cable System for the delivery of Signals, but not including Drop cables to Subscriber's residences.
- (55) Upstream Channel: A channel over which Signals travel from an authorized location to the Cable System Hub.
- (56) User: A Person utilizing the Cable Television System, including all related facilities for purposes of production and/or transmission of electronic or other Signals as opposed to utilization solely as a Subscriber.
- (57) VCR: The acronym for video cassette recorder.
- (58) Video Programming or Programming: Programming provided by, or generally considered comparable to programming provided by, a television broadcast station or cable network.

#### **ARTICLE 2: GRANT OF FINAL LICENSE**

#### Section 2.1---GRANT OF FINAL LICENSE

Pursuant to the authority of Chapter 166A of the General Laws of the Commonwealth of Massachusetts, and subject to the terms and conditions set forth herein, the Board of Selectmen of the Town of Lexington, Massachusetts, as the ISSUING AUTHORITY of the Town, hereby grants a non-exclusive Cable Television Final License to the LICENSEE authorizing the Licensee to qualify in order to construct, install, operate and maintain a Cable Television System within the corporate limits of the Town of Lexington.

This Final License is subject to the terms and conditions contained in Chapter 166A of the laws of Massachusetts, as amended; the regulations of the FCC; the Cable Act; and all Town, State and federal statutes and by-laws of general application.

Subject to the terms and conditions herein, the Issuing Authority hereby grants to the Licensee the right to qualify in order to construct, install, operate and maintain a Cable Television System in, under, over, along, across or upon the Streets, lanes, avenues, alleys, sidewalks, bridges, highways and other public places under the jurisdiction of the Town of Lexington within the municipal boundaries and subsequent additions thereto, including property over, under or on which the Town has an easement or right-of-way, for the purpose of reception, transmission, collection, amplification, origination, distribution, and/or redistribution of Signals in accordance with the laws of the United States of America, the Commonwealth of Massachusetts and the Town of Lexington. In exercising rights pursuant to this Final License, the Licensee shall not endanger or unreasonably interfere with the lives of Persons, with any installations of the Town, any public utility serving the Town or any other Persons permitted to use Public Ways and places.

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 Ways and places. Disputes between the Licensee and other parties regarding use of Public Ways and places shall be resolved in accordance with any applicable regulations of the Department of Public Works ("DPW") and any special laws or Town by-laws enacted hereafter.

#### Section 2.2---TERM OF FINAL LICENSE

The term of this Final License shall be a ten (10) year period from the Execution Date and expiring on May 23, 2009, unless sooner terminated as provided herein or surrendered.

#### Section 2.3---NON-EXCLUSIVITY OF FINAL LICENSE

This Final License shall not affect the right of the Issuing Authority to grant to any other Person a license or right to occupy or use the Public Ways or Streets, or portions

thereof, for the construction, upgrade, installation, operation or maintenance of a Cable Television System within the Town of Lexington; or the right of the Issuing Authority to permit the use of the Public Ways and places of the Town for any purpose whatsoever. The Licensee hereby acknowledges the Issuing AuthorityÆs right to make such grants and permit such uses.

#### Section 2.4---POLICE AND REGULATORY POWERS

By executing the Final License, the Licensee acknowledges that its rights are subject to the powers of the Town to adopt and enforce general by-laws necessary to the safety and welfare of the public. The Licensee shall comply with all applicable State and Town laws, by-laws, rules, and regulations governing construction within a Public Way and shall apply all of such standards to construction within a private way in the Town. Any conflict between the terms of the Final License and any present or future lawful exercise of the Town's police and regulatory powers shall be resolved in favor of the latter.

#### Section 2.5---REMOVAL OR ABANDONMENT

Upon termination of the Final License by passage of time or otherwise, and unless (1) the Licensee has its license renewed for another term or (2) the Licensee transfers the Cable Television System to a transferee approved by the Issuing Authority, pursuant to Section 2.6, the Licensee shall remove all of its supporting structures, poles, Trunk and Distribution systems, and all other appurtenances from the Public Ways and places and shall restore all areas to their original condition. If such removal is not complete within six (6) months after such termination, the Issuing Authority may deem any property not removed as having been abandoned and may dispose of, and/or utilize, any such property in any way or manner it deems appropriate. Any costs incurred by the Town, resulting from the removal, site restoration and/or abandonment of the Cable System, shall be paid to the Town by the Licensee upon request.

#### Section 2.6---TRANSFER OF THE FINAL LICENSE

- (a) Neither the Final License, nor control thereof, shall be transferred, assigned or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any Person, company and/or other entity holding such Final License to any other Person, company and/or other entity, without the prior written consent of the Issuing Authority, which consent shall not be arbitrarily or unreasonably withheld. Such consent shall be given only after a public hearing upon a written application therefor on forms as may be prescribed by the Cable Division and/or the FCC. An application for consent to a transfer or assignment, if required, shall be signed by the Licensee and by the proposed transferee or assignee or by their representatives, evidence of whose authority shall be submitted with the application.
- (b) In considering a request to transfer control of the Final License, the Issuing Authority may consider such factors as the transferee's financial qualifications,

management and technical expertise, character qualifications, experience in the cable industry, performance in other communities and any other criteria allowable under law.

- (c) The consent or approval of the Issuing Authority to any assignment or transfer of the Final License granted to the Licensee shall not constitute a waiver or release of the rights of the Town in and to the streets and Public Ways or any other rights of the Town under the Final License, and any such transfer shall, by its terms, be expressly subordinate to the terms and conditions of the Final License.
- (d) The Licensee shall promptly notify the Issuing Authority of any action requiring the consent of the Issuing Authority pursuant to this Section 2.6.
- (e) The Licensee shall submit to the Issuing Authority an original and one (1) copy, unless otherwise required, of the application and FCC Form 394 requesting such transfer or assignment consent.
- (f) Any proposed controlling or owning Person or transferee approved by the Issuing Authority shall be subject to all of the terms and conditions contained in the Final License.

#### Section 2.7---EFFECT OF UNAUTHORIZED TRANSFER ACTION

- (a) Any transfer of the Cable System without complying with Section 2.6 above shall be null and void, and shall be deemed a material breach of the Final License.
- (b) If the Issuing Authority denies its consent to any such action and a transfer has nevertheless been effected, the Issuing Authority may revoke and terminate the Final License.
- (c) The grant or waiver of any one or more of such consents shall not render unnecessary any subsequent consent or consents, nor shall the grant of any such consent constitute a waiver of any other rights of the Town.

#### ARTICLE 3: CABLE SYSTEM DESIGN

#### Section 3.1---SUBSCRIBER NETWORK

- (a) No later than eighteen (18) months from the Execution Date of the Final License and provided that the Licensee is able to obtain underground permits in an expeditious manner, the Licensee shall construct, install, activate, operate and maintain, at its sole cost and expense, and make available to all residents of the Town, an eight hundred sixty Megahertz (860 MHz) Subscriber Network, fully capable and activated to have a minimum capacity equivalent to one hundred ten (110) NTSC video Downstream and four (4) NTSC video Upstream Channels. In the event that the Licensee cannot obtain underground permits in a timely manner, the Licensee shall have twenty-four (24) months from the Execution Date of the Final License to complete construction of the Subscriber Network. The Subscriber Network shall conform, at a minimum, to the "Technical Description of Subscriber Network for the Town of Lexington", attached hereto as *Exhibit 1* and made a part hereof.
- (b) Upon activation of any segment of the Cable System, the Licensee shall activate and program a minimum of one hundred ten (110) unduplicated Downstream Channels (excluding broadcast network affiliate duplications) on the Subscriber Network, including the public, educational and governmental Access Channels.
- (c) Concurrent with the provision of Service to any Subscriber and/or User the Licensee shall install, and maintain throughout the term of the Final License, standby power at its (i) Headend, (ii) Hub facilities and (iii) throughout its Trunk, Feeder Line and Distribution System Such standby power shall provide continuous capability, contingent upon the availability of fuel necessary to operate the standby generators, and shall become automatically activated upon the failure of the Licensee's normal power supply.
- (d) The Licensee shall transmit all of its Signals to Lexington Subscribers in stereo, provided that such Signals are available and furnished to the Licensee in stereo.
- (e) The Subscriber Network shall have the capacity to carry advanced television and the so-called high-definition television Signals, when available to the Licensee.
- (f) The Licensee shall install, operate and maintain a Hub in the Town for the entire term of the Final License.
- (g) The Licensee commits to provide high-speed Internet access to its Subscribers concurrent with the availability to them of Cable Service.

#### Section 3.2---INSTITUTIONAL NETWORK

(a) No later than twenty-one (21) months from the Execution Date of the Final License, the Licensee shall construct, install, activate, operate and maintain, at its sole cost and expense, a two (2) single mode fiber-optic Institutional Network ("I-Net") for

the exclusive use of the Issuing Authority, its designees and/or other Town Users. In the event that the Licensee cannot obtain underground permits in a timely manner, the Licensee shall have twenty-seven (27) months from the Execution Date of the Final License to complete construction of the I-Net. This initial completion of the I-Net shall be to all locations specified by the Issuing Authority or its designee not later than one hundred twenty (120) days prior to whichever of the dates required in this paragraph (a) that the Issuing Authority or its designee and the Licensee have agreed applies.

- (b) Said I-Net shall be bridged to the Subscriber Network at the Hub. Said I-Net shall be capable of distributing video, audio and data to all designated non-school and school buildings connected to the I-Net. I-Net switching shall be the responsibility of the Licensee for the entire term of the Final License.
- (c) The Licensee shall maintain and replace in a timely manner all equipment that is part of the I-Net without any charge(s) to the Issuing Authority, the Town and/or Subscribers. The Town shall maintain and replace any end-user equipment that it owns and operates.
- (d) The I-Net shall comply in all respects with the "General Description of the Lexington Institutional Network", including equipment specified therein, attached hereto as *Exhibit 2* and made a part hereof. Furthermore, the optical fiber shall be equivalent to, or better than, the specifications for Corning SMF-28Ö CPC Single-Mode Optical Fiber, attached hereto as the Attachment to *Exhibit 2*.
- (e) The two (2) single-mode fiber-optic strands shall interconnect each of the buildings (ôl-Net Buildingsö), specified by the Issuing Authority or its designee during the term of the Final License, to the Licensee's Hub location using a star network topology.
- (f) The I-Net shall be capable of providing voice, video and data services between the I-Net Buildings by the Town during the term of the Final License. The Licensee shall provide professional consulting services to the Town in order to facilitate video and data transmission capacity over the I-Net. Designated Users shall be able to transmit to other institutions using a modulator and/or other necessary equipment. Any and all Signals on the I-Net shall be those specified by the Town.
- (g) Two (2) single-mode fibers shall have a Licensee-provided Termination at each I-Net Building. One (1) fiber shall be used for upstream transmission from the I-Net to the Licensee's Hub location in the Town. The second fiber shall be used for downstream transmissions.
  - (h) The I-Net shall be maintained by the Licensee as follows:
- (1) The I-Net shall be maintained at all times in the downstream and upstream mode(s) to conform with applicable FCC standards and the Licensee shall document

how its regular-monitoring procedures serve to achieve that result. Such documentation shall be made available to the Issuing Authority and/or its designee upon reasonable demand.

- (2) The LicenseeÆs response to all I-Net outages or significant service degradation shall meet the same standards as its response to Subscriber Network outages, but in any case within two (2) hours of notification or when the Licensee knew of the outage or should have known of the outage, whichever is earlier.
- (3) The Town shall identify, and provide to the Licensee, the name and a telephone number for the I-Net Administrator.
- (4) For scheduled I-Net maintenance activities, and scheduled Subscriber Network maintenance activities that may impact the I-Net, whether initiated at the Town's request or by the Licensee, the Licensee shall provide a minimum of one (1) week notice to the I-Net Administrator, unless otherwise agreed to by the I-Net Administrator.
- (5) For all Cable System maintenance activities likely to impact I-Net service, scheduled or otherwise, the Licensee shall notify the I-Net Administrator prior to the commencement of any such work.
- (6) All requests for I-Net maintenance shall be coordinated by the I-Net Administrator.
- (7) In the event that the Subscriber Network and the I-Net experience an outage simultaneously, it is the understanding of the parties hereto that the Licensee's first priority is to repair the Subscriber Network.
- (8) The I-Net Administrator shall approve, in writing, changes regarding I-Net channel assignments before they occur, which approval shall not be unreasonably denied.
- (i) The Town shall have the right hereto to use the I-Net for any non-commercial purposes whatsoever, including, but not limited to, carrying Internet Service(s) from third parties for Town use on the I-Net for the Town's internal use only, without charges of any kind levied by the Licensee.
- (j) The Licensee shall supply the appropriate connector so as to allow the User(s) origination capability at the institutions specified by the Town during the term of the Final License.
- (k) The Licensee shall use its best efforts to work with the Issuing Authority and its designee(s) to meet the TownÆs reasonable needs in connection with the TownÆs use and development of the I-Net, including, but not limited to, making available to the Town a reasonable amount of professional consultation regarding the use and development of the I-Net, from its in-house personnel, on an annual basis, without

charge(s) to the Town. The Licensee shall provide the Town adequate space (including rack space, power, and air conditioning) in, and 24-hour per day, every day, access to, the Hub for the purpose of accomplishing the terminating, switching, and other activities which are the TownÆs responsibilities at the Hub.

- (I) Construction, installation and activation of each free-of-charge Drop and Outlet(s) to each of the I-Net buildings shall be completed within sixty (60) days of designation by the Town, for aerial Drops, and within one hundred twenty (120) days of designation by the Town, for underground Drops, weather permitting, or such later date as may be mutually agreed upon by the parties. The Licensee shall discuss the location of each connection with the appropriate officials in each of the I-Net Buildings designated to receive a Drop or Outlet, prior to the installation of such a Drop or Outlet. The Town shall designate such officials in writing to the Licensee.
- (m) The I-Net shall be interconnected with the Subscriber Network at the Hub. All remote I-Net video transmissions shall be sent on an Upstream Channel to the Hub, where such transmissions shall be reprocessed, switched and designated on the appropriate Downstream Channel(s) on the Subscriber Network. The Licensee shall be responsible for the connecting and reprocessing of all video Upstream Channels to the appropriate Subscriber Network Downstream Channels, and the connecting and reprocessing of all Subscriber Network Upstream Channels to the appropriate I-Net Downstream Channels. Said switching shall be performed by the Licensee at no cost to the Issuing Authority and/or the Town.
- (n) Nothing in this Section 3.2, or elsewhere in the Final License, shall prevent the Issuing Authority from allowing any Access Corporation(s) from using I-Net bandwidth.
- (o) The Licensee shall have the sole responsibility for maintaining the I-Net for the term of the Final License, except for equipment not directly under its control and/or ownership. The Licensee shall be responsible for all necessary inspections and performance tests of the I-Net. Scheduled tests shall be performed at least approximately once every six (6) months. Test results shall be promptly submitted to the I-Net Administrator.
- (p) The I-Net shall be maintained and operated in compliance with *Exhibit 2* and all other I-Net-related provisions of this License as may be amended from time to time. In the event that there are technical problems with the I-Net, excluding any devices, hardware or software not under the control or ownership of the Licensee and installed by the Town or other User, the Licensee shall resolve the technical problem promptly. Should the problem continue, the Issuing Authority and the Licensee shall meet to discuss a resolution of such problem. The Issuing Authority shall have the right to reasonably request a performance test of the I-Net, should such problems persist. The Licensee shall initiate such performance tests within seven (7) days of any such request, and correct the problem within seven (7) days and submit the results to the

Issuing Authority promptly, unless the Licensee notifies the Issuing Authority, in writing, that such correction cannot be completed with such seven (7) day period.

- (q) Upon request of the Issuing Authority, the Licensee shall interconnect the I-Net with any and all I-Nets in contiguous municipalities, subject to the Licensee reaching reasonable agreement with the Cable Television licensee(s) in such contiguous municipalities regarding such interconnection.
- (r) Upon request of the Issuing Authority, the I-Net shall be connected with any and all I-Nets operated by other Cable Television licensee(s) within the Town.
- (s) There shall be no charges to the Issuing Authority, the Town and/or Subscribers for I-Net operational, maintenance, repair, replacement, and/or Drop/Outlet(s) installation costs. In the event that applicable state and/or federal laws and/or regulations allow the Licensee to externalize, line-item or otherwise pass-through any I-Net costs, incurred pursuant to the Final License, to Subscribers, the Licensee may only do so, including, but not limited to, the computation, collection, and/or interest paid on and allocation of any such costs, strictly in compliance with such applicable laws and/or regulations.
- (t) If applicable and if requested to do so by the Issuing Authority, the Licensee shall provide a written explanation of any such externalized or passed-through I-Net costs, in sufficient detail to enable the Issuing Authority to understand how such new costs have been externalized or passed-through as allowed or required by applicable law(s). Unless agreed to otherwise, the Licensee shall provide said written explanation to the Issuing Authority, in writing, within fourteen (14) days of a request to do so by the Issuing Authority.

#### Section 3.3---PARENTAL CONTROL CAPABILITY

The Licensee shall provide, upon request, Subscribers with the capability to control the reception of any channels being received on their television sets. Where Converters are utilized, there shall be no charge for such parental control capability. The Licensee shall advise potential Subscribers of the availability of such parental control capability in all sales promotions.

#### Section 3.4---EMERGENCY ALERT OVERRIDE CAPACITY

(a) The Subscriber Network, described in Section 3.1 herein, shall have an activated Emergency Alert System ("EAS") that will override all of the audio and video Signal(s) carried on the Lexington Subscriber Network. The EAS shall switch-off Cable Television Signals at the local Hub Site and automatically insert a remotely selected video message from a pre-stored set and live or a remotely selected pre-stored audio message that will alert and instruct Subscribers to follow specific emergency-related instructions. The EAS shall consist of equipment that, at a minimum, meets FCC standards and any applicable requirements of the Final License. The EAS shall be controlled remotely by the Issuing Authority, but also respond as required by any State

or Federal requirements, and provided and maintained by the Licensee at its sole cost and expense.

- (b) The EAS shall have security measures (e.g., be password protected) to prevent unauthorized activation and be accessible, by touch-tone telephone, by the TownÆs designated-in-writing official for the provision of emergency announcements over the Cable System.
- (c) The Licensee shall provide the Town with all manuals and documentation necessary for the Town-designated personnel to fulfill their responsibilities in controlling the EAS, to include the remote creation and revision of the pre-stored video and audio messages. The Licensee shall provide hands-on training of those designated personnel in the use of the EAS as soon as mutually convenient following the installation of the EAS.

#### Section 3.5---SYSTEM TECHNICAL SPECIFICATIONS

The system design of the Cable Television System, pursuant to Sections 3.1 and 3.2 herein, shall conform to the technical specifications contained in *Exhibit 3* attached hereto and made a part hereof. At all times throughout the Final License, the Licensee shall meet all applicable FCC technical standards.

#### **Section 3.6---INFORMATION & LIAISON REQUIREMENTS**

- (a) Notwithstanding any other provisions of this Final License, both the Licensee and the Town explicitly acknowledge the crucial importance of maintain a continuing, productive dialogue throughout the term of this Final License to help the Issuing Authority (and its primary designee, the CTCAC) in its authorized oversight of the LicenseeÆs performance. In support of that end and ultimately for the benefit of the Town and all Subscribers and Users, the following requirements are prescribedùwithout in any way limiting any other complementary actions:
- (b) The Licensee shall provide a master construction plan and construction schedule to the CTCAC and the DPW for review and approval, prior to the commencement of any construction in the Town, which approval shall not be unreasonably delayed nor denied.
- (c) The Licensee shall designate primary and alternate responsible persons as the TownÆs liaison with the Licensee for the purpose of obtaining status or presenting issues related to any aspect of the activity under this Final License, including the construction, operation, and maintenance of the Cable System and any associated Customer Service, marketing, etc., activities. Their names, titles, and contact information (telephone, page, and facsimile numbers, mail and e-mail addresses, etc.) shall be provided in writing to the CTCAC, and kept current throughout the term of this Final License. The Licensee shall also ensure those liaison persons have an established management chain through which any matters they cannot resolve to the

TownÆs satisfaction can be expediently escalated and addressed with prompt response to the Town.

- (d) Throughout the entire construction period for the entire Cable System (to include both the Subscriber Network and the I-Net), the Licensee shall make at least one of those liaison persons (accompanied by any other persons needed to address agenda items) available for periodic meetings in the Town during said same construction period. While a weekly meeting is contemplated, the actual timing, frequency, and location shall be proposed by the CTCAC and not unreasonably rejected by the Licensee. Both the Town and the Licensee acknowledge that their representatives to such meetings have a responsibility to apply their respective best efforts toward the resolution of any and all matters raised there; however, such meetings do not substitute for the LicenseeÆs responsibility to follow all normal administrative and statutory procedures regarding dealing with other officials and offices within the Town and elsewhere.
- (e) To the extent the exchanges under the provisions of the Section 3.6(d) supra do not fulfill the CTCACÆs needs during the construction period, and in any case after the completion of the construction, the Licensee shall provide at least monthly written status reports to the CTCAC as well as appropriately address matters brought to the LicenseeÆs attention by the Town at any time. The CTCAC is responsible for keeping the Licensee informed of the CTCACÆs meetings and if the Licensee has a representative in attendance at such meetings, that personÆs presentation can fulfill the requirement for any applicable monthly status report.

#### ARTICLE 4: CABLE SYSTEM LOCATION AND OPERATIONAL STANDARDS

#### Section 4.1---AREA TO BE SERVED

- (a) The area to be served is the entire Town of Lexington.
- (b) Subject to Section 3.1 infra regarding underground permits, no later than eighteen (18) months from the Execution Date of the Final License, the Licensee's Cable Service shall be available to all residences and non-commercial buildings in the Town, unless legally prevented from doing so by factors outside of the Licensee's control, including, but not limited to, denial of access by owners of private property or multiple dwelling units. The Licensee shall make its best efforts to obtain rights-of-way and Multiple Dwelling Unit ("MDU") access agreements in the Town in order to make cable service(s) available to all residents.
- (c) Installation charges shall be nondiscriminatory. Any dwelling unit within and/or equal to four hundred feet (400') of the LicenseeÆs Trunk, Feeder Line and Distribution System for an aerial Drop, or within and/or equal to one hundred feet (100') of the LicenseeÆs Trunk, Feeder Line and Distribution System for an underground Drop shall be entitled to a standard installation rate. The Licensee may charge for time and materials in cases where (i) the Subscriber requests customized installation, or (ii) where any dwelling unit is in excess of four hundred feet (400') of the LicenseeÆs Trunk, Feeder Line and Distribution System for an aerial Drop, or in excess of one hundred feet (100') of the LicenseeÆs Trunk, Feeder Line and Distribution System for an underground Drop.
  - (d) Installation charges shall be consistent with federal and State regulations.

#### Section 4.2---LOCATION OF THE CABLE TELEVISION SYSTEM

The Licensee shall install, operate and maintain the Cable Television System within the Town of Lexington. Poles, towers and other obstructions shall be erected so as not to interfere with vehicular or pedestrian traffic over Public Ways and places. The erection and location of all poles, towers and other obstructions shall be in accordance with all applicable state and local laws and regulations.

#### Section 4.3---UNDERGROUND FACILITIES

(a) In the areas of the Town in which telephone lines and electric utility lines are currently, or in the future specified to be, underground, whether required by law or not, all of the Licensee's lines, cables and wires shall be underground. At such time as these facilities are placed underground by the telephone and electric utility companies at their sole cost and expense or are required to be placed underground by the Town at the sole cost and expense of such telephone and electric utility companies, the Licensee shall likewise place its facilities underground at its sole cost and expense.

(b) Underground cable lines shall be placed beneath the pavement subgrade in compliance with applicable Town by-laws, rules, regulations and/or standards. It is the policy of the Town that existing poles for electric and communication purposes be utilized wherever possible and that underground installation is preferable to the placement of additional poles.

#### **Section 4.4---TREE TRIMMING**

In the installation of amplifiers, poles, other appliances or equipment and in stringing of cables and/or wires as authorized herein, the Licensee shall avoid all unnecessary damage and/or injury to any and all shade and ornamental trees in and along the streets, alleys, Public Ways and places, and private property in the Town. The Licensee shall be subject to M.G.L. Chapter 87 and shall comply with all rules established by the Issuing Authority and/or its designee(s) during the term of the Final License. All tree and/or root trimming and/or pruning provided for herein shall be done pursuant to appropriate regulations of the Town. The Licensee may not trim and/or prune any trees belonging to the Town without the advance notification of the DPW.

#### Section 4.5---RESTORATION TO PRIOR CONDITION

Whenever the Licensee takes up or disturbs any pavement, sidewalk or other improvement of any Public Way or public place, the same shall be replaced and the surface restored in as good condition as before entry as soon as practicable. If the Licensee fails to make such restoration within a reasonable time, the Issuing Authority may fix a reasonable time for such restoration and repairs and shall notify the Licensee in writing of the restoration and repairs required and the time fixed for performance thereof. Upon failure of the Licensee to comply within the specified time period, the Issuing Authority may cause proper restoration and repairs to be made and the reasonable expense of such work shall be paid by the Licensee upon demand by the Issuing Authority.

#### Section 4.6---TEMPORARY RELOCATION

The Licensee shall temporarily raise or lower its wires or other equipment upon the reasonable request of any Person, including without limitation, a Person holding a building moving permit issued by the Town. The expense of such raising or lowering shall be paid by the Licensee. The Licensee shall be given reasonable notice necessary to maintain continuity of service.

#### Section 4.7---DISCONNECTION AND RELOCATION

The Licensee shall, at its sole cost and expense, protect, support, temporarily disconnect, relocate in the same street or other Public Way and place, or remove from any street or any other Public Ways and places, any of its property as required by the Issuing Authority or its designee(s) by reason of traffic conditions, public safety, street construction, change or establishment of street grade, or the construction of any public improvement or structure by any Town department acting in a governmental capacity.

#### **Section 4.8---SAFETY STANDARDS**

The Licensee shall construct, install, operate, maintain and remove the Cable Television System in conformance with Occupational Safety and Health Administration regulations, the Massachusetts Electrical Code, the National Electrical Code, the National Electrical Safety Code, the rules and regulations of the Cable Division and the FCC, all State and local laws, any other applicable regulations, and all land use restrictions as the same exist or may be amended hereafter.

#### Section 4.9---PEDESTALS

In any cases in which pedestals housing active and passive devices are to be utilized, in Town Public Ways or within the Town public lay-out, such equipment must be installed in accordance with applicable DPW regulations; provided, however, that the Licensee may place such devices (amplifiers, line extenders, power supplies, etc.) in a low-profile electronic control box at Town-approved locations to be determined when the Licensee applies for a permit. All such equipment shall be shown on the Cable System maps submitted to the Town in accordance with Section 4.12 infra. If required by applicable regulations and/or local by-laws, abutters shall be notified of such new pedestals and given an opportunity to comment prior to any approval by the Town.

#### Section 4.10---PRIVATE PROPERTY

The Licensee shall be subject to all laws, by-laws or regulations regarding private property in the course of constructing, upgrading, installing, operating and maintaining the Cable Television System in the Town. The Licensee shall promptly repair or replace all private property, to its previous condition, real and personal, damaged or destroyed as a result of the construction, upgrade, installation, operation or maintenance of the Cable Television System at its sole cost and expense.

#### Section 4.11---RIGHT TO INSPECTION OF SYSTEM

- (a) The Issuing Authority or its designee(s) shall have the right to inspect the Cable System and to make such tests as it shall deem necessary to ensure compliance with the terms and conditions of the Final License and all other applicable law. Any such inspection shall not interfere with the Licensee's operations, except in emergency situations.
- (b) Any tests conducted by the Town shall be at the sole cost and expense of the Town and shall have the prior written approval of the Licensee. Unless otherwise mutually agreed upon, the Town shall give reasonable prior notification to the Licensee of its intention to conduct any testing. The Licensee shall be afforded the opportunity to be present during all such testing.

#### Section 4.12---CABLE SYSTEM MAPS

(a) The Licensee shall file with the Issuing Authority or its designee "as-built" maps of the Cable System plant. If changes are made in the Cable System, upon request, the

Licensee shall file updated as-built maps, including strand information, not later than fifteen (15) days after any such request, and annually not later than fifteen (15) days after each anniversary of the Execution Date of the Final License.

(b) Within fifteen (15) days of the completion of the Subscriber Network, the Licensee shall supply the Town with a full set of AUTOCAD-compatible maps of the Cable System, for the Town's use, without charge(s) to the Issuing Authority and/or any Town department. The Licensee shall update and maintain said mapping on an annual basis throughout the term of the Final License. Said AUTOCAD-compatible maps shall separately show, among other things, all of the Licensee's Cable System plant in the Town.

#### **Section 4.13---SERVICE INTERRUPTION**

Except where there exists an emergency situation necessitating a more expeditious procedure, the Licensee may interrupt Service for the purpose of repairing or testing the Cable Television System only during periods of minimum use and, if practical, only after a minimum of forty-eight (48) hours notice to all affected Subscribers, given over one (1) of the Cable System's local channels, including a bulletin-board notice. The Licensee shall provide such other notices regarding service interruption in order to comply with the Americans With Disabilities Act ("ADA").

#### **Section 4.14---COMMERCIAL ESTABLISHMENTS**

The Licensee shall be required to make Cable Service(s) available to any commercial establishments in the Town provided that said establishment(s) agrees to pay for installation and monthly subscription costs as established by the Licensee.

#### **Section 4.15---SERVICE OUTAGE NOTIFICATION**

The Licensee shall provide an explanation of any service outages in the Town to the CTCAC consistent with the reporting under Sections 3.6(d) & (e) supra.

#### Section 4.16---DIG SAFE

The Licensee shall comply with all applicable "dig-safe" provisions, pursuant to M.G.L. Chapter 82, Section 40.

#### **ARTICLE 5: SERVICES AND PROGRAMMING**

#### Section 5.1---BASIC SERVICE

The Licensee shall provide a Basic Service which shall include all Signals, including the downstream PEG Access Channels and any LO programming, which are required to be carried by a Cable Television System serving the Town pursuant to applicable federal statute or regulation, or the Final License.

#### **Section 5.2---PROGRAMMING**

- (a) Pursuant to Section 624 of the Cable Act, the Licensee shall maintain the mix, quality and broad categories of Programming set forth in *Exhibit 4*, attached hereto and made a part hereof. Pursuant to applicable federal law, all Programming decisions, including the Programming listed in *Exhibit 4*, attached hereto, are at the sole discretion of the Licensee.
- (b) Pursuant to the rules and regulations of the Cable Division, the Licensee shall provide the Issuing Authority and all Subscribers with notice of its intent to substantially change the Lexington Programming line-up at least thirty (30) days before any such change is to take place. The Licensee shall also provide Subscribers with a channel line-up card or other suitable marker indicating the new channel line-up.

#### Section 5.3---TWO-WAY CAPABILITY

The Licensee shall operate and maintain a two-way Cable System, subject to Section 3.1 supra, available to all Subscribers.

#### Section 5.4----LEASED CHANNELS FOR COMMERCIAL USE

Pursuant to Section 612(b)(1)(B) of the Cable Act, the Licensee shall make available channel capacity for commercial use by Persons unaffiliated with the Licensee.

#### Section 5.5---VCR/CABLE COMPATIBILITY

- (a) In order that Subscribers to the Cable Television System have the capability to simultaneously view and tape any two channels and set VCR controls to record multiple channels, the Licensee shall provide to any Subscriber, upon request accessories and written procedures which will allow VCR owners to tape and view simultaneously any channel capable of being received by such owner's television set and/or VCR, the exception being that the Subscriber will not be able to view and record two scrambled Signals simultaneously. Said accessory equipment and written procedures shall be available to all Subscribers no later than Subscriber-Network Completion.
- (b) The Licensee shall not Scramble or otherwise encode, in any manner or form, for the entire term of the Final License, (1) any off-the-air Signals or (2) any of the PEG Access Channels. For purposes of this Section 5.5(b), "off-the-air Signals" shall mean any local broadcast television Signals received at the Licensee's Headend without the

aid of any intervening relay device or receiving dishes. For purposes of this section, the word "local" shall have the meaning as defined by applicable law and/or regulation.

- (c) The Licensee reserves its rights to Scramble or otherwise encode any cable channel(s), except for the channels discussed in Section 5.5(b) above, as is reasonably necessary, in the Licensee's judgment, to protect the Licensee from unauthorized reception of its Signals.
- (d) In accordance with 207 CMR 10.03, the Licensee shall give notice in writing of its policies and practices regarding equipment to potential Subscribers before a subscription agreement is reached and annually to all existing Subscribers. Thirty (30) days prior to changing one of its policies and/or practices regarding equipment, the Licensee shall notify, in writing, the Cable Division, the Issuing Authority and all affected Subscribers of the change, including a description of the changed policy and/or practice.

#### Section 5.6---CONTINUITY OF SERVICE

It shall be the right of all Subscribers to receive Cable Service insofar as their financial and other obligations to the Licensee are honored; provided, however, that the Licensee shall have no obligation to provide Service to any Person who or which the Licensee has a reasonable basis to believe is utilizing an unauthorized Converter and/or is otherwise obtaining any Cable Service without required payment thereof. The Licensee shall ensure that all Subscribers receive continuous, uninterrupted Service, except for necessary Service interruptions or as a result of Cable System or equipment failures. When necessary, if Service interruptions can be anticipated, the Licensee shall notify Subscribers of such interruption(s) in advance.

# Section 5.7---FREE DROPS & MONTHLY SERVICE TO PUBLIC NON-SCHOOL BUILDINGS

- (a) The Licensee shall provide, install and maintain a free Subscriber Cable Drop and/or Outletùone per buildingùand its monthly Basic Service, or its equivalent (See *Exhibit 4*), to all police and fire stations, public libraries and other public or non-profit buildings as designated by the Issuing Authority. The Licensee shall coordinate the location of each Drop and/or Outlet with each of the aforementioned institutions newly receiving Service. There shall be no costs to the Town and/or any designated institution for the installation and provision of monthly Cable Service and related maintenance. The Licensee shall supply one (1) non-addressable Converter for each Drop and/or Outlet if required for the reception of the monthly service, at its sole cost and expense.
- (b) The Licensee shall install any such Drop and/or Outlet within sixty (60) days of any such request(s) from the Issuing Authority, weather conditions permitting, at the Licensee's sole cost and expense. The exact locations of said Drops and/or Outlets shall be designated in advance by the Issuing Authority or its designee(s).

- (c) The Licensee shall discuss the location of each Drop and/or Outlet with the proper officials in each of the buildings and/or institutions entitled to such a Drop and/or Outlet, prior to any such installation.
- (d) There shall be no charges to the Town for the installation, maintenance, and/or repair of additional Drops and/or Outlet(s) to public buildings, as provided by Section 5.7(b) above. In the event that applicable state and/or federal laws and/or regulations allow the Licensee to externalize, line-item or otherwise pass-through any such additional Drop/Outlet costs to Subscribers, the Licensee may only do so, including, but not limited to, the computation, collection, and/or interest paid on and allocation of any such costs, strictly in compliance with said laws and/or regulations.
- (i) If applicable and if requested to do so by the Issuing Authority, the Licensee shall provide a written explanation of any such externalized, line-itemed or passed-through additional Drop and/or Outlet costs, in sufficient detail to enable the Issuing Authority to understand how such costs have been externalized, line-itemed or passed-through as allowed or required by applicable law(s). Unless agreed to otherwise, the Licensee shall provide said detailed costs to the Issuing Authority, in writing, within fourteen (14) days of a request to do so by the Issuing Authority.
- (ii) Pursuant to applicable law, the Issuing Authority has the right to appeal to the appropriate jurisdiction(s) any such externalized, line-itemed and/or passed-through costs.

#### Section 5.8---FREE DROPS AND MONTHLY SERVICE TO SCHOOLS

- (a) The Licensee shall provide its monthly Basic Service, or its equivalent (See *Exhibit 4*), including Drops and necessary Outletsùone per buildingùto all schools as designated by the Issuing Authority or its designee.
- (b) The exact locations of said Drops and Outlets shall be designated by the Lexington School Department (the "School Department"). The Licensee shall discuss the location of each Drop and/or Outlet with the proper officials in each of the school buildings entitled to such a Drop or Outlet, prior to any such installation.
- (c) The Licensee shall provide one (1) non-addressable Converter with each Outlet, if required for the reception of monthly Basic Service (or its equivalent), without charge to the Town or the School Department. The Licensee shall maintain such Outlets and Converters for normal wear and tear, at its sole cost and expense.
- (d) The Licensee shall work cooperatively with the Lexington Public School system to enhance its educational curriculum by providing state-of-the-art technology to the school system.
- (e) There shall be no charges to the Issuing Authority, Town and/or the School Department for the installation, maintenance, and/or repair of the Outlet(s), as required

herein, to School buildings. In the event that applicable state and/or federal laws and/or regulations allow the Licensee to externalize or otherwise pass-through any such School Drop and/or Outlet costs to Subscribers, the Licensee may do so, including, but not limited to, the computation, collection, and/or interest on and allocation of any such costs, strictly in compliance with said laws and/or regulations.

- (i) If applicable and if requested to do so by the Issuing Authority, the Licensee shall provide a written explanation of any such externalized, line-itemed or passed-through school Outlet costs, in sufficient detail to enable the Issuing Authority to understand how such costs have been externalized, line-itemed or passed-through as allowed or required by applicable law(s). Unless agreed to otherwise, the Licensee shall provide said detailed costs to the Issuing Authority, in writing, within fourteen (14) days of a request to do so by the Issuing Authority.
- (ii) Pursuant to applicable law, the Issuing Authority has the right to appeal to the appropriate jurisdiction(s) any such externalized, line-itemed and/or passed-through costs.

#### Section 5.9---FREE INTERNET SERVICE TO TOWN BUILDINGS AND SCHOOLS

- (a) Commencing no later than six (6) months from the Execution Date of the Final License if the Town and the Licensee can agree on an expedited permitting, or in any case no later than nine (9) months from the Execution Date of the Final License, and continuing for the entire term of the Final License, the Licensee shall provide, at the LicenseeÆs sole expense and cost, a single point of presence in the Town for free high-speed Internet Service(s) and free Web hosting service. The location of that point of presence shall be at a location specified in writing by the Issuing Authority or its designee(s) within seven (7) days after the Execution Date of the Final License. Said free high-speed Internet Service(s) shall be for the use of the Town of Lexington and the school, public and non-profit building locations specified by the Issuing Authority. Said Internet Service shall be consistent with the description of such Internet Service, contained in *Exhibit 5*, attached hereto and made a part hereof. Said Internet Service shall have a value of approximately twenty-eight thousand two hundred dollars (\$28,200.00) per year.
- (b) There shall be no charges to the Issuing Authority, its designees, and/or the Town for said Internet Service(s), nor shall the Licensee externalize, pass-through and/or line-item any such costs through to, and/or onto Subscriber bills.
- (c) In the event that the Licensee cannot for any reason provide such Internet Service(s) to the Town as required, the Licensee shall provide actual funding to the Town in the amount of twenty-eight thousand two hundred dollars (\$28,200.00 thirty (30) days in advance of either the initial due date for providing such Internet Service(s) or when such Internet Services are projected to be no longer available, and annually thereafter for the Term of the Final License.

(i) In such event, under no circumstances shall said \$28,200.00 payments be counted against (1) the annual funding pursuant to Section 6. infra; and/or (2) the License Fees payable to the Town pursuant to Section 7.1 infra.

#### Section 5.10---UTILITY MONITORING CAPACITY FOR THE TOWN

- (a) No later than Subscriber-Network Completion, as defined in Section 3.1 supra, the Licensee shall provide adequate bandwidth on its Subscriber Network throughout the Town for use by, and in support of, the TownÆs reasonable requirements for a utility monitoring and control program There shall be no charges to the Issuing Authority, its designees, and/or the Town for said bandwidth, nor shall the Licensee externalize, pass-through and/or line-item any such costs through to, and/or onto Subscriber bills.
- (b) No later than Subscriber Network Completion, as defined in Section 3.1 supra, the Licensee shall also provide utility monitoring and control connections to all Subscribers in the Town, There shall be no charges to the Issuing Authority, its designees, and/or the Town for said monitoring and control connections, nor shall the Licensee externalize, pass-through and/or line-item any such costs through to, and/or onto Subscriber bills.
- (c) Upon request by the Issuing Authority, commencing upon Subscriber Network Completion, as defined in Section 3.1 supra, the Licensee shall provide utility monitoring and control connections to consenting non-Subscribers in the Town. The cost(s) of said monitoring and control connections shall be mutually agreed-upon by the Licensee and the Issuing Authority, or its designee(s), but in no case at a cost(s) that is greater than the LicenseeÆs direct cost(s) for such monitoring and control connections.

# ARTICLE 6: PUBLIC, EDUCATIONAL AND GOVERNMENTAL ACCESS/LOCAL ORIGINATION FACILITIES AND SUPPORT

#### Section 6.1---PEG ACCESS/LOCAL ORIGINATION PROGRAMMING

- (a) The Town and/or its designee(s), as designated by the Issuing Authority, in conjunction with the LicenseeÆs PEG obligations hereunder, shall be responsible for the provision of public, educational and governmental ("PEG") Access Programming to Subscribers, pursuant to the provisions of this Article 6 herein.
- (b) The Licensee shall be responsible for the provision of Local Origination ("LO") Programming to Subscribers, pursuant to the provisions of this Article 6 herein.

#### **Section 6.2---PEG ACCESS CHANNELS**

- (a) Subject to Section 3.1 supra, no later than eighteen (18) months from the Execution Date of the Final License, the Licensee shall make available to the Issuing Authority and/or its designee(s), six (6) full-time Downstream Channels for PEG Access purposes on the Subscriber Network. There shall be no charges and/or costs whatsoever to the Issuing Authority, the Town, program originators, and/or Subscribers for such capacity.
- (b) The Licensee shall make available four (4) Upstream Channels, or the equivalent thereof, for remote cablecasting of PEG Access Programming and/or interconnection to said six (6) PEG Access Downstream Channels. To the extent that one or more of said Upstream Channels are not available on the Subscriber Network, the Licensee shall make such upstream capacity available to the Town from any location on the Cable System, including any interface equipment that may be necessary on account of such upstream capacity not being on the Subscriber Network. There shall be no charges and/or costs whatsoever to the Issuing Authority, the Town, program originators, and/or Subscribers for such equivalent capacity and/or interface equipment.
- (c) Said PEG Access Channels shall be used to transmit PEG Access Programming to Subscribers without charge to the Issuing Authority, its designee(s), the Town, program originators, and/or Subscribers, and shall be subject to the control and management of the Issuing Authority and/or its designee(s).
- (d) Except as required by applicable law, rule or regulation, the Licensee shall employ its best efforts to use Channels 42, 47, 52, 53, 77 and 78 on the Subscriber Network as the channel locations of the PEG Access Downstream Channels. The Licensee shall not change said channel locations, without the advance, written consent of the Issuing Authority, which consent shall not be unreasonably withheld.

#### Section 6.3---ANNUAL SUPPORT FOR PEG ACCESS

(a) For Years One through Five of the Final License, the Licensee shall provide an annual payment to the Issuing Authority, or if the Issuing Authority shall so designate

and apportion, to an Access Corporation (pursuant to Section 6.9), for PEG Access and related purposes, equal to five percent (5%) of the Licensee's Gross Annual Revenues, as defined herein, or a minimum of Fifty Thousand Dollars (\$50,000.00), whichever amount is greater.

- (i) Said annual five percent (5%) or minimum \$50,000.00 payment shall be made to the Issuing Authority on an annual basis.
- (ii) The first payment to the Issuing Authority under the Final License shall be made within thirty (30) days of the end of Year One of the Final License, and shall constitute five percent (5%) of the Licensee's Gross Annual Revenues for the preceding twelve month period, or \$50,000.00, whichever amount is greater.
- (iii)The Licensee shall file with each such annual payment a statement certified by the Licensee's chief financial officer documenting, in reasonable detail, the total of all Gross Annual Revenues of the Licensee during the preceding twelve (12) month period. Along with such statement, the Licensee shall also complete and submit the Gross Annual Revenues Reporting Form, attached hereto as *Exhibit 6.* Payments for Years Two through Nine, inclusive, shall be made within thirty (30) days of the end of each respective year.
- (b) At the end of Year Five of the Final License, the Issuing Authority and the Licensee shall conduct an accounting of the amounts, pursuant to paragraph (a) above, paid to the Issuing Authority, in order to determine the actual amount that the Issuing Authority would have received from the Licensee had the Licensee Es payments to the Issuing Authority been five percent (5%) of its Gross Annual Revenues. In the event that the Licensee has paid the Issuing Authority in excess of five percent (5%) of its Gross Annual Revenues for Year One through the end of Year Five, any excess amount above five percent (5%) for said years will be averaged over the remaining Final License term and credited against the five percent (5%) Gross Annual Revenues payments made to the Issuing Authority at the end of Year Six through the end of Year Ten. Notwithstanding the foregoing or anything else in the Final License, no funding received by the Town for the first five (5) years under the provisions of this Section 6.3 shall be required to be paid back to the Licensee and/or any other entity.
- (c) For Years Six through Ten, the Licensee shall provide an annual payment to the Issuing Authority, for PEG Access and related purposes, equal to five percent (5%) of the Licensee's Gross Annual Revenues, as defined herein, subject to paragraph (b) above. Last payment to the Issuing Authority pursuant to the Final License shall be made not later than fourteen (14) days prior to expiration of the Final License; provided, however, that the Licensee shall provide a final accounting and appropriate adjustment of said Year Ten payment no later than thirty (30) days after expiration of the Final License.

- (i) If the Licensee's total annual payment to the Issuing Authority was less than five percent (5%) of its Gross Annual Revenues for the previous year, it shall pay any balance due to the Issuing Authority no later than its subsequent annual payment. Said statement shall list all of the general categories comprising Gross Annual Revenues as defined in Section 1.1(22) supra.
- (d) Consistent with Section 622(h) of the Cable Act, any Person, including a Leased Access User, who or which distributes any Service over the Cable System for which charges are assessed to Subscribers but not received by the Licensee, shall pay the Issuing Authority an amount equal to five percent (5%) of such Person's Gross Annual Revenues. The Licensee shall notify any such Person of this 5% payment requirement and shall notify the Issuing Authority of such use of the Cable System by such Person(s).
- (e) In the event that the payments required herein are not tendered on or before the dates fixed herein, interest due on such payments shall accrue from the date due at the rate of three percent (3%) above the Prime Rate.

#### **Section 6.4---RECOMPUTATION**

Tender or acceptance of any payment shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the Issuing Authority may have for additional sums including interest payable under this Article 6. Not more that once a year, upon reasonable advance notice, the Issuing Authority and/or an independent certified public accountant hired by the Issuing Authority shall have the right to inspect any records relating to Gross Annual Revenues, as defined herein, in order to establish the accuracy of the payments tendered hereunder. If, after such inspection, an additional payment is owed, such payment shall be paid within thirty (30) days after any recomputation. The interest of such additional payment shall be charged from Prime Rate during the period that such additional amount is owed. If, after inspection, the Licensee has overpaid, such overpayment shall be credited against the next payment to the Issuing Authority, without interest charges of any kind.

#### Section 6.5---PEG ACCESS CHANNELS MAINTENANCE

The Licensee shall monitor the PEG Access Channels for technical quality and shall ensure that they are maintained at standards commensurate with those which apply to the Cable System's commercial channels. The Issuing Authority or its designee(s) shall be responsible for the picture quality of all PEG Access Programming, except in the event that the Licensee produces such PEG Access Programming.

#### Section 6.6---PEG ACCESS CABLECASTING

(a) In order that the Issuing Authority and/or its designee(s) can cablecast its Programming over the PEG Access Downstream Channels, all PEG programming shall be modulated, then transmitted from any location with Origination Capability,

designated by the Town, to the Cable System Hub, on upstream bandwidth made available, without charge, to the Town and any Access Corporation for their use.

- (b) The Licensee shall provide the Issuing Authority and/or its designee(s) with the capability to ensure that said Programming is properly switched, either manually or electronically, to the appropriate Downstream Channel, in an efficient and timely manner. At the Hub, said Access Programming shall be retransmitted in the downstream direction on one of the PEG Access Downstream Channels. The Licensee shall not charge the Issuing Authority and/or its designee(s) for such switching responsibility. The Licensee and the Issuing Authority shall negotiate in good faith any difficulties that arise regarding cablecasting of PEG Access Programming.
- (c) The Licensee shall provide and maintain, at its sole cost and expense, all necessary processing equipment in order to switch Upstream Signals from the Issuing Authority and/or its designee(s) to the designated Downstream Access Channel. Nothing herein shall require the Licensee to provide end-user equipment.
- (d) The Licensee shall cablecast those governmental meetings and other Town events in real time and/or delayed, as designated by the Issuing Authority or its designee (both as to which events and cablecast timing), to all Lexington Subscribers, without any charge(s) to the Issuing Authority, the Town, the program originators, and/or any Lexington Subscriber. In the event the Licensee cannot obtain a high-quality Signal (or timely videotape, if deemed acceptable by the Issuing Authority or its designee) of suitable coverage of those meetings and events from another source, the Licensee shall cover and tape them in order to be able to accomplish the above prescribed cablecasting, again without any charge(s) to the Issuing Authority, the Town, the program originators, and/or any Lexington Subscriber.

#### Section 6.7---CENSORSHIP

The Licensee shall not engage in any program censorship or any other control of the content of the PEG Access Programming on the Cable System, except as otherwise required or permitted by applicable law.

#### Section 6.8---PEG ACCESS PROGRAMMING COSTS

- (a) There shall be no charges to the Issuing Authority, its designee(s), the Town and/or PEG Access Users for use of the PEG Access Channels and/or services required herein. In the event that applicable state and/or federal laws and/or regulations allow the Licensee to externalize, line-item and/or otherwise pass-through any PEG Access costs to Subscribers, the Licensee may only do so, including, but not limited to, the computation, collection, interest paid on and/or allocation of any such costs, strictly in compliance with said laws and/or regulations.
- (i) If applicable and if requested to do so by the Issuing Authority, the Licensee shall provide a written explanation of any externalized, line-itemed and/or passed-through such PEG Access costs, in sufficient detail to enable the Issuing Authority to

understand how such costs have been externalized, line-itemed and/or passed-through as allowed or required by applicable law(s). Unless agreed to otherwise, the Licensee shall provide said written explanation to the Issuing Authority, in writing, within fourteen (14) days of a request to do so by the Issuing Authority.

(ii) Pursuant to applicable law, the Issuing Authority has the right to appeal to the appropriate jurisdiction any such externalized, line-itemed and/or passed-through to Subscribers.

# Section 6.9---ACCESS CORPORATION

- (a) The Issuing Authority reserves the right to organize and develop an Access Corporation, to provide programming, assistance and services to PEG Access Users and the Town.
- (b) In the event that an Access Corporation is formed, the Licensee shall cooperate with such Access Corporation, including but not limited to, transmitting PEG Access programming on dedicated PEG Access Channels programmed by the Access Corporation.

## **Section 6.10---LO PROGRAMMING**

Throughout the term of the Final License, the Licensee shall work with the Town to meet the TownÆs reasonable needs and expectations with respect to LO Programming.

#### **ARTICLE 7: LICENSE FEES**

#### Section 7.1---LICENSE FEE ENTITLEMENT

- (a) The Licensee shall pay to the Town, throughout the term of the Final License, an annual License Fee in the amount of fifty cents (\$.50) per Subscriber per year, or such higher amount as may be permitted by applicable law(s). Said License Fee payment shall be made to the Town on or before March 15th of each year of the Final License.
- (b) In the event that applicable law(s) permits said License Fee to be payable as a percentage of the LicenseeÆs Gross Annual Revenues, the Licensee shall commence such Gross Annual payments to the Town on a schedule as agreed. The Licensee shall file with the Issuing Authority, with each such License Fee payment, a statement certified by the Licensee's chief financial officer documenting, in reasonable detail, the total of all Gross Annual Revenues derived during the previous year. Said statement shall list all of the general categories comprising Gross Annual Revenues as defined in Section 1.1(22) supra.
- (c) The Licensee shall not be liable for a total financial commitment pursuant to this Renewal License and applicable law in excess of five percent (5%) of its Gross Annual Revenues; provided, however, that said five percent (5%) shall not include the following: (i) any interest due herein to the Town because of late payments; (ii) any payments to the Issuing Authority pursuant to Section 5.9 supra; (iii) the costs related to any liquidated damages pursuant to Section 11.2 infra; and (iv) any payments, expenses, or replenishment of the Performance Bond made to cure any deficiencies and/or to reimburse the Town pursuant to Sections 2.5, 4.5, 9.2(c), 10.4 and/or 10.5 herein.

#### Section 7.2---PAYMENT

The License Fees shall be paid annually to the Town throughout the term of the Final License, not later than March 15th of each year, unless provided for otherwise under applicable law.

# Section 7.3---OTHER PAYMENT OBLIGATIONS AND EXCLUSIONS

(a) 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 and/or any Affiliated Person shall be required to pay to the Town, or to any State or federal agency or authority, as required herein or by law; the payment of said taxes, fees or charges shall not constitute a credit or offset against the License Fee payments all of which shall be separate and distinct obligations of the Licensee and each Affiliated Person. The Licensee herein agrees that no such taxes, fees or charges shall be used as offsets or credits against the License Fee payments, except as permitted by applicable law.

- (b) In accordance with Section 622(h) of the Cable Act, nothing in the Cable Act or the Final License shall be construed to limit any authority of the Issuing Authority to impose a tax, fee or other assessment of any kind on any Person (other than the Licensee) with respect to Cable Service or other communications Service provided by such Person over the Cable System for which charges are assessed to Subscribers but not received by the Licensee. For any twelve (12) month period, the fees paid by such Person with respect to any such Cable Service or any other communications Service shall not exceed five percent (5%) of such Person's gross revenues derived in such period from the provision of such service over the System.
- (c) The term "license fee" shall have the meaning defined in Sections 622(g)(1) & (2)(A-E) of the Cable Act.

#### **Section 7.4---LATE PAYMENT**

In the event that the License Fees herein required are not tendered on or before the dates fixed in Section 7.1 above, interest due on such fee shall accrue from the date at the rate of three percent (3%) above the annual Prime Rate. Any payments to the Town pursuant to this Section 7.4 shall not be deemed to be part of the License Fees to be paid to the Town pursuant to Section 7.1 hereof, and shall be within the exclusion to the term "franchise fee" for requirements incidental to enforcing the Final License pursuant to  ${}^{\circ}622(g)(2)(D)$  of the Cable Act.

#### Section 7.5---RECOMPUTATION

- (a) Tender or acceptance of any payment shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the Issuing Authority may have for additional sums including interest payable under this Section 7.5. All amounts paid shall be subject to audit and recomputation by the Issuing Authority, which shall be based on the Licensee's fiscal year and shall occur in no event later than one year after the License Fees are tendered with respect to such fiscal year.
- (b) If the Issuing Authority has reason to believe that any such payment(s) are incorrect, the Licensee shall have ten (10) days after a request from the Issuing Authority to provide the Town with additional information documenting and verifying the accuracy of any such payment(s). In the event that the Issuing Authority does not believe that such documentation supports the accuracy of such payment(s), the Issuing Authority shall conduct an audit of such payment(s). If, after such audit and recomputation, an additional fee is owed to the Town, such fee shall be paid within thirty (30) days after such audit and recomputation. The Licensee shall contribute to the costs of such audit up to the amount determined by such audit to be due and payable.

#### Section 7.6---AFFILIATES USE OF SYSTEM

Use of the Cable System by Affiliates shall be in compliance with applicable State and/or federal laws, and shall not detract from Services provided to Lexington.

# **Section 7.7---METHOD OF PAYMENT**

All License Fee payments by the Licensee to the Town pursuant to the Final License shall be made payable to the Town and deposited with the Town Treasurer.

#### **ARTICLE 8: RATES AND CHARGES**

#### Section 8.1---RATE REGULATION

- (a) The Town reserves the right to regulate the Licensee's Basic Service rates and charges, and the equipment needed to receive Basic Service, to the extent allowable under State and federal laws.
- (b) In the event that State and/or federal law at any time permit the regulation of additional Programming and/or equipment rates of the Licensee, the Licensee hereby agrees to negotiate in good faith with the Issuing Authority the Town's regulation of such additional Programming and/or equipment rates and charges.
- (c) The Licensee shall comply with applicable rate regulations regarding (i) its Lexington channel count and (ii) multiple dwelling unit rates.

## Section 8.2---NOTIFICATION OF RATES AND CHARGES

- (a) The Licensee shall file with the Issuing Authority schedules which shall describe all Services offered by the Licensee, all rates and charges of any kind, and all terms or conditions relating thereto. Thereafter, the Licensee shall file with the Issuing Authority all substantial changes in Services, all rates and charges of any kind, and all terms and conditions relating thereto thirty (30) days prior to all such changes. The Licensee shall notify all Subscribers of any impending rate increases no later than thirty (30) days prior to such increase and provide each Subscriber with a schedule describing existing and proposed rates for each service offered. Except during promotional or other special discount offerings, no rates or charges shall be effective except as they appear on a schedule so filed.
- (b) At the time of initial solicitation or installation of Service, the Licensee shall also provide each Subscriber with an explanation of downgrade and upgrade policies and the manner in which Subscribers may terminate cable service. Subscribers shall have at least thirty (30) days prior to the effective date of any rate increase to either downgrade service or terminate service altogether without any charge. Change of service policies shall be in compliance with 207 CMR 10.00 et seq., attached as *Exhibit 7*.

#### Section 8.3---NON-PREDATORY AND NON-DISCRIMINATORY RATES

All of the Licensee's rates, charges and pricing for Subscriber services shall be non-predatory and non-discriminatory.

# Section 8.4---PUBLICATION AND NON-DISCRIMINATION

All rates for Subscriber services shall be published. A written schedule of all rates shall be available upon request during business hours at the Licensee's business office. Nothing in the Final License shall be construed to prohibit the reduction or

waiver of charges in conjunction with promotional campaigns for the purpose of attracting or maintaining subscribers.

#### Section 8.5---CREDIT FOR SERVICE INTERRUPTION

- (a) The Licensee shall grant a pro rata credit or rebate to any Subscriber whose Cable Service is interrupted for twenty-four (24) or more consecutive hours, if the interruption was not caused by the Subscriber and the Licensee knew or should have known of the Service interruption.
- (b) If an entire tier or Premium Service of a Subscriber's Cable Service is interrupted for twenty-four (24) or more consecutive hours, the Licensee shall provide a pro-rata credit or rebate for each tier or Premium Service interruption.

#### Section 8.6---SENIOR CITIZEN DISCOUNT

The Licensee shall provide senior citizens in Lexington a discount of two dollars (\$2.00) per month off of the LicenseeÆs Basic Service. To qualify for said discount, senior citizens must be (1) sixty-five (65) years of age or older and head of the household and (2) receiving one of the following: (i) Supplemental Security Income, or (ii) Medicaid benefits, or (iii) Massachusetts fuel assistance, or (iv) VeteranÆs Service Benefits. Said discount shall apply to the full level of Basic Service; however, this discount may not apply to other discount package prices.

#### **ARTICLE 9: INSURANCE AND BONDS**

#### Section 9.1---INSURANCE

At all times during the term of the Final License, including the time for removal of facilities provided for herein, the Licensee shall obtain, pay all premiums for, and file with the Issuing Authority, on an annual basis, copies of the certificates of insurance for the following policies:

- (1) A commercial general liability policy naming the Town, its officers, boards, commissions, agents and employees as additional insureds on all claims on account of injury to or death of a person or persons occasioned by the construction, installation, maintenance or operation of the Cable System or alleged to have been so occasioned, with a minimum liability of Five Million Dollars (\$5,000,000.00) for injury or death to any one person in any one occurrence and a Ten Million Dollar (\$10,000,000.00) umbrella policy for injury or death to two (2) or more persons in any one occurrence.
- (2) A property damage insurance policy naming the Town, its officers, boards, commissions, agents and employees as additional insureds and save them harmless from any and all claims of property damage, real or personal, occasioned or alleged to have been so occasioned by the construction, installation, maintenance or operation of the Cable Television System, with a minimum liability of Five Million Dollars (\$5,000,000.00) for damage to the property of any one person in any one occurrence and a Ten Million Dollar (\$10,000,000.00) umbrella policy for damage to the property of two (2) or more persons in any one occurrence.
- (3) Automobile liability insurance for owned automobiles and trucks, non-owned automobiles and trucks and/or rented automobiles and trucks in the amount of:
- (a) One Million Dollars (\$1,000,000.00) for bodily injury and consequent death per occurrence;
- (b) One Million Dollars (\$1,000,000.00) for bodily injury and consequent death to any one person; an
- (c) Five Hundred Thousand Dollars (\$500,000.00) for property damage per occurrence.
  - (4) Worker's Compensation in the minimum amount of the statutory limit.
  - (5) The following conditions shall apply to the insurance policies required herein:
- (a) Such insurance shall commence no later than the Execution Date of the Final License.

- (b) Such insurance shall be primary with respect to any insurance maintained by the Town and shall not call on the Town's insurance for contributions.
- (c) Such insurance shall be obtained from brokers or carriers authorized to transact insurance business in the State.
- (d) The Licensee's failure to obtain to procure or maintain the required insurance shall constitute a material breach of the Final License under which the Town may immediately suspend operations under the Final License.

#### Section 9.2---PERFORMANCE BOND

- (a) The Licensee shall maintain at its sole cost and expense throughout the term of the Final License, including the time for removal of all of the facilities provided for herein, a faithful performance bond running to the Town, with good and sufficient surety licensed to do business in the State. Until the Cable System (including both the Subscriber Network, and the I-Net to all locations specified by the Issuing Authority or its designee at the time of Subscriber Network Completion) completion is accomplished in accordance with the terms of the Final License and so certified to the Issuing Authority in writing by the Licensee and subsequently acknowledged by the Issuing Authority in writing (with such acknowledgment not being unreasonably delayed), the performance bond shall be in the sum of Seven Hundred Thousand Dollars (\$700,000.00); thereafter throughout the term of the Final License, including the time for removal of all of the facilities provided for herein, it shall be in the sum of Three Hundred Thousand Dollars (\$300,000). Said bond shall be conditioned upon the faithful performance and discharge of all of the obligations imposed by this Final License.
- (b) The performance bond shall be conditioned that in the event that the Licensee shall fail to comply with any one or more provisions of the 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 maintenance, operation, and/or removal 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 the provisions of Sections 11.1 and 11.2 infra.
- (c) Said bond shall be a continuing obligation of the 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 the Town recovers from said surety, the Licensee shall take immediate steps to reinstate the performance bond to the appropriate amount required herein. Neither this section, any bond accepted pursuant thereto, or any damages recovered thereunder shall limit the liability of the Licensee under the Final License.

# **Section 9.3---LETTER OF CREDIT**

- (a) The Licensee shall maintain at its sole cost and expense, an irrevocable letter of credit from a financial institution, licensed to do business in the State, in the amount of Fifty Thousand Dollars (\$50,000.00). The form and content of the letter of credit shall be subject to the reasonable approval of the Town. Said letter of credit shall be used to ensure the faithful performance by the Licensee of all material provisions of the Final License and compliance with all material orders, permits and directions of any office of the Town having jurisdiction over its acts and defaults under the Final License, and the payment by the Licensee of any claim, liens, fee, or taxes due the Town which arise by reason of the construction, upgrade, operation, installation or maintenance of the Cable Television System.
- (b) Upon a withdrawal(s) against said letter of credit, the letter of credit shall promptly, but in no case more than ten (10) days later, be renewed to the full amount of Fifty Thousand Dollars (\$50,000.00).
- (c) The Town's right to proceed against the letter of credit shall be governed by the provisions of Section 11.1 infra.
- (d) The rights reserved to the Town with respect to said letter of credit are in addition to all other rights of the Town, whether reserved by the Final License or authorized by applicable law, and no action, proceeding or exercise of a right with respect to said letter of credit shall affect any other right the Town may have.

#### Section 9.4---REPORTING

On an annual basis, the Licensee shall submit to the Issuing Authority, or its designee, copies of all current certificates regarding (i) all insurance policies as required herein, and (ii) the performance bond as required herein.

# **Section 9.5---INDEMNIFICATION**

The Licensee shall, at its sole cost and expense, indemnify and hold harmless the Town, its officials, boards, commissions, agents and/or employees against all claims for damage due to the actions of the Licensee, its employees, officers or agents arising out of the construction, installation, maintenance, operation, and/or removal of the Cable Television System under the Final License, including without limitation, damage to persons or property, both real and personal, caused by the maintenance, operation, and/or removal of any structure, equipment, wire or cable installed. Indemnified expenses shall include, without limitation, all out-of-pocket expenses, such as attorneys' fees, including the reasonable value of any services rendered by the Town Counsel. The Town shall give the Licensee prompt written notice of any claim(s) for which indemnification is sought.

#### Section 9.6---NOTICE OF CANCELLATION OR REDUCTION OF COVERAGE

The insurance policies, performance bond and letter of credit required herein shall each contain an explicit endorsement stating that such insurance policies, performance

bond and letter of credit are intended to cover the liability assumed by the Licensee under the terms of the Final License and shall contain the following endorsement:

It is hereby understood and agreed that this policy (or bond or letter of credit) shall not be cancelled, materially changed or the amount of coverage thereof reduced until thirty (30) days after receipt by the Issuing Authority by certified mail of one (1) copy of a written notice of such intent to cancel, materially change or reduce the coverage required herein.

# **ARTICLE 10: ADMINISTRATION AND REGULATION**

#### Section 10.1---REGULATORY AUTHORITY

The Issuing Authority and/or its designee shall be responsible for the day to day regulation of the Cable Television System. The Issuing Authority and/or its designee shall monitor and enforce the Licensee's compliance with the terms and conditions of this Final License. The Issuing Authority shall notify the Licensee in writing of any instance of non-compliance pursuant to Section 11.1 infra.

# Section 10.2---PERFORMANCE EVALUATION HEARINGS

- (a) The Issuing Authority may hold a performance evaluation hearing in each year of the Final License, conducted by the Issuing Authority and/or its designee(s). All such evaluation hearings shall be open to the public. The purpose of said evaluation hearing shall be to, among other things, (i) review the Licensee's compliance with the terms and conditions of the Final License, with emphasis on PEG Access/LO channels, facilities and support, customer service and complaint response, Programming, and the Institutional Network; (ii) review current technological developments in the cable television field; and (iii) hear comments, suggestions and/or complaints from the public.
- (b) The Issuing Authority and/or its designees shall have the right to question the Licensee on any aspect of the Final License including, but not limited to, the maintenance, operation and/or removal of the Cable Television System. During review and evaluation by the Issuing Authority, the Licensee shall fully cooperate with the Issuing Authority and/or its designee(s), and produce such documents or other materials relevant to such review and evaluation as are reasonably requested from the Town. Any Subscriber or other Person may submit comments during such review hearing, either orally or in writing, and such comments shall be duly considered by the Issuing Authority.
- (c) Within sixty (60) days after the conclusion of such review hearing(s), the Issuing Authority and/or its designee(s) shall issue a written report with respect to the adequacy of Cable System performance and quality of Service, and send one (1) copy to the Licensee and file one (1) copy with the Town Clerk's Office. If inadequacies are found which result in a violation of any of the provisions of the Final License, the Licensee shall respond and propose a plan for implementing any changes or improvements necessary, pursuant to Section 11.1 infra.
- (d) The Licensee shall notify its Subscribers of all such performance evaluation hearings by periodic announcements on the Community Bulletin Board (or equivalent) channel, between the hours of seven (7) p.m. and nine (9) p.m., for five (5) consecutive days preceding each such hearing.

# **Section 10.3---NONDISCRIMINATION**

The Licensee shall not discriminate against any Person in its solicitation, service or access activities, if applicable, on the basis of race, color, creed, religion, ancestry, national origin, geographical location within the Town, sex, affectional preference, disability, age, marital status, or status with regard to public assistance. The Licensee shall be subject to all other requirements of federal and State laws or regulations, relating to nondiscrimination through the term of the Final License. This Section 10.3 shall not affect the right of the Licensee to offer discounts.

#### Section 10.4---EMERGENCY REMOVAL OF PLANT

If, at any time, in case of fire or disaster in the Town, it shall become necessary in the reasonable judgment of the Issuing Authority or any designee(s), to cut or move any of the wires, cables, amplifiers, appliances or appurtenances of the Cable Television System, the Town shall have the right to do so at the sole cost and expense of the Licensee. In such event, the Licensee shall reimburse the Issuing Authority the cost and expense of such emergency removal within thirty (30) days of submission of a bill thereof. If such costs are not reimbursed as required herein, the Issuing Authority may make demand for such costs from the performance bond.

### Section 10.5---REMOVAL AND RELOCATION

The Issuing Authority shall have the power at any time to order and require the Licensee to remove or relocate any pole, wire, cable or other structure owned by the Licensee that is dangerous to life or property. In the event that the Licensee, after notice, fails or refuses to act within a reasonable time, the Issuing Authority shall have the power to remove or relocate the same at the sole cost and expense of the Licensee. In such event, the Licensee shall reimburse the Issuing Authority the cost and expense of such removal within thirty (30) days of submission of a bill thereof. If such costs are not reimbursed as required herein, the Issuing Authority may make demand for such costs from the performance bond.

#### Section 10.6---INSPECTION

The Issuing Authority or its designee(s) shall have the right to inspect the plant, equipment or other property of the Licensee in the Town at reasonable times and under reasonable circumstances. The Licensee shall fully cooperate in these activities.

# Section 10.7---JURISDICTION

Jurisdiction and venue over any dispute, action or suit shall be in any court of appropriate venue and subject matter jurisdiction located in the Commonwealth of Massachusetts and the parties by the instrument subject themselves to the personal jurisdiction of said court for the entry of any such judgment and for the resolution of any dispute, action, or suit.

#### Section 10.8---LOCAL TAX INFORMATION

The Licensee shall annually submit to Town assessors not later than March 1st sufficient information to allow evaluation of capital equipment within LicenseeÆs own

facilities, subscriber buildings, and public and private rights of way located in the Town as of each January 1st during the term of the Final License, so as to permit the appropriate assessment of the annual property tax.

# ARTICLE 11: DETERMINATION OF BREACH-LIQUIDATED DAMAGES-LICENSE REVOCATION

## Section 11.1---DETERMINATION OF BREACH

In the event that the Issuing Authority has reason to believe that the Licensee has defaulted in the performance of any or several provisions of the Final License, except as excused by Force Majeure, the Issuing Authority shall notify the Licensee in writing, by certified mail, of the provision or provisions which the Issuing Authority believes may have been in default and the details relating thereto. The Licensee shall have thirty (30) days from the receipt of such notice to:

- (a) respond to the Issuing Authority in writing, contesting the Issuing Authority's assertion of default and providing such information or documentation as may be necessary to support the Licensee's position; or
- (b) cure any such default (and provide written evidence of the same), or, in the event that by nature of the default, such default cannot be cured within such thirty (30) day period, to take reasonable steps to cure said default and diligently continue such efforts until said default is cured. The Licensee shall report to the Issuing Authority, in writing, by certified mail, at fourteen (14) day intervals as to the Licensee's efforts, indicating the steps taken by the Licensee to cure said default and reporting the Licensee's progress until such default is cured.
- (c) In the event that the Licensee fails to respond to such notice of default and to cure the default or to take reasonable steps to cure the default within the required thirty (30) day period, the Issuing Authority or its designee shall promptly schedule a public hearing no sooner than fourteen (14) days after written notice, by certified mail, to the Licensee. The Licensee shall be provided reasonable opportunity to offer evidence and be heard at such public hearing. Within thirty (30) days after said public hearing, the Issuing Authority shall determine whether or not the Licensee is in default of any provision of the Final License. In the event that the Issuing Authority, after such hearings, determines that the Licensee is in such default, the Issuing Authority may determine to pursue any of the following remedies:
- (i) seek specific performance of any provision in the Final License which reasonably lends itself to such remedy as an alternative to damages:
- (ii) assess liquidated damages in accordance with the schedule set forth in Section 11.2 below;
  - (iii) commence an action at law for monetary damages;
- (iv) foreclose on all or any appropriate part of the security provided pursuant to Sections 9.2 and 9.3 herein;

- (v) declare the Final License to be revoked subject to Section 11.3 below and applicable law;
  - (vi) invoke any other lawful remedy available to the Town.

# **Section 11.2---LIQUIDATED DAMAGES**

- (a) For the violation of any of the following provisions of this Renewal License, liquidated damages shall be paid by the Licensee to the Issuing Authority, subject to Section 11.1 above. Any such liquidated damages shall be assessed as of the date that the Licensee received written notice, by certified mail, of the provision or provisions which the Issuing Authority believes are in default, provided that the Issuing Authority made a determination of default pursuant to Section 11.1(d) above.
- (1) For failure to fully activate, operate and maintain the Subscriber Network in accordance with Section 3.1 herein, five hundred dollars (\$500.00) per day, for each day that any such non-compliance continues.
- (2) For failure to fully activate, operate and maintain the Institutional Network in accordance with Section 3.2 herein, five hundred dollars (\$500.00) per day, for each day that any such non-compliance continues.
- (3) For failure to obtain the advance, written approval of the Issuing Authority for any transfer of the Final License in accordance with Section 2.6 herein, five hundred dollars (\$500.00) per day, for each day that any such non-compliance continues.
- (4) For failure to comply with the PEG Access programming provisions in accordance with the timelines in Article 6 herein, four hundred dollars (\$400.00) per day, for each day that any such non-compliance continues.
- (5) For failure to comply with the technical standards, pursuant to Section 3.5 herein and Exhibit 3 attached hereto, four hundred dollars (\$400.00) per day, for each day that any such non-compliance continues.
- (6) For failure to comply with the FCC's Customer Service Obligations in accordance with Section 12.5 infra, and Exhibit 8 attached hereto, one hundred dollars (\$100.00) per day that any such non-compliance continues.
- (7) For failure to provide, install and/or fully activate the Subscriber Network and Institutional Network Drops and/or Outlets in accordance with Sections 3.1, 3.2, 5.8 and 5.9 herein and/or Exhibit 2, one hundred dollars (\$100.00) per day that any of such Drops and/or Outlets are not provided, installed and/or activated as required.
- (8) For failure to provide free Internet Service(s) to Public Buildings and Schools in accordance with Section 5.9 herein, three hundred dollars (\$300.00) per day that such Internet Services are not provided as required.

- (9) For failure to submit reports, pursuant to Article 13 herein, fifty dollars (\$50.00) per day per report, that each and any of said reports are not submitted as required.
- (b) Such liquidated damages shall not be a limitation upon, any other provisions of this Renewal License and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies.
- (c) 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 Cable Act.

#### Section 11.3---REVOCATION OF THE FINAL LICENSE

To the extent permitted by applicable law, in the event that the Licensee fails to comply with any material provision of the Final License, the Issuing Authority may revoke the Final License granted herein.

#### Section 11.4---TERMINATION

The termination of the Final License and the Licensee's rights herein shall become effective upon the earliest to occur of: (i) the revocation of the Final License by action of the Issuing Authority, pursuant to Section 11.1 and 11.3 above; (ii) the abandonment of the Cable System, in whole or material part, by the Licensee without the express, prior approval of the Issuing Authority; or (iii) the expiration of the term of the Final License. In the event of any termination, the Town shall have all of the rights provided in the Final License.

# Section 11.5---NOTICE TO TOWN OF LEGAL ACTION

In the event that the Town or Licensee has reason to believe that the other party has acted, or has failed to act, in such a manner as to give rise to a claim, in law or equity, against the other party, and either the Town or the Licensee intends to take legal action, said party shall (i) give the other party at least forty-five (45) days notice, unless, in good faith, time and events do not allow for such a period, that an action will be filed, (ii) meet with the other party before filing any such action, and (iii) negotiate the issue, which is the subject of any proposed legal action, in good faith with the other party.

# Section 11.6---NON-EXCLUSIVITY OF REMEDY

No decision by the Issuing Authority or the Town to invoke any remedy under the Final License or under any statute, law or by-law shall preclude the availability of any other such remedy.

# **Section 11.7---NO WAIVER-CUMULATIVE REMEDIES**

- (a)Subject to Section 626(d) of the Cable Act, no failure on the part of the Town to exercise, and no delay in exercising, any right in the Final License shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any other right, all subject to the conditions and limitations contained in the Final License.
- (b) The rights and remedies provided herein are cumulative and not exclusive of any remedies provided by law, and nothing contained in the Final License shall impair any of the rights of the Town under applicable law, subject in each case to the terms and conditions in the Final License.
- (c) A waiver of any right or remedy by the Town at any one time shall not affect the exercise of such right or remedy or any other right or remedy by the Town at any other time. In order for any waiver of the Town to be effective, it shall be in writing. The failure of the Town to take any action in the event of any breach by the Licensee shall not be deemed or construed to constitute a waiver of or otherwise affect the right of the Town to take any action permitted by the Final License at any other time in the event that such breach has not been cured, or with respect to any other breach by the Licensee.

# ARTICLE 12: SUBSCRIBER RIGHTS AND CONSUMER PROTECTION

#### Section 12.1---PAYMENT CENTER

- (a) At all times during the Final License, the Licensee shall operate and/or provide for a location within the Town for, among other things, payment of bills by Subscribers.
- (b) The Licensee shall offer Subscribers the option of receiving other services that are normally available at a full-service customer service office at the SubscriberÆs home including, but not limited to, return and/or exchange of equipment, in-person explanation of Cable System operation, etc.

#### Section 12.2---TELEPHONE ACCESS

- (a) The Licensee shall maintain sufficient customer service representatives in order to answer all Subscriber calls, in compliance with the FCC's Customer Service Obligations at 47 C.F.R. <sup>o</sup>76.309, attached hereto as *Exhibit 8*, during Normal Business Hours, as defined therein.
- (b) The Licensee's main customer service office(s) shall have a publicly listed local telephone number for Lexington subscribers.
- (c) Pursuant to 47 C.F.R. <sup>o</sup>76.309(c)(1)(B), under Normal Operating Conditions, as defined, telephone answer time by a customer service representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. Said standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis.
- (d) A Subscriber shall receive a busy signal less than three (3%) of the time, measured on a quarterly basis, under normal operating conditions.
- (e) The Issuing Authority shall have the right to direct the Licensee to submit a "busy study" from the telephone company which provides service to the Licensee, if the quarterly reports, subject to Section 13.5 infra, do not clearly document that the Licensee's telephone lines are accessible to Subscribers as required herein.

# **Section 12.3---ANSWERING SERVICE**

Throughout the entire term of the Final License, the Licensee shall maintain a telephone answering service to handle Subscriber inquiries, complaints and emergencies, and provide proper referral regarding billing and other subscriber information. All such after-hours calls shall be logged by the Licensee. Said answering service shall (i) forward all inquiries and/or complaints to the Licensee the morning of the next business day and (ii) inform each Subscriber calling that his or her complaint will be referred to the Licensee's Customer Service Department for response. If requested, or reasonably warranted by the reported nature of the Subscriber's problem

or inquiry, the Licensee shall promptly contact each individual Subscriber to follow-up on their individual problem and/or inquiry.

## Section 12.4--INSTALLATION VISITS-SERVICE CALLS-RESPONSE TIME

- (a) The Licensee shall provide Cable Service(s), for new installations, to Lexington residents who request Service within five (5) days of said request.
- (b) In arranging appointments for either installation visits or service calls, the Licensee shall offer to the resident or Subscriber in advance a choice of whether said installation visit or service call will occur in the appointed morning (9:00 AM to 1:00 PM), afternoon (1:00 PM to 5:00 PM) or, if applicable, evening (5:00 PM to 7:00 PM). Failure of the Licensee through its own fault to install cable or make the service call as scheduled shall require the Licensee to offer automatically a priority cable installation or service call to the affected resident or Subscriber at a time mutually agreeable to the Licensee and said resident or Subscriber, but in no case later than three (3) days following the initial installation or service call date, unless agreed to otherwise by said resident or Subscriber. The Licensee shall promptly notify residents and Subscribers in writing or by telephone of their right to a priority cable installation or service call in the event that the Licensee fails to make such scheduled call(s).
- (c) The Licensee shall make installation and service calls to its Subscribers from at least 9:00 AM to 7:00 PM, daylight permitting, Monday through Friday and from 9:00 AM to 1:00 PM on Saturday.
- (d) For all requests for service or repair that are received during Normal Business Hours, the Licensee shall handle them on the same day, if possible, provided that said service complaint or request for service is received by 2:00 P.M.; provided, however, that in all instances, requests for service calls shall be responded to within forty-eight (48) hours of said original call. Verification of the problem and resolution shall occur as promptly as possible.
- (e) A Subscriber complaint or request for service received after Normal Business Hours, pursuant to Section 12.1 above, shall be acted upon the next business morning. At that time, they are to be handled as prescribed in (d) above for a request received at the start of business.
- (f) The Licensee shall ensure that there are stand-by technicians on-call at all times after Normal Business Hours. The answering service shall be required to notify the stand-by technician(s) of (i) any emergency situations, (ii) an unusual number of calls and/or (iii) a number of similar complaint calls or a number of calls coming from the same area.
- (g) System outages shall be responded to promptly by technical personnel. For purposes of the section, an outage shall be considered to occur when three (3) or more

calls are received from any one neighborhood, concerning such an outage, or when the Licensee has reason to know of such an outage.

(h) The Licensee shall remove all Subscriber Drop Cables, within fifteen (15) days of receiving a request from a Subscriber to do so.

# Section 12.5---FCC CUSTOMER SERVICE OBLIGATIONS

The Licensee shall comply with the FCC's Customer Service Obligations, codified at 47 U.S.C. Section 76. which standards are attached hereto, and made a part hereof, as *Exhibit 8*.

# Section 12.6---BUSINESS PRACTICE STANDARDS

The Licensee shall provide the Issuing Authority, the Commission and all of its Subscribers with the following information in accordance with 207 CMR 10.00 et seq., attached hereto as *Exhibit 7* and made a part hereof, as the same may exist or as may be amended from time to time:

- (i) Notification of its Billing Practices;
- (ii) Notification of Services, Rates and Charges;
- (iii) Equipment Notification;
- (iv) Form of Bill;
- (v) Advance Billing, Issuance of Bills;
- (vi) Billing Due Dates, Delinquency, Late Charges and Termination of Service;
- (vii) Charges for Disconnection or Downgrading of Service;
- (viii) Billing Disputes; and
- (ix) Service Interruptions.

#### Section 12.7---COMPLAINT RESOLUTION PROCEDURES

- (a) The Licensee shall establish a procedure for resolution of complaints by Subscribers. It shall be consistent with the following unless otherwise mutually agreed to in writing by the Issuing Authority and the Licensee.
- (b) Upon reasonable notice, the Licensee shall expeditiously investigate and resolve all complaints regarding the quality of Service, equipment malfunctions and similar matters. Unless explicitly waived by the complainant, this shall include an initial response in writing to the complainant within seven (7) business days acknowledging

receipt of the complaint and providing whatever status or resolution is known at that time.

- (c) In the event that a Subscriber is aggrieved and seeks assistance from the Town, the CTCAC shall be responsible for receiving and acting upon such Subscriber complaints/inquiries, as follows:
- (i) Upon receipt of a complaint from a Subscriber, the CTCAC (or one of its members) shall make a request to the Licensee for a response. The request to the Licensee shall be in writing unless the Licensee waives the requirement (either on an individual-complaint or on-going basis). Upon receipt of the request of the CTCAC, and subject to applicable privacy laws, the Licensee shall, within seven (7) business days after receiving such request, send a response to the CTCAC with respect to the complaint. The response shall be in writing unless the CTCAC (or the member involved) waives the requirement (either on an individual-complaint or on-going basis).
- (ii) If the Subscriber wishes to participate in the processing of the complaint, the Licensee and the CTCAC (or one of its members) shall afford the Subscriber an opportunity to meet jointly in Lexington with a representative of the Licensee and a member of the CTCAC within thirty (30) days of the Subscriber's filing of his or her complaint with the CTCAC, in order to fully discuss and attempt to resolve such the complaint.
- (iii) Further requests from the CTCAC and responses by the Licensee shall continue until the CTCAC considers the matter resolveduat which point the CTCAC (or one of its members) shall advise the complainant of the resolution and advise the Licensee that the CTCAC considers the matter closed.
- (iv) Should a Subscriber have an unresolved complaint regarding System operations and notwithstanding any involvement by the CTCAC, the Subscriber shall be entitled to file his or her complaint directly with the Issuing Authority.
- (d) Notwithstanding the foregoing, if the Issuing Authority or its designee(s) determines it to be in the public interest, the Issuing Authority or its designee(s) may investigate any complaints or disputes involving Licensee's operations under the License.

#### Section 12.8---REMOTE CONTROL DEVICES

The Licensee shall allow its Subscribers to purchase, from legal and authorized parties other than the Licensee, own, utilize and program remote control devices which are compatible with the Converter(s) provided by the Licensee. The Licensee takes no responsibility for changes in its equipment which might make inoperable the remote control devices acquired by Subscribers.

#### Section 12.9---LOSS OF SERVICE-SIGNAL QUALITY

The Licensee shall comply with all applicable FCC statutes, regulations and standards relating to quality of the Signals transmitted over the Cable System. Upon a showing of a number of complaints from Subscribers that indicates a general or areawide Signal quality problem concerning consistently poor or substandard Signal quality in the System, the Issuing Authority shall provide the Licensee an opportunity to demonstrate that its Signals meet or exceed FCC technical standards. In the event that the Licensee is unable to demonstrate such compliance, the Issuing Authority shall, after giving the Licensee fourteen (14) days notice and an opportunity to cure said deficiency, order the Licensee to correct said Signal quality deficiencies, within fourteen (14) days of said order; provided, however, that the Licensee may request additional time from the Issuing Authority in which to correct said deficiency, which permission shall not be unreasonably denied. The Issuing Authority and the Licensee shall enter into good faith discussions concerning possible remedies for consistent Signal degradation.

# Section 12.10---EMPLOYEE IDENTIFICATION CARDS

All of the Licensee's employees entering, or seeking entrance, upon private property, in connection with the construction, installation, maintenance and/or operation of the Cable System, including repair and sales personnel, shall be required to wear an employee identification card issued by the Licensee and bearing a picture of said employee, as approved in advance by the Town of Lexington Chief of Police and/or his/her designee.

# Section 12.11---PROTECTION OF SUBSCRIBER PRIVACY

- (a) The Licensee shall respect the rights of privacy of every Subscriber and/or User of the Cable Television System and shall not violate such rights through the use of any device or Signal associated with the Cable Television System, and as hereafter provided.
- (b) The Licensee shall comply with all privacy provisions contained in the Article 12 and all other applicable federal and State laws including, but not limited to, the provisions of Section 631 of the Cable Act.
- (c) The Licensee shall be responsible for carrying out and enforcing the Cable System's privacy policy, and shall at all times maintain adequate physical, technical and administrative security safeguards to ensure that personal subscriber information is handled and protected strictly in accordance with the policy.

## Section 12.12---PRIVACY WRITTEN NOTICE

At the time of entering into an agreement to provide any Cable Service or other service to a Subscriber, and annually thereafter to all Cable System Subscribers, the Licensee shall provide Subscribers with written notice, as required by Section 631(a)(1) of the Cable Act, which, at a minimum, clearly and conspicuously explains the Licensee's practices regarding the collection, retention, uses, and dissemination of

personal subscriber information, and describing the Licensee's policy for the protection of subscriber privacy.

# Section 12.13---MONITORING

- (a) Unless otherwise required by court order, neither the Licensee nor its agents nor the Town nor its agents shall tap, monitor, arrange for the tapping or monitoring, or permit any other Person to tap or monitor, any cable, line, Signal, input device, or subscriber Outlet or receiver for any purpose, without the prior written authorization of the affected Subscriber or User; provided, however, that the Licensee may conduct system-wide or individually addressed "sweeps" solely for the purpose of verifying System integrity, checking for illegal taps, connections or Converters, controlling return-path transmission, billing for pay Services or monitoring channel usage in a manner not inconsistent with the Cable Act. The Licensee shall report to the affected parties and the Issuing Authority any instances of monitoring or tapping of the Cable Television System, or any part thereof, of which it has knowledge, whether or not such activity has been authorized by the Licensee, other than as permitted herein.
- (b) The Licensee shall not record or retain any information transmitted between a Subscriber or User and any third party, except as required for lawful business purposes. Pursuant to Section 631(e) of the Cable Act, the Licensee shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending requests or orders for access to such information pursuant to a request from a Subscriber or pursuant to a court order.

## Section 12.14---DISTRIBUTION OF SUBSCRIBER INFORMATION

- (a) The Licensee shall not disclose personally identifiable information concerning any Subscriber without the prior written or electronic consent of the Subscriber concerned.
  - (b) The Licensee may disclose such information if the disclosure is:
- (i) necessary to render, or conduct a legitimate business activity related to, a Cable Service or other service provided by the Licensee to the Subscriber; and/or
- (ii) made pursuant to a court order authorizing such disclosure, if the Subscriber is notified of such order by the person to whom the order is directed;
- (iii) a disclosure of the names and addresses of Subscribers to any Cable Service or other service, if (a) the Licensee has provided the Subscriber the opportunity to prohibit or limit such disclosure, and (b) the disclosure does not reveal, directly or indirectly, the (i) extent of any viewing or other use by the Subscriber of a Cable Service or other service provided by the License, or (ii) the nature of the transaction made by the Subscriber over the Cable System.

# Section 12.15---INFORMATION WITH RESPECT TO VIEWING HABITS AND SUBSCRIPTION DECISIONS

Except as permitted by Section 631 of the Cable Act, neither the Licensee nor its agents nor its employees shall make available to any third party, including the Town, information concerning the viewing habits or subscription package decisions of any individual Subscriber. If a court authorizes or orders such disclosure, the Licensee shall notify the Subscriber as soon as practicable, unless such notification is otherwise prohibited by applicable law or the court.

### Section 12.16---SUBSCRIBER'S RIGHT TO INSPECT AND VERIFY INFORMATION

- (a) The Licensee shall make available for inspection by a Subscriber at a reasonable time and place all personal subscriber information that the Licensee maintains regarding said Subscriber.
- (b) A Subscriber may obtain from the Licensee a copy of any or all of the personal subscriber information regarding him or her maintained by the Licensee. The Licensee may require a reasonable fee for making said copy.
- (c) A Subscriber or User may challenge the accuracy, completeness, retention, use or dissemination of any item of personal subscriber information. Such challenges and related inquiries about the handling of subscriber information shall be directed to the Licensee. The Licensee shall change any such information upon a reasonable showing by any Subscriber that such information is inaccurate.

# Section 12.17---PRIVACY STANDARDS REVIEW

The Issuing Authority and the Licensee shall continually review the Article 12 to determine that it effectively addresses appropriate concerns about privacy. The Article may be amended periodically by agreement of the Issuing Authority and the Licensee.

# **ARTICLE 13: REPORTS, AUDITS AND PERFORMANCE TESTS**

#### Section 13.1---GENERAL

- (a) Upon request of the Issuing Authority, the Licensee shall promptly submit to the Town any information which may be reasonably required to establish the Licensee's compliance with its obligations pursuant to the Final License.
- (b) If the Licensee believes that the documentation requested by the Issuing Authority involves proprietary information, then the Licensee shall submit the information to its counsel, who shall confer with the Town Counsel for a determination of the validity of the Licensee's claim of a proprietary interest. In the event of a disagreement, the parties shall submit the matter to the appropriate appellate entity.

# Section 13.2---FINANCIAL REPORTS

- (a) No later than one hundred twenty (120) days after the end of the Licensee's fiscal year, the Licensee shall furnish the Issuing Authority and/or its designee(s) with Cable Division Forms 200 showing a balance sheet sworn to by the Licensee's Chief Financial Officer. Said forms shall contain such financial information as required by applicable law.
- (b) The Licensee shall provide any other reports required by State and/or federal law.

# Section 13.3---CABLE SYSTEM INFORMATION

The Licensee shall file annually with the Issuing Authority a statistical summary of the operations of the Cable System. Said report shall include, but not be limited to, (i) the number of Basic Service Subscribers, (ii) the number of dwelling units passed and (iii) the number of plant miles completed. The Licensee may submit such information subject to Section 13.1(b) above, and it shall be considered proprietary.

## Section 13.4---IN-HOUSE TELEPHONE REPORTS

To establish the Licensee's compliance with the requirements of the Final License, the Licensee shall provide, on a quarterly basis, the Issuing Authority with a report of telephone traffic, generated from an in-house automated call accounting or call tracking system which will objectively demonstrate in a quantified manner whether there has been compliance with said requirements.

#### Section 13.5---SUBSCRIBER COMPLAINT REPORT

In accordance with the regulations of the Cable Division, the Licensee shall submit a completed copy of Cable Division Form 500B (See *Exhibit 9*) to the Issuing Authority, or its designee, no later than two (2) weeks after each of the following dates: March 31st, June 30th, September 30th and December 31st. The Licensee shall record all written and verbal complaints of its Subscribers on said Form 500B.

#### Section 13.6---SERVICE INTERRUPTION REPORT

The Licensee shall submit a completed copy of Cable Division Form 500C (See *Exhibit 10*) to the Issuing Authority, or its designee, no later than two (2) weeks after each of the following dates: March 31st, June 30th, September 30th and December 31st.

## Section 13.7---INDIVIDUAL COMPLAINT REPORTS

Subject to Sections 12.7 and 12.15(a) supra, the Licensee shall, within ten (10) business days after receiving a written request from the Town, send a written report to the Issuing Authority with respect to any complaint. Such report shall provide a full explanation of the investigation, finding(s) and corrective steps taken, as allowed by applicable law.

### Section 13.8---PERFORMANCE TESTS

- (a) As required by applicable State or federal law and/or regulation, the Licensee shall conduct, on a semi-annual basis, performance tests to ensure compliance with the technical specifications in Section 3.5 supra attached hereto, including, without limitation:
  - (i) Signal level of video carrier of each activated channel;
  - (ii) System carrier to noise level(s) measured at a low and high VHF;
  - (iii) System hum modulation measured at any one frequency.

The costs of such tests shall be borne exclusively by the Licensee.

- (b) Data from the above tests shall be submitted to the Issuing Authority and/or its designee on a semi-annual basis within ten (10) calendar days after completion of such testing. Unless otherwise required by applicable law or regulation, said reports shall also include, without limitation, the name of the engineer who supervised the test; a description of test equipment and procedures used; measurement of locally receivable Signals; the weather conditions under which such tests were taken; measurements of Cable System performance as required in Section 3.5 supra; and a statement of the Licensee's adherence to all performance standards, and if said standards are not satisfactorily met, a statement as to what corrective action is to be taken.
- (c) All tests herein shall be performed at (1) the Cable System Hub and (2) at four (4) locations in the Town farthest from the Hub: one (1) of which locations shall be on the I-Net, and the three (3) other locations on the Subscriber Network.
- (d) Upon Subscriber Network Completion and completion of the I-Net to all locations specified by the Issuing Authority or its designee at the time of the Subscriber Network Completion, the Licensee shall conduct, and forward to the CTCAC the data from, an

initial performance test consistent with paragraphs (a)-(c) herein to ensure compliance with the technical specifications in Section 3.5 supra, in conjunction with a request to reduce the performance bond amount pursuant to Section 9.2 supra

# Section 13.9---QUALITY OF SERVICE

- (a) Where there exists evidence which, in the reasonable judgment of the Issuing Authority, casts doubt upon the reliability or technical quality of Cable Service(s), on either the Subscriber Network or the I-Net, the Issuing Authority shall have the right and authority to require the Licensee to test, analyze and report on the performance of the Cable System. The Licensee shall fully cooperate with the Issuing Authority in performing such testing and shall provide the results in a written report, if requested, within thirty (30) days after notice for the same.
  - (b) Said report shall include the following information:
    - (1) the nature of the complaint or problem which precipitated the special tests;
    - (2) the system component tested;
    - (3) the equipment used and procedures employed in testing;
    - (4) the method, if any, in which such complaint/problem was resolved; and
    - (5) any other information pertinent to said tests and analysis as required.
- (c) At the conclusion of said thirty (30) day period, in the event that the Cable System fails to meet the FCC's technical standards, additional tests may be required by the Issuing Authority, supervised by a professional engineer at terms satisfactory to both the Licensee and the Issuing Authority. The Licensee shall pay for the costs of such engineer only if the tests performed show that the quality of service is below the standards set forth in Section 3.5 supra, attached hereto.

### Section 13.10---DUAL FILINGS

If requested, the Licensee shall make available to the Town, at the Licensee's expense, copies of any petitions or written communications with any State or federal agency or commission pertaining to any material aspect of the Cable System operation hereunder and subject to Section 13.1 supra.

# **Section 13.11---ADDITIONAL INFORMATION**

At any time during the term of the Final License, upon the reasonable request of the Issuing Authority, the Licensee shall not unreasonably deny any requests for further information which may be required to establish the Licensee's compliance with its obligations pursuant to the Final License and subject to Section 13.1 supra.

# **Section 13.12---INVESTIGATION**

Subject to applicable law and regulation, the Licensee and any Affiliated Person(s) shall cooperate fully and faithfully with any lawful investigation, audit or inquiry conducted by a Town governmental agency.

# **ARTICLE 14: EMPLOYMENT**

# Section 14.1---EQUAL EMPLOYMENT OPPORTUNITY

The Licensee shall be an Equal Opportunity Employer adhering to all federal, State and/or local laws and regulations. Pursuant to 47 C.F.R. 76.311 and other applicable regulations of the FCC, the Licensee shall file an Equal Opportunity Program with the FCC and otherwise comply with all FCC regulations with respect to Equal Employment Opportunities.

# Section 14.2---NON-DISCRIMINATION

The Licensee shall adhere to all federal and State laws prohibiting discrimination in employment practices.

#### **ARTICLE 15: MISCELLANEOUS PROVISIONS**

#### Section 15.1---ENTIRE AGREEMENT

This instrument contains the entire agreement between the parties, supersedes all prior agreements or proposals except as specifically incorporated herein, and cannot be changed orally but only by an instrument in writing executed by the parties.

# **Section 15.2---CAPTIONS**

The captions to sections throughout the Final License are intended solely to facilitate reading and reference to the sections and provisions of the Final License. Such captions shall not affect the meaning or interpretation of the Final License.

#### Section 15.3---SEPARABILITY

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

# Section 15.4---ACTS OR OMISSIONS OF AFFILIATES

During the term of the Final License, the Licensee shall be liable for the acts or omission of its Affiliates while such Affiliates are involved directly or indirectly in the construction, upgrade, installation, maintenance or operation of the Cable System as if the acts or omissions of such Affiliates were the acts or omissions of the Licensee.

#### Section 15.5---FINAL LICENSE EXHIBITS

The Exhibits to the Final License, attached hereto, and all portions thereof, are incorporated herein by the reference and expressly made a part of the Final License.

#### Section 15.6---WARRANTIES

The Licensee warrants, represents and acknowledges that, as of the Execution Date of the Final License:

- (i) The Licensee is duly organized, validly existing and in good standing under the laws of the State;
- (ii) The Licensee has the requisite power and authority under applicable law and its by-laws and articles of incorporation and/or other organizational documents, is authorized by resolutions of its Board of Directors or other governing body, and has secured all consents which are required to be obtained as of the Execution Date of the Final License, to enter into and legally bind the Licensee to the Final License and to take all actions necessary to perform all of its obligations pursuant to the Final License;

- (iii) The Final License is enforceable against the Licensee in accordance with the provisions herein, subject to applicable State and federal law;
- (iv) There is no action or proceedings pending or threatened against the Licensee which would interfere with its performance of the Final License;
- (v) None of the officers, directors or managers of the Licensee have any relation or interest in any local broadcast station or telephone company that would be in violation of Section 613 of the Cable Act; and
- (vi) Pursuant to Section 625{f} of the Cable Act, the performance of all terms and conditions in the Final License is commercially practicable.

# Section 15.7---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 deemed in violation or default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: 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 subdivision, 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; and unavailability of essential equipment, services and/or materials and/or other matters beyond the control of the Licensee.

#### Section 15.8---REMOVAL OF ANTENNAS

The Licensee shall not remove any television antenna of any Subscriber but shall offer to said Subscriber at the time of initial sales presentation (with an acknowledgment by the Subscriber of receipt such offer being indicated by initialing the sales agreement), and maintain, an adequate switching device ("A/B Switch") to allow said Subscriber to choose between cable and non-cable television reception.

#### Section 15.9---SUBSCRIBER TELEVISION SETS

Pursuant to M.G.L. Chapter 166A, Section 5(d), the Licensee shall not engage directly or indirectly in the business of selling or repairing television or radio sets; provided, however, that the Licensee may make adjustments to television sets in the course of normal maintenance.

## Section 15.10---APPLICABILITY OF FINAL LICENSE

All of the provisions in the Final License shall apply to the Town, the Licensee, and their respective successors and assignees.

#### Section 15.11---NOTICES

- (a) Every notice to be served upon the Issuing Authority shall be delivered, or sent by certified mail (postage prepaid) to the Board of Selectmen, Town of Lexington, Town Offices Building, 1625 Massachusetts Avenue, Lexington, Massachusetts 02420-3893, with one (1) copy to the Town Counsel, and one (1) copy to the CTCAC at the same address, or such other address(es) as the Issuing Authority or its designee may specify in writing to the Licensee. The delivery shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of mailing.
- (b) Every notice served upon the Licensee shall be delivered or sent by certified mail (postage prepaid) to the Vice-President and General Manager, RCN-BecoCom, L.L.C., 419 Boylston Street, Boston, Massachusetts 02116, or such other address as the Licensee may specify in writing to the Issuing Authority. The delivery shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of mailing.
- (c) Whenever notice of any public hearing relating to the Cable System is required by law, regulation or the Final License, the Licensee shall publish notice of the same, sufficient to identify its time, place and purpose, in an Lexington newspaper of general circulation once in each of two (2) successive weeks, the first publication being not less than fourteen (14) days before the day of any such hearing.
- (d) The Licensee shall identify all public hearings relating to the Cable System by frequently repeated announcements on a community bulletin board channel at least between the hours of seven (7:00) AM and nine (9:00) PM for five (5) consecutive days during each such week. Such notice shall also state the purpose of the hearing, the location of the hearing and the availability of relevant written information.
  - (e) Subject to subsection (d) above, all required notices shall be in writing.

# Section 15.12---NO RECOURSE AGAINST THE ISSUING AUTHORITY

In accordance with Section 635A(a) of the Cable Act, the Licensee shall have no recourse whatsoever against the Issuing Authority, the Town and/or its officials, boards, commissions, committees, advisors, designees, agents, and/or its employees other than injunctive relief or declaratory relief, arising out of any provision or requirements of the Final License or because of enforcement of the Final License.

#### Section 15.13---TOWN'S RIGHT OF INTERVENTION

The Town hereby reserves to itself, and the Licensee acknowledges the Town's right as authorized by applicable law or regulation, to intervene in any suit, action or proceeding involving the Final License, or any provision in the Final License.

#### Section 15.14---TERM

All obligations of the Licensee and the Issuing Authority set forth in the Final License shall commence upon the execution of the Final License and shall continue for the term of the Final License except as expressly provided for otherwise herein.

# EXHIBIT 1: TECHNICAL DESCRIPTION OF SUBSCRIBER NETWORK FOR THE TOWN OF LEXINGTON

The system RCN-BecoCom, L.L.C. (ôRCNö) is constructing for the Town of Lexington (the ôTownö) is a Hybrid Fiber Coax (ôHFCö) design similar to the latest designs used in most major upgrades and rebuilds in the country today. The RCN system is, however, being designed and built to accommodate a full 110 channels of analog signals at 860 MHz. (Most systems being constructed today are designed and constructed to pass analog channels to 550 MHz with the balance of capacity dedicated to digitally compressed video channels.)

RCN has made a business decision to handle the full complement of channels in an analog medium in the event the digital delivery platforms do not perform to RCNÆs satisfaction. RCNÆs design will have sufficient performance built in to implement digital technology at the appropriate time while still being capable of delivering 110 channels of programming upon activation.

RCN will install a ôHubö in the Town which will be connected with Pirelli single mode fiber optic cable to RCNÆs newly constructed 110 channel primary head-end site located in South Boston. RCN will use a dual laser concept that will provide automatic backup of the optical system. Upon sensing a loss of signal, this switching system will automatically switch to an alternate laser and fiber cable to permit uninterrupted signals to the Town. The RCN Hub will consist of optical receivers and Distributed Feedback (ôDFBö) lasers manufactured by Harmonic Lightwaves. Each DFB laser will, on average, serve no more than two (2) to four (4) optical nodes. The field mounted optical nodes will be manufactured by General Instruments and will service no more than 500 homes each, thereby minimizing the number that could be affected by a single point of failure.

All of the optical components will be monitored through a network management system that will be monitored at the local system level as well as through RCNÆs centralized Network Operations Center to ensure constant surveillance. This same network will monitor all pole-mounted power supplies in the same manner. The power supplies being used by RCN are the latest Lectro Products ZTT (Zero Transfer Time) units. These power supplies are battery back-up units to minimize interruptions associated to power failures or brown-outs.

Each fiber node in the Town will have no more than two (2) active radio frequency (ôRFö) amplifiers in cascade off of any leg of the node. This will provide additional reliability by limiting the number of subscribers served from any active component. The RF electronics are manufactured by General Instruments and are also designed to handle 110 analog channels of delivery. The coaxial system will be constructed in its entirety using Commscope .625 jacketed cable, LRC connectors and Canusa shrink boot for weather protection. RCN will use 1 GHz Milenium subscriber taps with features

such as ôcam portö for better signal delivery and a power passing feature that, in the event a face plate is removed, signal will not be interrupted to customers beyond this point. The power passing feature will also provide for the future ability to power inhome devices such as coaxial-based telephone systems.

RCN will utilize subscriber drop cable that consists of an RG-6 quad shield coaxial cable mated with a multi-pair copper cable to permit both telephone and video services to be fed from a single wire service line. Additionally, RCN will install an apartment style box on the side of the home that will terminate both the coaxial and telephone connections in a neat and orderly manner.

# EXHIBIT 2: GENERAL DESCRIPTION OF THE LEXINGTON INSTITUTIONAL NETWORK

RCN-BecoCom, L.L.C. ("RCN") proposes to provide the fiber optic cable strands that will be needed to establish an institutional network ("I-NET") for the Town of Lexington (the "Town"). Two (2) single mode fiber optic strands will interconnect each of the buildings specified by the Town to the RCN hub location using a star network topology. These fibers will be used exclusively for the I-NET and may not be used by the Town to provide capacity to others without RCN's prior consent, which consent will not be unreasonably withheld.

The proposed fiber optic strands can be configured to provide a variety of voice, video and data services depending on the type and configuration of the end equipment. The following paragraphs depict one configuration that could be used to provide video and data transmission capacity over the fiber optic cable.

This conceptual design proposes extensive use of fiber strands to provide both video and data services to specified building locations. Two (2) single mode fibers will be terminated at each location requiring access to the I-NET. One fiber will be used for upstream transmission from the I-NET location to RCN's hub location in the Town. The second fiber will be used for downstream transmission. This second fiber will be optically split, and therefore shared, with an average of five (5) other locations on the I-NET.

The two (2) fibers may be terminated in equipment that is specifically designed to carry video and data information. An analog modulated laser at the RCN hub site would be configured to support 550 MHz of downstream bandwidth. This provides the capability of delivering approximately 80 channels of video programming to the I-NET locations where the fiber terminates. The downstream signal could be optically split such that the signal from the lasers will feed an average of five (5) separate building locations on the I-NET. No intermediate amplification or active devices of any sort are required between the RCN hub site and the I-NET building location. This 100 percent fiber optic delivery system provides extremely high reliability and an enhanced quality of signal.

At the I-NET building location, the downstream fiber may terminate in a wall mounted optical receiver unit. This unit converts the optical signal into an analog modulated radio frequency ("RF") signal that can be distributed throughout the building using standard coaxial distribution cable.

At an I-NET location where video signal generation is required, signals from local studio equipment will be fed into a signal combiner which in turn is fed into an analog modulated laser. This laser has an approximate bandwidth of 330 MHz and can support up to ten (10) video channels. The return laser is connected to a fiber that provides a

dedicated path between the I-NET location and the RCN hub site. This fiber is not shared with any other building on the network and therefore has the capacity of providing a large amount of bandwidth between the I-NET location and the RCN hub location.

The data portion of the I-NET can be provided by equipping DS-1 RF modem units which would be configured in a point-to-point arrangement between each I-NET building and the RCN hub location. This configuration would provide a dedicated DS-1 transmission circuit between each designated building on the I-NET and the RCN hub location. The DS-1 circuits could be used to provide a variety of data services between the two (2) points on the I-NET. The DS-1 facilities can also be multiplexed onto a SONET system for transport from the RCN hub to the designated data center.

In conclusion, the foregoing I-NET description depicts only one possible equipment configuration that could be designed in conjunction with the proposed fiber optic network. RCN welcomes the opportunity to assist the Town in developing alternative equipment configurations for an I-NET which would support other types of services and capacities.

#### Attachment:

Product Information for Corning« SMF-28Ö CPC Single-Mode Optical Fiber, Issued 10/98 (4 pages) (numbered 67a through 67d)

# **EXHIBIT 3: FCC TECHNICAL SPECIFICATIONS**

(See Attached) (12 pages) (numbered 68a through 68l)

# **EXHIBIT 4: PROGRAMMING**

It is the Licensee's intention to have the following channel line-up upon System Activation, subject to applicable law and the Licensee's editorial discretion.

(See Attached) (1 page) (numbered 69a)

# EXHIBIT 5: DESCRIPTION OF FREE INTERNET SERVICE TO LEXINGTON TOWN BUILDINGS AND SCHOOLS

(See Attached Corrected Copy of George Duffy Memo to Peter J. Epstein, 10/28/98) (2 pages) (numbered 70a & 70b)

# **EXHIBIT 6: GROSS ANNUAL REVENUES REPORTING FORM**

(See Attached) (2 pages) (numbered 71a & 71b)

# **EXHIBIT 7: 207 CMR 10.00**

(See Attached) (4 pages) (numbered 72a through 72d)

# **EXHIBIT 8: FCC CUSTOMER SERVICE OBLIGATIONS**

(See Attached) (2 pages) (numbered 73a & 73b)

# **EXHIBIT 9: CABLE DIVISION FORM 500B**

(See Attached) (1 page) (numbered 74a)

# **EXHIBIT 10: CABLE DIVISION FORM 500C**

(See Attached) (1 page) (numbered 75a)

# SIGNATURE PAGE

In Witness Whereof, this Final Cable Television License is hereby issued by the Board of Selectmen of the Town of Lexington, Massachusetts, as Issuing Authority, and all terms and conditions are hereby agreed to by RCN-BecoCom, L.L.C.

Peter D. Enri Chairperson	ch
la a una a Muia a	
Jeanne Krieg	er
Catherine M.	D. Abbott
Elizabeth B. I	Eddison
Dawn E. McK	Kenna
The Lexingto as Issuing	n Board of Selectmen, Authority
RCN-BecoCo	om, L.L.C.
BY:	Scott Burnside
TITLE:	Senior Vice President Regulatory & Government Relations

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DATED: May 24, 1999