

**RENEWAL
CABLE TELEVISION
FRANCHISE AGREEMENT
FOR
THE TOWN OF HAMPSTEAD,
NEW HAMPSHIRE**

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**HAMPSTEAD
RENEWAL FRANCHISE AGREEMENT
INTRODUCTION**

WHEREAS, MediaOne of New England, Inc. (hereinafter "MediaOne" or "Franchisee") is the duly authorized holder of a franchise agreement to operate a cable communications system in the Town of Hampstead, New Hampshire (hereinafter the "Town"), said franchise agreement having originally commenced on March 1, 1983;

WHEREAS, MediaOne filed a request for a renewal of its franchise agreement by letter dated March 31, 1995 in conformity with the Cable Communications Policy Act of 1984;

WHEREAS, there has been an opportunity for public comment, as required by Section 626(h) of the Cable Communications Policy Act;

WHEREAS, the Board of Selectmen, as the Franchise agreement Authority, finds that the renewal of MediaOne's franchise is appropriate in light of its past performance, compliance with the terms of its existing franchise agreement, and the terms contained in its request for franchise renewal; and

NOW THEREFORE, after due and full consideration, the Town and MediaOne agree that this Franchise Agreement is issued upon the following terms and conditions:

ARTICLE 1
DEFINITIONS

SECTION 1.1 - DEFINITIONS

The following terms used in this Franchise Agreement shall have the following meanings:

(a) Access Channel - A channel or channels for the purpose of transmitting Public, Educational and Governmental Programming.

(b) Access Programming - (i) "Educational": non-commercial locally produced programming, produced by the Town of Hampstead public schools, or other educational organizations as designated by the Franchise Authority and other non-commercial educational programming offered by them which is not ordinarily offered by operators of cable television systems; (ii) "Governmental": non-commercial programming produced by the Town of Hampstead departments or agencies and other non-commercial programming offered by them or a duly authorized designee which is not ordinarily offered by operators of cable television systems; (iii) "Public": non-commercial programming produced by the Town, or produced by an access corporation or non-profit corporation operating within the Town and other non-commercial programming not ordinarily offered by operators of cable television systems.

(c) Addressable Technology - The capability of a cable system to electronically add, change or delete certain programming or service from a remote location.

(d) Basic Broadcast Service - That Service Tier which shall include at least the retransmission of local broadcast television signals and the Public, Educational and Governmental ("PEG") Access Channels, in accordance with the Cable Act of 1992.

(e) Broadcast - Over-the-air transmission by a radio or television station.

(f) Cable Act - Cable Communications Policy Act of 1984, Public Law No. 98-549, 98 Stat. 2779 (1984), 47 USC 521 et seq., amending the Communications Act of 1934, as further amended by the 1992 Cable Consumer Protection and Competition Act, Public Law No. 102-385 and the Telecommunications Act of 1996, Public Law No. 104-458, 110 Stat. 56 (1996).

(g) Cable Communications System or Cable System - The facility, which is the subject of this franchise, consisting of antennae, wire, coaxial cable, amplifiers, towers, microwave links, wave guide, optical fibers, optical transmitters and receivers, satellite receive/transmit antennae, and/or other equipment designed and constructed for the purpose of producing, receiving, amplifying, storing, processing, or distributing audio, video, digital or other forms of electronic, electromechanical, optical or electrical signals to multiple Subscribers within the Town.

(h) Cable Service - The one-way transmission to Subscribers of video programming or other programming services which the cable operator makes available to all Subscribers generally, including Subscriber interaction utilizing the addressable capacity and capability of the Cable System.

(i) Drop - The coaxial cable that connects a home or building to the Subscriber Network or Institutional Network.

(j) Effective Date - March 1, 1998

(k) FCC - Federal Communications Commission.

(l) Franchise or Franchise Agreement - The Franchise Agreement granted herein.

(m) Franchise Authority - The Board of Selectmen of the Town of Hampstead, New Hampshire.

(n) Franchise Fee - The payments to be made to the Town as consideration for the renewal Franchise Agreement granted herein.

(o) Franchisee - MediaOne of New England, Inc., ("MediaOne") or any successor or transferee in accordance with the terms and conditions in this Franchise Agreement.

(p) Gross Revenue - All fees received by the Franchisee and billed to Subscribers as a result of the provision of Cable Service on the Cable System, including, but not limited to, all monthly service fees including premium services; all commercial Subscriber revenues; all other service fees including pay-per-view services and others sold on a per-channel basis; installation, reconnection, upgrade and any similar fees; and converter and remote control rentals, leases or sales. Revenues shall be net of uncollected fees billed for Cable Services. Revenues from advertising, and revenue derived from the sale of products in any way advertised or promoted on the Cable System; as well as telephone, telecommunications and data service which may be sold by Franchisee over the Cable System in the future, are expressly excluded from Gross Annual Revenue.

(q) Institutional Network ("I-Net") - The separate cable which interconnects with the Residential Network and is available for two-way transmission of audio, data and video between and among certain designated points on the I-Net and transmits community events and government meetings from a point on the I-Net to Subscribers.

(r) Outlet - An interior receptacle that connects a television set to the Cable Communications System.

(s) Private Roads - Private rights of way or non-public roadways not classified as highways by Chapter 231 of the Revised Statutes Annotated of New Hampshire which provide access to two or more free-standing, non-connected residential buildings as residential buildings.

(t) Programming - Any video, audio, text or data coded signal carried over the Cable Communications System.

(u) Residential Network - The trunk and feeder signal distribution network over which video, audio, text and data signals are transmitted to Subscribers.

(v) Service Tier(s) - A category of Cable Service or other services provided by a cable operator for which a separate rate is charge, as may be described and regulated by federal law.

(w) Standard Service Package - A combination of Cable Service Tiers, consisting of the Basic Broadcast tier and Cable Programming Service Tiers, as provided by the Franchisee as of the Effective Date and including any individual broadcast channels or cable networks added to these tiers as a result of the reconstruction of the Cable Communications System.

(x) Street - The surface of and the space above and below any public street, road, highway, freeway, lane, path, public way, alley, court, sidewalk, boulevard, parkway, drive on any easement or right-of-way now or hereafter held by Town, and dedicated for use by the Town, use by the general public, or use compatible with the Cable System operations.

(y) Subscriber - A person or entity who contracts with the Franchisee for, and lawfully receives, the video signals and Cable Services distributed by the Cable Communications System.

(z) Town - The Town of Hampstead, New Hampshire.

ARTICLE 2
GRANT OF FRANCHISE AGREEMENT

SECTION 2.1 - GRANT OF FRANCHISE AGREEMENT

(a) Pursuant to the authority of RSA 53-C of the Laws of New Hampshire, and Cable Communications Policy Act of 1984 as amended, the Board of Selectmen of the Town of Hampstead hereby grants a non-exclusive Franchise Agreement to MediaOne of New England, Inc., a New Hampshire Corporation, authorizing and permitting said Franchisee to construct, operate and maintain a Cable Communications System within the municipal limits of the Town of Hampstead.

(b) This Franchise Agreement is granted under and in compliance with the Federal Cable Act and RSA 53-C of the Laws of New Hampshire, and in compliance with all rules and regulations of the FCC and all other applicable rules and regulations in force and effect during the period for which this Franchise Agreement is granted.

(c) Subject to the terms and conditions herein, the Franchise Authority hereby grants to the Franchisee the right to construct, upgrade, install, operate and maintain a Cable Communications System, including such lines, cables, fiber optics, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, pedestals, attachments and other property and equipment as are necessary and appropriate to the operation of the Cable Communications System, in, under, over, along, across and upon the streets, lanes, avenues, alleys, sidewalks, bridges, highways and other public places under the jurisdiction of the Town within the municipal boundaries and subsequent additions thereto, including property over which the Town has a sufficient easement or right-of-way, for the purpose of reception, transmission, amplification, origination, distribution or redistribution of

video, audio, text, data and other impulses in accordance with the laws of the United States of America, the State of New Hampshire, and bylaws/ordinances of the Town of Hampstead.

SECTION 2.2 - TERM: NON-EXCLUSIVITY

(a) The term of this non-exclusive Franchise Agreement shall be for a period of fifteen (15) years and shall commence on March 1, 1998, following the expiration of the current franchise, and shall terminate at midnight on February 28, 2013. The term of this Franchise Agreement is subject to all provisions of New Hampshire law and applicable federal law, as such laws may be from time to time amended.

(b) The right to use and occupy the streets, public ways and public places shall not be exclusive, and the Town reserves the right to grant similar or other uses of the said streets, public ways and public places to any entity for a similar cable system or otherwise at any time during the term of this Franchise Agreement provided such uses do not unreasonably interfere with the easement rights granted to Franchisee herein.

SECTION 2.3 - POLE AND CONDUIT ATTACHMENT RIGHTS

(a) Pursuant to RSA 231:161, permission is hereby granted to the Franchisee to attach or otherwise affix cables, wire, or optical fibers comprising the Cable Communications System to the existing poles and conduits on and under public streets and ways, provided the Franchisee secures the permission and consent of the public utility companies to affix the cables and/or wires to their pole and conduit facilities. By virtue of this Franchise the Town grants Franchisee equal standing with power and telephone utilities in the matter of placement of facilities on public ways. All poles and conduit installed within the service area, as

defined in Section 3.1 (Area to be Served) herein, shall be made available for attachment or use by Franchisee, at just and reasonable rates applied to public utilities under the formula presently established by 47 USC 224.

(b) In all areas of the Town where public utility lines are aerially placed, if subsequently during the term of the Franchise Agreement such utility lines are required by state law or local bylaws/ordinances to be relocated aerially or underground, Franchisee shall similarly relocate its Cable System. Any costs of relocating utility poles or trenching for the placement of underground conduits shall be equally shared by all affected companies. Franchisee shall indemnify and hold the Town harmless from and against any costs associated with such relocation.

(c) In the event that a land developer or other property owner(s) elects to relocate public utility lines, and such relocation is not required by state law or local bylaws/ordinances, Franchisee shall similarly relocate its Cable System, provided however, that all actual costs associated with the relocation of the Cable System shall be borne by the developer or property owner(s), or shared equally among all residents in the affected area. Nothing herein shall require the Franchisee to relocate its Cable System in a manner that is not generally applicable to the facilities of all public utilities and other wire-line service providers in the affected area.

SECTION 2.4 - RENEWAL

This Franchise Agreement may be renewed for additional terms of fifteen (15) years in accordance with existing federal law and applicable regulations.

SECTION 2.5 - POLICE AND REGULATORY POWERS

The Franchisee's rights are subject to the powers of the Town to adopt and enforce general bylaws/ordinances necessary for the safety and welfare of the public, provided that such bylaws/ordinances are of general applicability and not specific to the Cable Communications System, the Franchisee, or this Franchise Agreement.

SECTION 2.6 - EQUAL PROTECTION [See RSA 53-C:3-b]

(a) In the event the Franchise Authority grants an additional cable franchise or franchises, such franchise(s) shall not contain terms and conditions which violate the standard set forth in NH RSA 53-c:3-b. In applying this standard, the following shall specifically apply: 1) the term of any other franchise(s) shall be no more or less than the term of this Franchise; 2) the franchise fee assessed on any other franchisee shall be no more or less than the fee, if any, for this Franchise; 3) the channel(s) and support for Access Programming shall be no more or less than the channel(s) and support provided by the Franchisee; 4) the Drops and Cable Service provided to public buildings shall be comparable; 5) customer service standards requirements shall be comparable; 6) Institutional Network shall be comparable or require comparable capital commitment; 7) other requirements imposed on any other franchisee for Town benefits shall have a net present value at time of franchising equal to the present value of the support provided by Franchisee under this Franchise.

(b) Any such additional franchise(s) shall be granted on the condition that such franchise(s) shall indemnify and hold harmless the Town and the Franchisee (MediaOne) from and against all costs and expenses incurred in strengthening poles, rearranging attachments, placing underground facilities and all other costs

(including those of the Town and Franchisee) incident to inspections, make-ready and construction of an additional cable system in the franchise area.

(c) The Town agrees that it will not use its designated Access Channel(s), if any, the Institutional Network facilities, if any, or other designated Franchisee Subscriber Network facilities to provide for-profit commercial services which compete with the Franchisee's lines of business.

(d) In the event another provider of multi-channel programming delivers such programming in the Town by a wire line technology which uses the public rights-of-way for purposes of constructing, operating and maintaining its facility for distribution of such video programming, including an Open Video System ("OVS") provider, and such provider is not required to obtain a franchise from the Town, the Town shall impose upon such provider burdens and shall obtain from such provider benefits for the Town which have a net present value at the time such provider begins using the public rights-of-way which is equal to the present value of benefits provided to the Town by Franchisee, consistent with federal law. Specifically, in the case of an OVS provider, the Town shall impose upon such a provider burdens and shall seek from such provider benefits which will put the OVS operator in a position which is no better or no worse than the Franchisee. The Town shall require an OVS operator to satisfy the same PEG Access obligations as the Franchisee. The OVS operator shall be subject, consistent with federal law, to the same must carry and retransmission consent rules as the Franchisee. The Town will impose upon the OVS operator non-discriminatory and competitively neutral conditions which relate to the use of the Town right-of-way. These requirements shall be the same as requirements imposed upon the Franchisee and may include Institutional Network requirements. The Town shall also impose upon the OVS operator a gross revenue fee, which shall be based on a percentage of the OVS operator's gross revenues from the operation of the OVS system, which percentage

shall be equal to the percentage of Gross Revenues paid to the Town by the Franchisee as a Franchise Fee. With regard to PEG Access Programming and support, the Town shall require the OVS operator to match the annual PEG Access financial contribution of the Franchisee, consistent with federal law. The intent of this Section is to require the Town to obtain from any provider of video programming, which uses the public rights-of-way, a level of benefits to the Town which is equal to the level of benefits provided by the Franchisee under this Franchise, to the extent the Town is authorized to require the provision of such benefits under federal and state law.

ARTICLE 3
SYSTEM SPECIFICATIONS AND CONSTRUCTION

SECTION 3.1 - AREA TO BE SERVED

(a) Present Service Area: The Cable System shall pass all residential dwelling units in the Town and shall pass all commercial structures located on public ways in existence at the time this Franchise Agreement is entered into. Cable Service shall be provided to every existing dwelling unit requesting Cable Service and located on public streets and private roads, provided Franchisee is able to obtain from property owners any necessary easements at no cost and/or any applicable permits.

The build out to service all existing dwelling units shall be within twelve (12) months from the date of this Franchise, taking into account and subject to weather, force majeure, performance of make-ready, availability of construction crews and materials, and the ability to obtain all necessary easement and rights of way. In the event buildout takes longer, Franchisee shall provide a written report to the Town completely explaining its failure to meet the time frame stated herein.

(b) Future Service Area: The Franchisee shall, upon proper notice by the Franchise Authority of the approval of anew development, have Cable Service available to new dwelling units on public streets and private roads at such time as an occupancy permit is obtained provided Franchisee is able to obtain from property owners any necessary easements and/or permits. Franchisee shall complete construction of any such line extensions as soon as practicable after such notice, taking into account, and subject to weather, force majeure, performance of make-ready, availability of construction crews and materials, and the ability to obtain all necessary easements and rights-of-way.

ARTICLE 5

COMMUNITY PROGRAMMING/PEG ACCESS AND FUNDING

SECTION 5.1 - GOVERNMENT/EDUCATIONAL ACCESS

(a) The Franchisee shall provide two (2) Access Channels for use by the Town. The first shall be for Educational Access Programming and the second shall be for Government Access Programming. Use of both Access Channels shall be for non-commercial purposes and the Town shall establish operating policies for the channels within the authority contained in the provisions of the Cable Act.

(b) Franchisee may use the Government/Educational Access Channels for any purpose, during such periods as it is not being used for Government/Educational Access purposes; provided, that Government/Educational Access use shall have scheduling priority.

(c) Government/Educational Access use shall have priority in the use of the channels over commercial use.

(d) Upon written request by the Town, the Franchisee shall provide, no more than twice per year, training in the use of production equipment for Town residents, representatives from the School and other Town Departments, as outlined in **Exhibit A** attached hereto and made a part hereof.

SECTION 5.2 - ACCESS FUNDING

(a) The Franchisee shall provide annually to the Town Five Thousand Dollars (\$5,000) for expenses related to Access Programming, payable on or before March 15th. The first payment shall be made on or before March 15, 1998.

(b) Said payments will be held in the account specified in Section 8.4 (b) herein, which shall be managed by the Franchisee, under the direction of the Franchise Authority.

(c) In constructing the Cable System, the Franchisee shall follow present and future pole placements in the Town. Where telephone and electric utilities are both underground, the Franchisee shall place its cables underground.

SECTION 3.2 - RESIDENTIAL NETWORK

(a) The Franchisee commits to maintaining a leadership position in providing Cable Services in the Town and shall maintain and upgrade in accordance with the terms of this Franchise Agreement a two-way capable residential Cable System utilizing Addressable Technology, and cable and electronics capable of transmitting a minimum of seventy-five (75) channels.

(b) The Cable System shall be designed and constructed so that television station broadcast signals transmitted in stereo in any one Cable System Service (e.g., Basic Broadcast Service) can be received in stereo by Subscribers to Basic Broadcast Service without the necessity of subscribing to any other Cable System Service (e.g., FM service), providing Subscriber has video reception equipment capable of receiving stereo signals.

(c) The Cable System shall be designed and constructed with the capability so that television broadcast stations' signals transmitted utilizing High Definition Television ("HDTV") technology can be received by Subscribers with HDTV capable television sets.

SECTION 3.3 - RESIDENTIAL NETWORK CABLE DROPS

The Franchisee shall install one (1) Drop, Outlet and the Standard Service Package to all municipal buildings reasonably requested in writing by the Franchise Authority which lie along its cable routes in the Town. Said installation shall be without charge, provided the distance from the System to the building is no more than two hundred feet (200 ft.) and absent of other unusual installation conditions and

requirements. Should the distance be greater, the Franchise Authority may release the Franchisee in writing from its obligation or the Town may pay the Franchisee all direct incremental costs incurred to provide the installation in excess of two hundred feet (200 ft.). The Franchise Authority or its designee shall consult with the appropriate individuals to determine the appropriate location for each Drop prior to requesting that the Franchisee install the free service. Nothing in this Section shall require the Franchisee to install an additional Drop or Outlet to any municipal or public building which already has a free Drop or Outlet provided under the terms of the prior franchise.

SECTION 3.4 - RESIDENTIAL NETWORK SERVICE TO LOCAL SCHOOLS

(a) The Franchisee shall install in each classroom of the public schools of the Town, existing as of the Effective Date of this Franchise, one (1) Outlet for the purpose of receiving Standard Service Package programming. These Outlets shall be installed at no cost and after approval by the appropriate school official on the location of each Outlet. Franchisee shall provide the above at no cost to the Town. The Franchise Authority or its designee shall consult with the appropriate individuals to determine the appropriate location of each Drop and Outlet prior to requesting that the Franchisee install the free service.

(b) If, during the term of this Franchise, a new public school is constructed within the Town, the Franchisee shall install in each classroom of such school(s) one (1) Outlet for the purpose of receiving Standard Service Package programming, provided, however, that the Franchisee is notified of such construction prior to the completion of the construction of the interior walls.

SECTION 3.5 - INSTITUTIONAL NETWORK ("I-NET")

(a) Franchisee shall, within twelve (12) months of the Effective Date of this Franchise Agreement, construct and maintain an Institutional Network ("I-Net"). The I-Net will be capable of transmitting audio, video and data from and among the following municipal buildings:

- | | |
|-------------------------|--------------------------|
| 1. Central School | 6. New Library |
| 2. Middle School | 7. Police Station |
| 3. Town Gymnasium | 8. Town Meeting Building |
| 4. Central Fire Station | 9. Town Hall |
| 5. Old Library Building | 10. Town Garage |

(b) In addition to the above locations, the Town may require the Franchisee to provide origination capability at one (1) additional school location during the term of this Franchise, at no cost to the Town.

(c) The Franchise Authority reserves the right to request that the Franchisee activate additional origination points at locations not listed above. The Town acknowledges that the Franchisee will pay for these additional activations only if they are within two hundred feet (200 ft.) of the I-Net outlined above. If an extension of the I-Net is required, costs associated with that extension shall be borne by the Town. Franchisee shall provide said capability within twelve (12) months following a written request by the Town. It is further understood that any costs associated with using the I-Net for purposes other than the origination of video programming shall be borne by the Town.

SECTION 3.6 - SUBSCRIBER CONNECTION

(a) The Franchisee shall, within fifteen (15) days of written request by the occupant of a dwelling, connect the Cable System to a dwelling at standard installation charges if the dwelling is within two hundred aerial feet (200 ft.) of the nearest feeder cable and only if the dwelling is properly internally wired to meet the Franchisee's specifications to prevent signal leakage.

(b) Residences and commercial structures located over two hundred aerial feet (200 ft.) from feeder cable may be charged an additional one-time installation fee including all of Franchisee's actual costs for labor and materials necessary to perform the installation.

(c) Franchisee shall grant a Subscriber's request to provide his own underground Drop and internal cable for a residence or commercial structure; provided all requirements as to a standard installation are met, including, but not limited to, cable, permits, easements, and a suitable demarcation point as determined by the Franchisee. Subscriber will assume all responsibilities for service on the Subscriber side of the demarcation point. The Franchisee reserves the right to disconnect the Subscriber at the demarcation point in the event of any interference with the Cable System, violation of any FCC rule, or local, state or federal law. The Subscriber shall not be granted any rebate for outages caused by Subscriber-provided equipment.

(d) Franchisee shall complete construction of any such Subscriber connections within fifteen (15) days of either a written request for such connection by the occupant or owner of the dwelling or within fifteen (15) days of the date any necessary easements are obtained, whichever occurs later, taking into account, and subject to weather, force majeure, performance of make-ready, availability of construction crews and materials. If requested by the Franchise Authority,

Franchisee shall provide a written report to the Town completely explaining its failure to meet the time frame stated herein.

SECTION 3.7 - PARENTAL CONTROL CAPABILITY

(a) Upon request, and at no separate, additional charge, the Franchisee shall provide Subscribers with the capability to block the reception of any one (1) channel on the Cable Communications System.

(b) The Franchise Authority acknowledges that the ability to block more than one (1) channel may be a function of a converter box and the Franchisee may charge Subscriber for use of said box.

SECTION 3.8 - EMERGENCY ALERT SYSTEM

The Cable System shall incorporate an emergency alert system in accordance with the Cable Act of 1992.

SECTION 3.9 - FUTURE TECHNOLOGY

(a) In order to maintain a leadership position in providing Cable Service in the Town, the Franchisee may from time to time upgrade the Cable System, to the extent technically and economically feasible, to provide to the Town with high quality proven cable technology including, but not limited to, interactive capability, and additional channel capacity.

(b) On the fifth and tenth anniversary of the Effective Date, the Town shall have the option of requesting Franchisee to upgrade the Cable System.

(c) In order for the Town to exercise its options in subsection (b) above, the following requirements must be met:

- (1) Town must first conduct a public hearing to consider the relevant cable technology which is subject to the upgrade option, with at

least sixty (60) days' written notice to the Franchisee. During said public hearing all interested parties, including Franchisee, shall be given an opportunity to be heard, and offer evidence. Said evidence shall include what impact, if any, the upgrade will have on Subscriber rates.

- (2) After said public hearing, the Town must find that the upgrade, and any related impact on Subscriber rates, is in the interest of cable Subscribers.
- (3) Said upgrade must be technically and economically feasible in the sole discretion of the Franchisee.

ARTICLE 4
TECHNOLOGICAL AND SAFETY STANDARDS

SECTION 4.1 - SYSTEM MAINTENANCE

(a) In installing, operating and maintaining equipment, cable and wires, the Franchisee shall avoid damage and injury to trees, structures and improvements in and along the routes authorized by the Franchise Authority, except as may be approved by the Franchise Authority if required for the proper installation, operation and maintenance of such equipment, cable and wires.

(b) The construction, maintenance and operation of the Cable Communications System for which this Franchise Agreement is granted shall be done in conformance with all applicable federal, state or local bylaws/ordinances, codes and regulations, including but not limited to OSHA, the National Electrical Safety Code, and the rules and regulations of the FCC as the same exist or as same may be hereafter changed or amended.

(c) Operating and maintenance personnel shall be thoroughly trained in the use of all safety equipment and the safe operation of vehicles and equipment. All areas of the Cable Communications System shall be routinely inspected and maintained by the Franchisee so that conditions that could develop into safety hazards for the public and/or operating and maintenance personnel can be corrected before they become a hazard. The Franchisee shall install and maintain its wire, cable, fixtures, and other equipment in such a manner as shall not interfere with any installations of the Town or any public utility serving the Town.

(d) All structures and all lines, equipment and connections in, over, under, and upon streets, sidewalks, alleys, and public and private ways and places of the Town, wherever situated or located shall at all times be kept and maintained by the Franchisee in a safe and suitable condition and in good order and repair.

(e) The signal of any television or radio station carried on the Cable Communications System shall be carried without material degradation in quality at all subscribing locations within the limits imposed by the technical specifications of the Cable System and as set forth by the FCC. The Cable Communications System shall be operated and maintained so as to comply with the technical standards set forth in the FCC's rules and regulations as they apply to cable television systems.

(f) Upon written notice from the Town, the Franchisee shall remedy a general deficiency with respect to the technical standards described herein within three (3) months of receipt of notice and a safety deficiency within forty-eight (48) hours of receipt of notice and shall notify the Town when the deficiency has been corrected.

SECTION 4.2 - REPAIRS AND RESTORATION

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

SECTION 4.3 - TREE TRIMMING

The Franchisee shall have authority to trim trees upon and overhanging public streets, alleys, sidewalks and ways and places of the Town so as to prevent the branches of such trees from coming in contact with the wires, cables and equipment of the Franchisee, in accordance with applicable state law and any Town bylaws/ordinances and regulations.

SECTION 4.4 - BUILDING MOVES

In accordance with applicable laws, the Franchisee shall, upon the request of any person holding a building moving permit issued by the Town, temporarily raise or lower its wires to permit the moving of the building(s). The Franchisee shall be given not less than thirty (30) days advance notice to arrange for such temporary wire changes. The cost to raise or lower wires shall be borne exclusively by the person(s) holding the building moving permit.

SECTION 4.5 - EMERGENCY POWER

The Cable System shall incorporate equipment capable of providing standby powering of the headend for a minimum of seventy-two (72) hours upon failure of the power furnished by the electric utility company.

(c) The Franchise Authority acknowledges that under The 1992 Cable Television Consumer Protection and Competition Act, Franchise requirements, including expenses related to Access Programming, may be passed through to Subscribers in accordance with federal law.

ARTICLE 6

CUSTOMER SERVICE AND CONSUMER PROTECTION

SECTION 6.1 - CUSTOMER SERVICE

(a) The Franchisee shall provide and maintain a toll-free 24-hour answering line which Subscribers may call without incurring added message units or toll charges so that prompt maintenance and service is available. At the time of initial subscription the Franchisee shall give each new subscribing household a notice of billing practices and dispute procedures, which notice shall include the Franchisee's telephone number.

(b) Upon reasonable notice the Franchisee shall expeditiously investigate and resolve complaints regarding the quality of service, equipment malfunctions and similar matters. The Franchisee shall also maintain records of all reported complaints and action taken to respond to such complaints and shall make such records available to the Franchise Authority or designee for inspection upon request, but shall also comply with Subscribers' privacy rights in accordance with federal law.

(c) The Franchisee shall respond to all service calls within twenty-four (24) hours and correct malfunctions as promptly as possible. A serious system malfunction will be serviced as soon as possible after its discovery. For these purposes, the Franchisee shall maintain a competent staff of employees sufficient to provide adequate and prompt service to its Subscribers.

(d) Except as limited by federal law or FCC regulations concerning privacy, the Franchisee shall maintain a record of all such complaints and such records shall be available at Franchisee's local offices for at least two (2) years for inspection by the Town as it may from time to time request, during regular business hours and upon reasonable notice. Nothing herein shall be deemed to require Franchisee to

maintain records of oral complaints which can be handled to the Subscriber's satisfaction in the course of the initial conversation in which the complaint is made or does not require technical field response. Upon request, the Franchisee shall provide to the Town an accounting of the number and nature of such complaints.

(e) The Franchisee shall maintain its records as required by and in a manner not inconsistent with applicable federal or state law or regulation.

SECTION 6.2 - SUBSCRIBERS' ANTENNAS - SWITCHING DEVICES

The Franchisee shall not remove any television antenna of any Subscriber but shall offer an adequate switching device to allow the Subscriber to choose between cable television and non-cable reception, consistent with Franchisee's published rates for equipment and installation.

SECTION 6.3 - SERVICE INTERRUPTIONS

In the event that the Franchisee's service to any Subscriber is completely interrupted for twenty-four (24) or more consecutive hours, it will grant such Subscriber a pro rata credit or rebate, on a daily basis, of that portion of the service charge during the next consecutive billing cycle, or at its option, apply such credit to any outstanding balance then currently due. In the instance of other individual Subscriber service interruptions, credits shall be applied as described above after due notice to the Franchisee from the Subscriber.

SECTION 6.4 - SUBSCRIBER PRIVACY AND RIGHTS TO INFORMATION

(a) The Franchisee shall not collect, store, use or make available to any third party data relating to individual subscribing households without first giving the Subscriber an opportunity to remove his or her name from the Franchisee's list of Subscribers, unless such disclosure is necessary to provide Cable Service or to

conduct cable-related business activities (for example, disclosure to the company that addresses and mails out monthly bills and guides, the programming services or a collections service for past due accounts). The conduct of the Franchisee under this Section shall be consistent with and governed by Section 631 of the Cable Communications Policy Act of 1984, "Protection of Subscriber Privacy."

(b) Any Subscriber, may upon written request, examine all records maintained by the Franchisee relating to the Subscriber's account. The Franchisee shall insure that all information related to billing and service requests is accurate and up-to-date and shall promptly correct any errors upon discovery.

SECTION 6.5 - IDENTIFICATION

The Franchisee shall ensure that all of its vehicles, employees, agents, and subcontractors are reasonably identified to the general public. Agents and contractors hired by the Franchisee to perform any substantial work on the Cable System during the rebuild period in the Town shall inform the Police Department of the work location within the Town and provide relevant vehicle identification prior to commencing such work.

ARTICLE 7
RATES AND CHARGES

SECTION 7.1 - RATES AND CHARGES

(a) A price schedule for service and installation in effect on the date of execution of this Franchise Agreement is attached hereto as **Exhibit B**. Any changes in prices will be in conformance with the federal law, the rules and regulations of the FCC (47 CFR §76.33) and any currently or hereinafter applicable federal and/or state laws and regulations.

(b) The Franchise Authority acknowledges that under the 1992 Cable Television Consumer Protection and Competition Act, certain costs of Public, Educational and Governmental ("PEG") Access and other Franchise requirements, may be passed through to the Subscribers in accordance with federal law.

(c) The Franchisee may require a deposit or refuse service for a bona fide credit reason which relates to the Subscriber's overdue or delinquent account with the Franchisee. The Franchisee may levy reasonable collection charges, including a late fee, on overdue or delinquent accounts. The Franchisee requires that the account of any Subscriber requesting work be current before such work is performed.

ARTICLE 8
REGULATORY OVERSIGHT

SECTION 8.1 - INDEMNIFICATION

The Franchisee shall at its sole cost and expense indemnify and hold the Town harmless at all times during the term of this Franchise Agreement, and subsequent renewals, if any, from any and all claims for injury and damage to persons or property, both real and personal, caused by the construction, installation, operation or maintenance of any structure, equipment, wire or cable authorized to be installed pursuant to this Franchise Agreement. Upon receipt of notice in writing from the Franchise Authority, the Franchisee shall at its own expense defend any action or proceeding against the Town in which it is claimed that personal injury or property damage was caused by activities of the Franchisee, its employees and/or agents, in the construction, installation, operation or maintenance of its Cable Communications System.

SECTION 8.2 - INSURANCE

(a) The Franchisee shall carry insurance throughout the term of this Franchise Agreement with the Town named as an additional insured with an insurance company satisfactory to the Franchise Authority indemnifying the Town and the Franchisee from and against any and all claims for injury or damage to persons or property, both real and personal, caused by the construction, installation, operation, maintenance or removal of its Cable System. The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000) as to any one occurrence. The amount of such insurance for liability for injury or death to any person shall be no less than One Million Dollars (\$1,000,000). The amount of such insurance for excess liability shall be Five

Million Dollars (\$5,000,000) in umbrella form. Policies will contain a provision that the Franchise Authority will receive thirty (30) days' written notice prior to any cancellation.

(b) The Franchisee shall carry insurance against all claims arising out of the operation of motor vehicles and general tort or contract liability in the amount of One Million Dollars (\$1,000,000).

(c) All insurance coverage, including Workers' Compensation, shall be maintained throughout the period of this Franchise Agreement. All expenses incurred for said insurance shall be at the sole expense of the Franchisee.

SECTION 8.3 - PERFORMANCE BOND

(a) The Franchisee shall maintain throughout the duration of the Franchise Agreement a performance bond running to the Town in the amount of One Hundred Thousand Dollars (\$100,000) with a company surety satisfactory to the Franchise Authority to guarantee the following terms:

- (1) the satisfactory completion of the installation and operation of the Cable System in the time schedule provided herein and satisfactory compliance with provisions of this Franchise Agreement;
- (2) the satisfactory restoration of pavements, sidewalks and other improvements in accordance with this Franchise Agreement;
and
- (3) the satisfactory operation of the Cable System in accordance with the material terms and conditions of this Franchise Agreement.

SECTION 8.4 - FRANCHISE FEES

(a) The Franchisee shall pay to the Town as a Franchise Fee a sum equal to three percent (3%) of the Franchisee's Gross Revenues, as defined herein, derived during each year of the Franchise Agreement. Said payment shall not include any equipment or facilities grants or payment of any damages. Said payment shall be made quarterly.

(b) Franchisee shall pay to the Town, as a Franchise Fee, an additional sum equal to two percent (2%) of Gross Revenues, as defined herein, for expenses related to Access Programming. Said sum shall be held in an account to be managed by the Franchisee, under the direction of the Franchise Authority. All purchases and/or payments shall be authorized by the Chairperson of the Cable Advisory Committee and the Franchise Authority.

(c) In the event another provider of wireline video programming, including video dialtone, uses the streets for the purposes of constructing, operating and maintaining a facility for the distribution of video programming, the Town shall impose an equalization fee to the extent permitted by law on such Cable Services equal the Franchise Fee, if any, and other payments required to be made by Franchisee.

(d) If, during the term of this renewal Franchise Agreement, the Franchisee is relieved of its obligation to pay the New Hampshire Communications Services Tax ("NHCST") on high-speed Internet service, delivered over the Cable System, said service shall be included in the definition of Gross Revenues for the purpose of Franchise Fee calculation immediately following such relief. Under no circumstances shall Franchisee be responsible for paying both the NHCST and a Franchise Fee on said service.

SECTION 8.5 - REPORTS

Upon written request and within ninety (90) days of such a request, the Franchisee shall provide information regarding the overall operation of the Cable System during the preceding year. The information requested may include, but not be limited to, status of rates and charges; new programming services added; status of operating procedures; and Subscriber satisfaction survey results (if any).

SECTION 8.6 - EQUAL EMPLOYMENT OPPORTUNITY

The Franchisee is an Equal Opportunity Employer and must file an Equal Employment Opportunity Plan with the FCC and otherwise comply with the FCC regulations with respect to Equal Employment Opportunities. The Franchisee has filed its current plan with the FCC and agrees to abide by such plan.

SECTION 8.7 - REVOCATION OF FRANCHISE

The Franchise Agreement issued hereunder may, after due notice and hearing as defined herein, be revoked by the Franchise Authority for any of the following reasons:

- (a) For failure to comply with any of the material terms and conditions of the Franchise Agreement;
- (b) The repeated failure, as determined by the Franchise Authority, to maintain signal quality pursuant to FCC standards;
- (c) For any transfer or assignment of the Franchise Agreement or control thereof without consent of the Franchise Authority;
- (d) For failure to maintain a performance bond as described in Section 8.3 (Performance Bond) or to maintain insurance as described in Section 8.2 (Insurance).

SECTION 8.8 - NOTICE AND OPPORTUNITY TO CURE

Prior to instituting any action against the Franchisee under either Section 8.3 (Performance Bond) or Section 8.7 (Revocation of Franchise), the Franchise Authority shall notify the Franchisee in writing of specific failure and shall give the Franchisee ninety (90) days, or such longer time as may be granted by the Franchise Authority in its reasonable discretion, in which to demonstrate that a failure does not exist or to rectify such failure and shall not proceed further if the matter is resolved to the reasonable satisfaction of the Franchise Authority within the specified time period.

SECTION 8.9 - TRANSFER OR ASSIGNMENT

This Franchise Agreement shall not be transferred or assigned without the prior written consent of the Franchise Authority, which consent shall not be arbitrarily or unreasonably withheld. Notice of any transfer or assignment shall be made in writing by the Franchisee to the Franchise Authority.

SECTION 8.10 - REMOVAL OF SYSTEM

Upon termination of this Franchise Agreement or of any renewal hereof by passage of time or otherwise, the Franchisee shall remove its supporting structures, poles, transmission and distribution systems and other appurtenances from the streets, ways, lanes, alleys, parkways, bridges, highways, and other public and private places in, over, under, or along which they are installed and shall restore the areas to their original condition. If such removal is not completed within six (6) months of such termination, the Franchise Authority or property owner may deem any property not removed as having been abandoned or, at the Franchisee's expense, remove or cause to be removed any components of the Cable System and

restore the areas to their original condition. Such abandonment shall not relieve the Franchisee of cost of removal.

SECTION 8.11 - INCORPORATION BY REFERENCE

All presently and hereafter applicable conditions and requirements of federal and state law and the rules and regulations of the FCC, as they may be amended from time to time are incorporated herein by reference and, shall control the interpretation and performance of this Franchise Agreement to the extent that any provision of this Franchise Agreement conflicts with or is inconsistent with such laws, rules or regulations.

ARTICLE 9
MISCELLANEOUS

SECTION 9.1 - SEVERABILITY

If any section, paragraph, term or provision of this Franchise is determined to be illegal, invalid or unconstitutional, by any court of competent jurisdiction thereof, such determination shall have no effect on any other section, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of this Franchise Agreement or any renewal or renewals hereof.

SECTION 9.2 - FORCE MAJEURE

If for any reason of force majeure the Franchisee is unable in whole or in part to carry out its obligations hereunder, said Franchisee shall not be deemed in violation or default during the continuance of such inability. Unless further limited elsewhere in this Franchise, the term "force majeure" as used herein shall have the following meaning: strikes; acts of god; acts of public enemies, orders of any kind of the government of the United States of America or of the State of New Hampshire or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections; riots, epidemics; landslides; lightning; earthquakes; fires, hurricanes; volcanic activity; storms; floods; washouts; droughts, arrests; civil disturbances; explosions; partial or entire failure of utilities; or any other cause or event not reasonably within the Franchisee's control.

SECTION 9.3 - NOTICES

Every notice to be served upon the Franchise Authority shall be delivered or sent by certified mail (postage prepaid) to Attn: Board of Selectmen, Town of Hampstead, 11 Main Street, Hampstead, NH 03841 or such other address as the Franchise Authority may specify in writing to the Franchisee. Every notice served upon the Franchisee shall be delivered or sent by certified mail (postage prepaid) to Attn: Director of Government Affairs, MediaOne, 751 East Industrial Park Drive, Manchester, NH 03109 and a copy to Attn: Corporate Counsel, MediaOne, 6 Campanelli Drive, Andover, MA 01810, or such other address as the Franchisee may specify in writing to the Franchise 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 receipt.

SECTION 9.4 - BANKRUPTCY OF FRANCHISEE

In the event that the Franchisee, or its successors-in-interest or assignees, should file for or seek protection of the U.S. Bankruptcy Court, and if such filing results in Franchisee's inability to comply with the material terms and conditions of this Franchise Agreement, the Franchising Authority shall have the right to revoke this Franchise Agreement, consistent with Section 8.7 (Revocation of Franchise) and Section 8.8 (Notice and Opportunity to Cure).

WITNESS OUR HANDS AND OFFICIAL SEAL, THIS _____ DAY OF
_____ 1998.

TOWN OF HAMPSTEAD

By:

Selectman

Selectman

Selectman

Accepted by:
MEDIAONE OF NEW ENGLAND, INC.

Russell H. Stephens
Senior Vice President
Northeast Region

EXHIBIT A
Training Course Outline

Please see the following page(s).

EXHIBIT B
Current Schedule of Rates and Charges

Please see the following page(s).

Installation & Miscellaneous Charges

	Current Rate	New Rate Feb. 1, 1998
Initial Home Installation	\$36.98	same
Activation of Prewired Service	\$29.59	same
Activation of Prewired Additional Outlet/ Initial Home Installation (1 outlet only)	\$22.19	same
Activation of Prewired Additional Outlet/ Separate Home Visit (1 outlet only)	\$29.59	same
Additional Outlet/ Initial Home Installation (each)	\$29.59	same
Additional Outlet/ Separate Home Visit (1 outlet only)	\$36.98	same
Activation of Prewired Service to Apartment/ Condominium Unit	\$22.19	same
VCR Connection/Initial Home Installation	\$14.79	same
VCR Connection/Separate Home Visit	\$22.19	same
Activation of Service to Overdue Accounts	\$15.00	same
Change of Service (Requiring Home Visit)	\$22.19	same
Change of Service - (Not Requiring Home Visit)	\$ 1.99	same
Home Service Visit (per hour)	\$44.38	same
Non-Standard Initial Home Installation	\$36.98	same
Customized Home Installation (per hour)	\$44.38	same
Home Amplifier/Initial Home Installation (each)	\$22.19	same
Home Amplifier/Separate Home Visit (1st only)	\$51.92	same
Unreturned or Damaged Cable Box (up to)	\$250.00	same
Unreturned or Damaged Remote Control (up to)	\$25.00	same
A/B Switch Purchase	\$10.00	same
Home Amplifier Equipment Purchase	\$44.50	same
Returned Check Fee	\$15.00	same
Late Fee (on overdue account balance)	\$ 1.00	same

Primary Outlet Only.

Service charge for problems not related to Company's equipment or cable signal. (1/2 Hour minimum.)

Additional charges for time and materials are added to the Initial Home Installation charge.

Definition of Non-Standard Installation varies by service area.

Separate equipment charge applies.

Rates do not include federal, state and local taxes and fees.

MediaOneSM
This is Broadband. This is the way.

Hampstead

Service & Installation Rates

IMPORTANT INFORMATION

Schedule of Rates and Charges

Hampstead	Current Rate	New Rate Feb. 1, 1998
STANDARD SERVICE PACKAGE	\$25.24	\$28.63
(includes Basic Broadcast, Cable 1 and Cable 2)		
LEVELS OF SERVICE		
Basic Broadcast	\$ 7.59	\$ 7.74
Cable 1	\$ 2.55	\$ 4.71
Cable 2	\$15.10	\$16.18

(Note: Any combination of service levels requires the purchase of the Basic Broadcast Tier.)

Premium Channels, Ancillary Services & Equipment

	Current Rate	New Rate Feb. 1,
HBO, HBO2, HBO3	\$11.95	same
Showtime	\$10.95	same
Cinemax	\$10.95	same
The Disney Channel	\$10.95	*
The Movie Channel	\$10.95	same
NESN	\$10.95	same
Premium Pack (now includes TV Guide)	\$43.95	\$41.95
NewChoice Channels A La Carte	\$.95	same
(Sci-Fi Channel cannot be purchased separately)		
Pay-Per-View Movies (each)	\$ 3.95	same
Adult Pay-Per-View (per night)	\$ 7.95	same
Pay-Per-View Movie Club (per month)	\$.95	same
Service Plus†	\$ 2.00	same
SmartGuide™ (first set only)‡	\$ 1.95	same
SmartRecord		
one-time purchase	\$19.95	same
or activation of \$5.95 and monthly	\$.95	same
Service Protection Plan	\$.99	same
Cable Box	\$ 2.19	same
Remote Control	\$.30	same

* Included in Standard Service Package as of 1/1/98.

† Charge for reception of premium service(s) or package on additional outlets.

MediaOne Express

Installation	\$99.00	same
With Subscription to Standard Cable Service	\$39.95/mo.	same
Without Subscription to Standard Cable Service	\$49.95/mo.	same

Rates do not include applicable regulatory fees, access charges and state and local taxes. You have the right to file a complaint with the Massachusetts Cable TV Commission about the changes in rates for cable programming, equipment and installations. The complaint must be filed within 90 days of the effective date of the new rates on a form available from the Commission.

RECEIVED

MAY 19 2008

SELECTMENS OFFICE
HAMPSTEAD, NH

**AMENDMENT TO THE FRANCHISE AGREEMENT
BETWEEN THE TOWN OF HAMPSTEAD, NEW HAMPSHIRE
AND MEDIAONE OF NEW ENGLAND, INC.**

WHEREAS, MediaOne of New England, Inc. (hereinafter "MediaOne") is the duly authorized holder of a franchise to operate a Cable Communications System in the Town of Hampstead (hereinafter the "Town"); and

WHEREAS, MediaOne and the Town entered into a renewal franchise agreement (hereinafter the "Renewal Franchise") effective March 1, 1998; and

WHEREAS, the Renewal Franchise contained an error with respect to MediaOne's Franchise Fee payment obligations; and

WHEREAS, MediaOne has requested that the Agreement be amended to accurately reflect the Franchise Fee payment obligation, upon which both the Town and MediaOne agreed,

NOW THEREFORE, after due and full consideration, the Town and MediaOne agree that the Renewal Agreement is amended as follows:

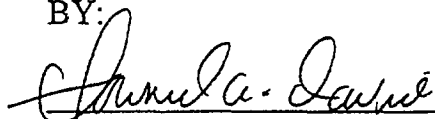
SECTION 8.4 - FRANCHISE FEES is amended by changing sub-section (a) to read:

(a) The Franchisee shall pay to the Town as a Franchise Fee a sum equal to two percent (2%) of the Franchisee's Gross Revenues, as defined herein derived during each year of the Franchise Agreement. Said payment shall not include any equipment or facilities grants or payment of any damages. Said payment shall be made quarterly."

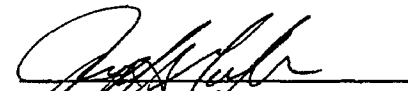
In Witness Whereof, the parties hereto have caused this amendment to be duly executed in its name by its Board of Selectmen and MediaOne of New England, Inc. has similarly executed this amendment on the 27th day of March, 1998.

Town of Hampstead

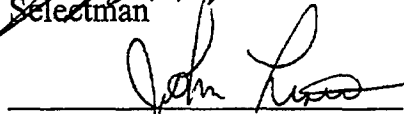
BY:



Selectman

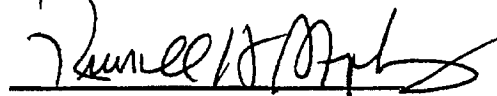


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ACCEPTED BY:



Russell H. Stephens, Senior Vice President
MediaOne of New England, Inc.