

CABLE TELEVISION  
LIMITED  
FRANCHISE AGREEMENT

TOWN OF CARROLL, NH

&

BRETTON WOODS CABLE COMPANY, INC.

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FRANCHISE AGREEMENT

THIS LIMITED FRANCHISE AGREEMENT entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1989 by and between the Board of Selectmen of the Town of Carroll, (hereinafter referred to as the "Board") and Bretton Woods Cable Company, Inc. (hereinafter referred to as the "Company").

WHEREAS, The Town at its Annual Meeting in March 1988 pursuant to Revised Statutes Annotated of New Hampshire, Chapter 53-C, authorized its Selectmen to be a franchising authority with respect to the Granting of a franchise for the installation and operation of cable television systems within the Town, and subject to the vote of the Town Selectmen, approving the granting of a limited franchise to the Company, and,

WHEREAS, The Company is prepared and desirous of receiving by contract such limited franchise from the Town.

NOW THEREFORE, in consideration of their mutual covenants, promises, and agreements contained herein, the Town and the Company agree as follows:

I

AUTHORIZATION

A. Grant of Franchise. The Town grants to the Company the right, privilege and limited franchise for the construction, maintenance and operation of television transmission and distribution facilities and extensions thereto commonly referred to as a cable television system in the Town for a period of fifteen (15) years from the effective date hereof. The cable television system for which this franchise is granted shall be for the purpose of transmission and distribution of audio and visual impulses of radio and television energy, communications, data and any other lawful purpose, in accordance with the law and regulations of the United States of America, the State of New Hampshire and Ordinances and Regulations of the Town now in existence or hereafter adopted. The foregoing description of purpose shall not be deemed a limitation of the right of the Company to use the cable television system for any lawful purpose. The franchised area shall be limited to the area known as "Bretton Woods" within the Town of Carroll as shown on The Town zoning plan as of this date.

B. Use of Public Facilities. In consideration of the foregoing, there is hereby granted to the Company, its successors and assigns, the right to erect, maintain, and operate said cable television transmission and distribution facilities, over, along, across, and upon the streets, in the limited area described in the Town of Carroll, New Hampshire, for the purpose of transmission and distribution of said audio and visual impulses of television energy and other communications type services. This limited franchise, however, shall not relieve the Company of any obligations involved in obtaining pole use agreements in the streets and other public ways or public places in the Town.

C. Assignment. Said limited franchise cannot in any event, be sold, transferred, leased, assigned or disposed of in whole or part, either by forced or voluntary sale, merger, consolidation, mortgage, trust, receivership or any other means without the prior consent of the Town expressed by a vote of the Selectmen. Such consent shall not be arbitrarily or unreasonably withheld by the Town. No such transfer shall be effective unless the transferee shall file a written statement with the Town agreeing to be bound by all terms and conditions of this franchise.

## II

### STREET OCCUPANCY

A. Facilities. The Company's transmission and distribution system, poles, wires, and appurtenances shall be located, erected, and maintained according to standards of the FCC and the Bell Telephone "Blue Book".

B. Installation. Construction and maintenance of the transmission distribution system shall be in accordance with the provisions of the National Electrical Safety Code, the National Electrical Code (NFPA 70) and such applicable ordinances and regulations of the Town of Carroll, affecting electrical installations, which are in effect at the time.

C. Maintenance and Operation. In the maintenance and operation of its television transmission and distribution system in the streets and other public places and in the course of any new construction or addition to its facilities, the Company shall proceed so as to cause the least possible inconvenience to the general public. Any excavation or taking up of public pavement shall be done only with the approval of the Town or State and shall be repaved by the Company, to the reasonable satisfaction of the Town or State.

D. Relocations. In the event the Town shall relocate a street, raise or lower a bridge, or make any other changes requiring the removal of utility installations, the company at its sole expense shall remove or relocate its installations at said locations.

E. Authority to Trim Trees. The Company shall have the right to trim trees upon and over-hanging the streets of the Town in the limited franchise area so as to prevent the branches of such trees from coming in contact with the wires and cables of the system. The Company shall obtain landowner's permission, in writing, before any tree trimming begins.

F. Restoration or Reimbursement. In the event of disturbance of any street or private property by the Company, it shall at its own expense and in a manner approved either by the Town in the case of a public way or the owner, in the case of a private way, replace and restore such street or private property in as good a condition as before the work causing such disturbance was done. This work shall be done as expeditiously as possible. The Company shall, upon proper notification in advance, reimburse the Town for reasonable expenses incurred as a direct result of work done by the Company. The Town may require a bond of the Company for the work required under this section.

### III

#### OPERATIONS

A. Operations to be in Accordance with Rules. The Company shall maintain and operate its cable television system in accordance with the rules and regulations of the Federal Communications Commission, the State of New Hampshire and the Town. Headend equipment locations are identified on Attachment 1.

### IV

#### PERFORMANCE

A. Services. The Company will install a cable television system with a maximum capacity of 52 channels. The Company shall have the right to substitute programming at its discretion and shall use its best efforts to maintain a mix of programming to the extent available.

At the time of this franchise agreement, the program offerings include CBS, NBC, ABC, PBS, CNN, ESPN and TBS.

B. Permit Applications. Within thirty (30) days of the execution of this Agreement, the Company shall make its best effort to file with appropriate authorities and utilities all initial papers and applications necessary to permit commencement of construction and operation and shall diligently pursue the acquisition of necessary pole attachment contracts or other necessary easements.



C. Commencement of Construction. Within sixty (60) days from receipt of all required permits, the Company shall commence construction within the meaning set forth in this Agreement of the cable television system. Such construction shall be pursued with reasonable diligence. The Company shall operate the cable system and provide service within one (1) year from Execution hereof.

V

LIABILITY AND INDEMNIFICATION AND OTHER GUARANTEES

A. The Grantee shall indemnify and save the Town harmless from any and all liability, damage or expenses from accident or damage, either to itself or property or others which may occur by reason of the Grantee's activities in the cable television business. For this purpose and prior to commencing construction of any kind, the grantee shall have in full force and effect and thereafter so maintain the same at all times, and file evidence thereof with the Town Clerk, a good and sufficient policy of insurance with liability limits of \$1,000,000.00 for property damage, \$1,000,000 for personal injury to each person, and \$1,000,000 for each accident. The said policy shall protect the Town from and against any and all claims actions, suits, liability, expense or damage of any kind or description which may accrue to or be suffered by the Town or by anyone by reason of the construction, maintenance or operation of Grantee's facilities.

VI

SERVICE STANDARDS

A. Complaint Procedures. The Company has adopted a complaint procedure with respect to the investigation and resolution of all complaints regarding cable television operations. The Company will handle all service requests and complaints through its Business Office in Bretton Woods and investigation of all complaints with respect to the quality of service, malfunction of equipment and other matters relating to its operations. All complaints shall be investigated within twenty-four (24) hours and, if due to Company's equipment, shall be repaired as soon as reasonably possible. Notice of the procedures for reporting and resolving complaints will be given to each customer by the Company at the time of initial installation of the cable television system.

B. Discrimination. The Company shall not refuse service to any person or organization who requests such service for a lawful purpose. The Company shall not, as to rates, charges, service facilities, rules, regulations or in any other respect make or grant any preference or advantage to any person, nor subject any person to any prejudice or disadvantage, except for the establishment of a rate schedule to be filed with and approved by the Town as provided herein, except the Company may offer discounted rates to its employees and also may offer special rates for promotional purposes.

C. Privacy. The Company shall not provide any list designating customer's names and/or addresses to any other party whose intent is to solicit business from such customers.

D. Service Response. The Company will provide reasonable service response, six (6) days a week for all complaints and requests for repairs. Upon request within 30 days of the service outage, the Company will credit any affected subscriber the pro-rata portion of the number of signals affected by the outage, for each twenty-four (24) hour period wherein service is not provided.

D. Interruption of Service. The Company will, whenever it is necessary, interrupt service over the system for the purpose of maintenance, alteration, or repair, but will endeavor to do so at such time as will cause the least amount of inconvenience to its subscribers, unless such interruption is unforeseen or due to an emergency.

## VII

### FRANCHISE RENEWAL AND TERMINATION

A. Renewal. This Franchise Agreement shall take effect and be in full force and effect from the date hereof and the same shall continue in full force and effect for a term of fifteen (15) years beginning with the date of such acceptance. The company shall have the option to renew this Franchise subject to the Town's approval which shall not be unreasonably withheld for an additional period not to exceed fifteen (15) years upon the same terms and conditions. Should the Company desire to exercise this option, it shall so notify the Town, in writing, not less than six (6) months prior to expiration of this franchise.

B. Revocation. The Town reserves the right to revoke this Franchise and rescind all rights and privileges associated with it only in the following circumstances:

1. If the Company should default in the performance of any of its obligations under this Franchise and fails to cure or commence with diligence to cure the default within thirty (30) days after receipt of written notice of the default from the Town.
2. If a petition is filed by or against the Company under the bankruptcy Act, or any other insolvency or creditors' rights law, state or federal, and the Company shall fail to have it dismissed. If a bankruptcy or other insolvency petition is filed against the Company, the Company will have 120 days to have it dismissed or satisfy the Town that its pendency does not jeopardize the Town's interest in this Franchise.
3. If the Company arbitrarily ceases to provide services over the cable television system and fails to reinstate service after notice as in paragraph (1) above.

C. Procedure Prior to Revocation. Upon the occurrences of any of the events enumerated in paragraph B of this section, the Selectmen may, after hearing, upon thirty (30) days written notice to the Company citing the reasons alleged to constitute cause for revocation, set a reasonable time in which the Company must remedy the cause. If the Company fails to remedy the cause or to commence with diligence to remedy the cause, within the time specified, the Selectmen may revoke the Franchise. In any event, before the Franchise may be terminated, the Company must be provided with an opportunity to be heard before the Selectmen.

D. Surrender of Franchise. The Company surrender this Franchise at any time upon filing with the Selectmen of the Town, a written notice of its intention to do so at least six (6) months before the surrender date. On the surrender date specified in the notice, if the Company has completed performance as specified herein, and on payment of all franchise fees to the surrender date, all of the rights and privileges and all the obligations, duties, and liabilities of the Company shall terminate. If performance is not complied with, the Town shall have those remedies provided by law or contained herein.

E. Franchise Fee. The Company shall pay to the town as a Franchise Fee an amount equal to three percent (3%) of "Basic Cable" revenues collected under this agreement annually. The fee shall be due and payable in semi-annual installments payable on January 31 and July 31 of each year following the execution of this Franchise Agreement beginning January 31, 1989. If the fee is not paid when due, interest therein shall accrue at the rate allowable by the State for past due real property taxes.

## VIII

### RATES AND CHANGES

A. Basic Service. This service consist of a combination of "off-air" and satellite stations offered for a basic monthly rate and includes a converter (as required) which allows any television set to receive all channels offered. The Company will establish charges for its Cable Television Services, in accordance with the Schedule of Charges, which is attached herein for reference. Only the Basic Service rate is subject to regulation. Increases in the Basic Service rate will be allowed, with advanced notification to the Board, if consistent with FCC regulations and current Public Laws.

B. Other Charges and Services. Premium Services, Installation Charges, FM Radio Services, Additional Outlets, Remote Control Devices, Reconnection Charges, Wiring Charges, Construction Charges and other non-television uses are not regulated under this Franchise Agreement.

C. Standard Installations. A Standard Installation includes an aerial or underground service drop to bring the service from the Distribution cable to the customers premises and wiring into the first service outlet, provided that the service wire is 50 feet or less in length. Standard Installations require surface (non-concealed) wiring on the customer premises. Standard Installation charges apply for all new customers or existing customers that move to a new location which has never had service.

D. Long Service Drops. Service Drops in excess of 100 feet will be installed, as in Section IX - Service Drop Extension Policy.

E. Concealed Wiring. Concealed wiring is defined as wiring through a structure that is concealed within the walls, ceilings or floors to the points of outlet. For concealed wiring or other, non-standard installations, customers will be billed additionally at standardized labor, material and equipment rates.

F. Underground/Buried Service Drops. The Company will provide wire for Underground Service Drops up to 50 feet in length. The customer shall provide all necessary trench work, back filling and conduit required to meet the specifications of the Company and the cost of wire beyond 50 feet. All future maintenance costs shall be charged to the customer at standardized labor, material and equipment rates.

The Company may provide Direct Buried Service Drops at its discretion, if feasible, with the customers permission, or at the customers request, for lengths up to 50 feet, at no charge. Beyond 50 feet the customer will be charged for all wire and construction costs. All future maintenance costs shall be charged to the customer at standardized labor, material and equipment rates.

## IX

### SERVICE LINE EXTENSION POLICY

The Company will construct the first one hundred (100) feet of cable on private roads, driveways or property. All costs beyond one hundred (100) feet shall be borne by the customer(s) requesting service. This includes all costs to construct the line extension and also shall include pole attachment fees and rearrangement costs which are charged to the Company. The Company's normal type of construction is aerial, however it may choose construction of a buried type, if feasible and economical. If buried construction is used, all future maintenance and replacement costs will be charged to the customer. If the customer requests underground type of construction, the Company will provide the first 100 feet of cable, the customer will be charged for the remainder. All other costs, including trench work, back filling, conduit requirements, future maintenance and replacement will be charged to the customer and completed to the Company's specifications.

The entire cost shall be paid before construction is started or a contract for payment shall be executed by all parties before construction shall begin. Contracts shall be for no more than 12 months.



MISCELLANEOUS

A. Severability. If any section, subsection, sentence, clause, phrase or word of this Franchise, or other Franchise documents including the Company's application, should be held invalid or unconstitutional either by the FCC or any court of competent jurisdiction, such section, subsection, sentence, clause, phrase or word shall be deemed severable as a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

B. Limited Franchise Binding. Anything contained herein to the contrary notwithstanding, all provisions of this Limited Franchise shall be binding upon the Company, its successors, lessees or assigns, and the Town, its successor and assigns.

C. Failure to Enforce Provisions. The Company shall not be excused from complying with any of the terms and conditions of this Limited Franchise by any failure of the Town upon one or more occasions to insist upon or to seek compliance with any such terms or conditions.

D. Unauthorized Connections or Service. No other cable television system may be operated in the Limited Franchise area without specific written authority granted by the Board.

## XI

### DEFINITIONS

For the purposes of this Limited Franchise the following terms, phrases, and words and their derivations shall have the meaning specified herein. When not inconsistent with the context, words used in the present tense include the future and words in the singular number include words in the plural number.

A. "Cable Television System": A facility which receives and amplifies the signals broadcast by one or more television stations and redistributes such signals to subscribing members of the public for a fixed or periodic fee, employing wires or cables passing along, over, under, across and upon streets, ways, lanes, alleys, parkways, bridges, highways, and other public places, including property over which a Town has an easement or right of way, and including facilities which in addition to providing such reception, amplification and redistribution, are also used to originate and distribute program or other material to such customers.

B. "Commence Construction": Construction will be considered to have commenced when the actual placement of strands and/or cable is undertaken.

C. "Customers": shall mean any person, firm, company, municipality, corporation or association receiving either basic service or additional service from the Company.

D. "Dwelling Unit": means a structure of any kind, including mobile homes, used for residential purposes and shall include those structures used either permanently or seasonally for such use, also, each individual apartment or condominium unit.

E. "Federal Communications Commission": is the present federal agency of that name as constituted by the Communications Act of 1934, or any successor agency created by the United States Congress.

F. "Company": means all persons including, but not limited to, subsidiaries, parents, or affiliate companies, associations or organizations, having any rights, powers, privileges, duties, liabilities or obligations, under this Franchise, and also includes all persons having or claiming any title to or interest in the network, whether by reason of the franchise itself directly or by interest in a subsidiary, parent, or affiliate company, association or organization or by any subcontract or transfer.

G. "Town": shall mean the Town of Carroll, its Selectmen, officials, agents, and employees, unless otherwise specifically designated; the area within the territorial Town limits.

H. "Board": shall mean the Board of Selectmen, Town of Carroll, New Hampshire, and its successors.

I. "Limited Franchise": shall mean the authority to construct and operate a cable television system within a limited area of the Town; with this document constituting the final and complete grant of authority.

J. "May": is permissive.

K. "Shall": is mandatory.

L. "Will": is mandatory.

M. "Customer Premises": same as Dwelling Unit or Commercial Establishment.

N. "Basic Service": A combination of "off-air" and satellite stations offered for a basic monthly rate and includes a converter (as required) which allows any television set to receive all channels offered.

O. "Premium Service": Special programming stations offered at separate monthly rates or a combination (package) rates with other premium services. (Example: Home Box Office (HBO). Premium Service offerings require that subscribers have Basic Service.

P. "FM Radio Service": Complete FM radio band from 88-108 MHz.

Q. "Underground Construction": Placing facilities underground by trenching or digging a trench to a depth specified by the Company or Companies (such as in jointly provided with other wire placing Companies) and providing either specified material cushion and covering and/or conduit as specified by the Company(ies).

R. "Buried Construction": Placing facilities in the ground using a cable plow unit or other method not requiring conduit or other special materials for cushion or covering.

S. "Initial Build Area": The area designated on the map provided with this Agreement is the initial area built under this Limited Franchise.

T. "Employees": Employees, Officers and Directors of Bretton Woods Cable Company, Inc. and its affiliated Companies.

U. "Off-Air Channels or Stations": Broadcast stations which transmit in the VHF (channels 2-13) or UHF (channels 14-83) frequency bands and are received with antennas and receiving equipment directly from the transmitting station via the air waves.

V. "Satellite Channels or Stations": Television stations which transmit signals to an earth orbiting domestic satellite and which are received by the cable system using "earth station" antennas (dish antenna) and receiving equipment.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the aforesaid day and year.

WITNESS:

TOWN:

\_\_\_\_\_

By: \_\_\_\_\_

Its Selectman

\_\_\_\_\_

By: \_\_\_\_\_

Its Selectman

\_\_\_\_\_

By: \_\_\_\_\_

Its Selectman

WITNESS:

COMPANY:

\_\_\_\_\_

By: \_\_\_\_\_

Its

STATE OF NEW HAMPSHIRE

COOS

, SS

\_\_\_\_\_, 1989

Personally appeared the above-named Selectmen of the Town of Carroll, New Hampshire, and acknowledged the foregoing instrument to be their free act and deed in their said capacity and the free act and deed of the Town.

Before me,

\_\_\_\_\_

Notary Public/Justice of the Peace

STATE OF NEW HAMPSHIRE

COOS

, SS

\_\_\_\_\_, 1989

Personally appeared the above-named \_\_\_\_\_ and  
acknowledged the foregoing instrument to be his free act and deed in  
his said capacity and the free act and deed of the Company herein.

Before me,

\_\_\_\_\_  
Notary Public/Justice of the Peace

## ADDENDUM

### RESUME OF CORPORATE OWNERSHIP

The Bretton Woods Cable Company, Inc. is a wholly owned subsidiary of The Satter Company of Bretton Woods, which owns all of the authorized and outstanding stock of the corporation. The Satter Company of Bretton Woods is a wholly owned subsidiary of The Satter Companies of New England, a New Hampshire general partnership consisting of The Satter Companies, Inc. and Satter Holdings, Inc.



PROPOSED SCHEDULE OF  
RATES AND CHARGES

RATES AND CHARGES

Charges outlined in this section are those prescribed by the company initially. The company may at its option from time to time waive certain charges for promotional or marketing purpose.

Only Basic Service charges are regulated. Other charges are subject to change as necessary.

The minimum service period for any regular service offered by the company shall be one money.

MONTHLY CHARGES

Basic Service: Includes up to 5 broadcast (off-th-air) channels, 1-2 satellite services, and one premium service. . . . . \$19.95

Addition Premium Services: Additional Premium Services are only available in conjunction with Basic Service and are offered separately or as Premium Packages. (Not available at this time).

OTHER SERVICES:

None offered at this time.

Installation and Service Charges:

	<u>Non-Recurring Charges</u>
Installation of Basic Service . . . . .	\$55.00
Addition of Premium Service . . . . .	N/A
Change Premium Service. . . . .	N/A
Additional Outlets (at time of initial install) . . . . .	\$15.00/per outlet
Additional Outlets (after initial install). . . . .	\$15.00/per outlet
Installation of A/B switch. . . . .	\$15.00/per switch

ROOMING HOUSE, BOARDING HOUSE, HOTELS, MOTELS, INNS,  
SHELTER HOMES, NURSING HOMES

Monthly  
Rates

Basic Service - 1st Outlet, installed in common areas  
such as lounges, dining rooms, kitchens, waiting  
areas, living rooms, etc. (includes converter).  
This service may also be installed in individual  
rooms used for sleeping purposes and billed to  
individual customers. . . . . \$19.95

Basic Service - Additional Outlets, installed in  
individual rooms used for sleeping quarters,  
billed to proprietor(s) only. Includes converter.  
Basic Service - Additional Outlets will not be  
installed without at least on Basic Service -  
1st Outlet on the premises. . . . . (No charge;  
Included in  
above)

BUSINESS AND COMMERCIAL RATES

Service rates are the same as under Residential Services.