

**RENEWAL
CABLE TELEVISION FRANCHISE AGREEMENT
FOR THE
CITY OF PORTSMOUTH,
NEW HAMPSHIRE**

**GRANTED TO
COMCAST OF MAINE/NEW HAMPSHIRE, INC.**

**FOR THE TERM
NOVEMBER 1, 2008 –OCTOBER 31, 2018**

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**RENEWAL CABLE TELEVISION FRANCHISE AGREEMENT
BETWEEN THE CITY OF PORTSMOUTH
AND
COMCAST OF MAINE/NEW HAMPSHIRE, INC.**

INTRODUCTION

WHEREAS, Comcast of Maine/New Hampshire, Inc. (hereinafter “Comcast” or “Franchisee”) is the duly authorized holder of a Renewal Franchise Agreement to operate a Cable System in the City of Portsmouth (hereinafter “City” or “Franchising Authority”), such Renewal Franchise Agreement having commenced on December 31, 2004 and having been extended beyond the original expiration date of December 31, 2007 to October 31, 2008;

WHEREAS, Comcast filed a written request for a renewal of its Cable Television Franchise (the “Franchise”) by letter dated April 1, 2005 in conformity with the Cable Communications Policy Act of 1984;

WHEREAS, the Franchising Authority conducted three (3) public ascertainment hearings on September 8, 2005, April 2, 2006 and August 16, 2006 to (1) ascertain the future cable-related community needs and interests of Portsmouth, and (2) review the performance of Comcast during its current franchise term;

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

WHEREAS, the Franchising Authority desires to enter into this Renewal Franchise with the Franchisee for the construction and continued operation of a Cable System on the terms and conditions set forth herein;

WHEREAS, insofar as the State of New Hampshire has delegated to the Franchising Authority the authority to grant a Franchise for cable system operation within the City’s territorial boundaries, the Franchising Authority hereby exercises its authority to grant a non-exclusive Renewal Franchise permitting the operation of a Cable System within the City.

NOW THEREFORE, after due and full consideration, the Franchising Authority and Comcast agree that this Renewal Franchise is issued upon the following terms and conditions:

ARTICLE 1 DEFINITIONS

SECTION 1.1 – DEFINITIONS

For the purpose of this Franchise, the following terms, words or phrases shall have the meanings given herein unless the context clearly requires a different meaning:

(a) Access Channel: One or more of Franchisee's channels made available to the Franchising Authority and/or an Access Corporation, without charge, for the purpose of Access Programming.

(b) Access Corporation(s): The entity(ies) as may be designated from time to time by the Franchising Authority for the purpose of managing Access Channel capacity, providing facilities and/or creating or facilitating Access Programming.

(c) Access Programming or PEG Access Programming: (i) "Educational": Non-commercial programming produced by City of Portsmouth Public Schools, or other educational organizations as designated by the Franchising Authority and other non-commercial educational programming offered by them; (ii) "Governmental": Non-commercial programming produced by City of Portsmouth departments or agencies and other non-commercial programming offered by them or a duly authorized designee; (iii) "Public": non-commercial programming produced by the City of Portsmouth, or produced by an Access Corporation or other non-profit entity operating within the City of Portsmouth.

(d) Affiliate or Affiliated Person: A Person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another Person.

(e) Basic Service: Any service tier which includes the retransmission of local television broadcast signals.

(f) Cable Act: Cable Communications Policy Act of 1984, Public Law No. 98-549, 98 Stat. 2779 (1984), 47 U.S.C. 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. 104-104, 110 Stat. 56 (1996), as it may hereafter be further amended.

(g) Cable Service: The one-way transmission to Subscribers of (i) video programming, or (ii) 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 Franchisee may make available to all Subscribers generally.

(h) 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 City, but such term does not include:

- i. A facility that serves only to retransmit the television signals of one or more television broadcast stations;
- ii. A facility that serves Subscribers without using any public right-of-way;
- iii. A facility of a common carrier which is subject, in whole or in part, to the provisions of title II of the Communications Act of 1934, as amended, except that such facility shall be considered a Cable System to the extent such facility is used in the transmission of video programming directly to Subscribers, unless the extent of such use is solely to provide interactive on demand services;
- iv. An open video system that complies with Section 653 of the Cable Act; or
- v. Any facilities of any electric utility used solely for operating its electric utility systems.
- vi. Commercial Subscriber: A commercial, non-residential Subscriber to Cable Television Service.

(i) Complaint: Any written or verbal contact with the Franchisee in connection with subscription in which a Person expresses dissatisfaction with an act, omission, product or service that is within the Franchisee's control such as but limited to poor quality service interruptions, equipment malfunctions, relocation/transfer of service problems, missed appointments, damage from installation and lack of customer service quality or responsiveness. Any contact by a Subscriber more than once regarding the above shall constitute a Complaint.

(j) Drop: The cable that connects a home or building to the Cable System.

(k) Effective Date of Renewal Franchise (the "Effective Date"): November 1, 2008.

(l) FCC: Federal Communications Commission.

(m) Feeder Cable: The cable connected to the trunk cable, from which Cable Service is distributed to multiple Subscribers, as distinguished from trunk cable (which distributes Cable Service throughout the Franchise area).

(n) Franchise, Renewal Franchise or Franchise Agreement: The Renewal Franchise granted herein.

(o) Franchise Fee: The payments to be made to the Franchising Authority that shall have the meaning set forth in Section 622 (g) of the Cable Act.

(p) Gross Annual Revenues: All revenues received by the Franchisee for the provision of Cable Service(s) over the Cable Television System including, without limitation: the distribution of any Service over the Cable System; Basic Service monthly fees and all other Service fees and charges; all pay cable and premium service revenues; pay-per-view and video-on-demand services; installation, reconnection, downgrade, upgrade and any similar charges; interest collected on Subscriber fees and/or charges collected; all digital cable service revenues; all commercial subscriber revenues (including bulk account revenues); leased access fees and fees paid for channels designated for commercial use; home-shopping revenues; Converter, remote control and other cable-related equipment rentals and/or leases or sales; net advertising and any other revenue source allowed under federal law. In the event that an Affiliate and/or any other Person is responsible for advertising revenues, advertising revenues for purposes herein shall be deemed to be the pro-rata portion of net advertising revenues, paid to the Cable System by an Affiliate or such other Person for said Affiliate's or other Person's use of the Cable Television 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 Franchise Fees to the City of Portsmouth that would otherwise be paid herein. It is the intention of the parties hereto that Gross Annual Revenues shall only include such revenues of Affiliates and/or Persons relating to Signal carriage over the Cable System and not the gross revenues of any such Affiliate(s) and/or Person(s) itself, where unrelated to such Signal carriage. Gross Annual Revenues shall not include actual bad debt that is written off, consistent with generally accepted accounting principles; provided, however, that all or any part of any such actual bad debt that is written off, but subsequently collected, shall be included in Gross Annual Revenues in the period so collected.

(q) Leased Channel or Leased Access: A channel that the Franchisee shall make available pursuant to Section 612 of the Cable Act.

(r) Origination Capability – An activated connection to an upstream channel, allowing a Signal to travel from an authorized location to the Cable System headend.

(s) Outlet: An interior receptacle that connects a television set to the Cable System.

(t) Person: Any natural person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for profit, but shall not mean the Franchising Authority.

(u) Prime Rate: The prime rate of interest at the Federal Reserve Bank of Boston.

(v) 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.

(w) Public Way or Street: The surface of, as well as the spaces above and below, any and all public streets, roads, avenues, highways, freeways, boulevards, concourses, alleys, courts, drives, circles, sidewalks, 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 City of Portsmouth, now or hereafter existing. Reference herein to “Public Way” or “Street” shall not be construed to be a representation or guarantee by the City that its property rights are sufficient to permit its use for any purpose, or that the Franchisee shall gain or be permitted to exercise any rights to use property in the City greater than those already possessed by the City.

(x) Signal: Any transmission of electromagnetic or optical energy which carries information from one location to another.

(y) State: The State of New Hampshire.

(z) Subscriber: Any Person, firm, company, municipality, corporation or association lawfully receiving Cable Services from the Franchisee.

(aa) Upstream Link: A connection over which Signals travel from an authorized location to the Cable System headend.

(ab) Video Programming or Programming – shall mean the programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

ARTICLE 2 GRANT OF FRANCHISE

SECTION 2.1 - GRANT OF FRANCHISE

(a) Pursuant to the authority of the Cable Act and RSA 53-C of the Laws of the State of New Hampshire, as amended from time to time, the City Council, acting as the Franchising Authority, hereby grants a non-exclusive Franchise to the Franchisee authorizing and permitting Franchisee to construct, upgrade, operate and maintain a Cable System within the municipal limits of the City of Portsmouth. Nothing in this Franchise shall be construed to prohibit the Franchisee from offering any service over its Cable System that is not prohibited by federal, state or local law.

(b) The Franchise is granted under and in compliance with and subject to all applicable federal and state laws and any regulations duly promulgated. The Franchising Authority specifically reserves all authority granted it under RSA 231:160 et seq. to manage, regulate and control the public right-of-way, as such authority relates to the provisions of telecommunications services, provided that the exercise of such authority does not conflict with the rights granted herein or with the rights of the Franchisee under federal and State law.

(c) Subject to the terms and conditions herein, the Franchising Authority hereby grants to the Franchisee the right to construct, upgrade, install, operate and maintain a Cable System, within the Public Way.

(d) In exercising its rights herein, the Franchisee shall not endanger the lives and/or safety of Persons, interfere with any installations of the City, any public utility servicing the City, or any other Persons permitted to use the Public Ways.

SECTION 2.2 – TERM OF RENEWAL FRANCHISE

The term of this non-exclusive Renewal Franchise shall be for a period of ten (10) years commencing November 1, 2008 and shall terminate at midnight on October 31, 2018.

SECTION 2.3 - NON-EXCLUSIVITY OF RENEWAL FRANCHISE

(a) The Franchisee acknowledges and agrees that the Franchising Authority has the right to grant one or more additional franchises to other Cable Service providers within the City; provided, however, that in accordance with RSA 53-C, such franchise(s) shall not be on terms more favorable or less burdensome than those contained herein.

(b) This Renewal Franchise shall not affect the right of the Franchising Authority to grant to any other Person a franchise/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 System within the City of Portsmouth; or the right of the Franchising Authority to permit the use of the Public Ways and places of the City for any purpose(s) whatsoever.

(c) In the event that the Franchisee believes that any additional cable television franchise(s) have been granted on terms and conditions more favorable or less burdensome than those contained in this Franchise, the Franchisee may request, in writing, that the Franchising Authority convene a hearing. Along with the written request, the Franchisee shall provide the Franchising Authority with written reasons for its belief. At the hearing, the Franchisee shall have an opportunity to demonstrate that any such additional cable television franchise(s) are on terms more favorable or less burdensome than those contained in this Franchise. The Franchisee shall provide the Franchising Authority with such financial or other relevant information in writing as is requested. The hearing shall be convened by the City Council, or its designee (such as the Cable Commission), within sixty (60) days of the Franchisee's written request.

(d) Should the Franchisee demonstrate that any such additional cable television franchise(s) have been granted on terms and conditions more favorable or less burdensome than those contained in this Franchise, the Franchising Authority shall consider and negotiate, in good faith, equitable amendments to this Franchise.

SECTION 2.4 - FRANCHISE FEE PAYMENTS

(a) The Franchisee shall continue to pay to the City, throughout the term of this Renewal Franchise, a Franchise Fee equal to five percent (5%) of the Franchisee's Gross Annual Revenues.

(b) The Franchise Fee shall be paid quarterly to the City throughout the term of this Renewal Franchise, not later than forty-five (45) days after the end of each 3-month period (February 15th, May 15th, August 15th, and November 15th). In addition to the foregoing, the Franchising Authority reserves the right to direct one or more payments, or portions of the Franchise Fee payments such as the advertising revenue, to an Access Corporation or other entity.

(c) The Franchisee shall file with the Franchising Authority, with each Franchise Fee payment, a statement certified by an authorized representative of the Franchisee documenting, in reasonable detail, the total of all Gross Annual Revenues of the Franchisee during the preceding specified periods, as well as a completed Revenue and Franchise Fee Reporting Form, attached hereto as **Exhibit 1**.

(d) The Franchisee shall not be liable for a total financial commitment pursuant to this Renewal Franchise and applicable law in excess of five percent (5%) of its Gross Annual Revenues; provided, however, that said five percent (5%) shall include any applicable fees payable to the FCC and/or the State; and furthermore provided, however, that said five percent (5%) shall not include (i) interest on any late payments or liquidated damages due to the Franchising Authority; and (ii) any amounts excluded from the definition of "Franchise Fee" in Section 622 of the Cable Act.

(e) At any time during the term of this Renewal Franchise, the Franchising Authority may, as needed to verify the information provided hereunder, upon reasonable belief and after notice and an opportunity by the Franchisee to be heard, inspect and conduct an independent audit, at the Franchising Authority's expense, of the financial records and books of Franchisee insofar as they apply to the calculation of Gross Annual Revenues and Franchise Fees paid to the Franchising Authority herein; provided, however, that if the Franchising Authority has a reasonable belief or reasonably should have such a belief of a need to so verify information, it must exercise its right to inspect and audit within one (1) year of such event.

SECTION 2.5 - LATE PAYMENT

In the event that the Franchise Fees herein required are not tendered on or before the dates fixed in Section 2.5 above, interest due on such fee shall accrue from the date due at the rate of two percent (2%) above the Prime Rate. Any payments to the City pursuant to this Section 2.6 shall not be deemed to be part of the Franchise Fees to be paid to the City pursuant to Section 2.5 and shall be within the exclusion to the term "franchise fee" for requirements incidental to enforcing the Renewal Franchise pursuant to Section 622(g)(2)(D) of the Cable Act.

SECTION 2.6 - TRANSFER OR ASSIGNMENT OF THE RENEWAL FRANCHISE

(a) Subject to applicable law, neither the Renewal Franchise, 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 Renewal Franchise to any other Person, company and/or other entity without the prior written consent of the Franchising Authority, which consent shall not be arbitrarily or unreasonably withheld. Such consent shall be given upon a written application therefore on forms as may be prescribed by the FCC. An application for consent to a transfer or assignment, if required, shall be signed by the Franchisee and by the proposed transferee or assignee or by their representatives, evidence of whose authority shall be submitted with the application.

(b) Pursuant to applicable federal law, in considering a request to transfer control of the Renewal Franchise, the Franchising Authority may consider such factors as the transferee's financial capability, technical expertise, and legal ability to operate the Cable System under the existing Franchise and any other criteria allowable under Federal or State law and/or regulation.

(c) The consent or approval of the Franchising Authority to any assignment or transfer of this Renewal Franchise shall not constitute a waiver or release of the rights of the City in and to the streets and Public Ways or any other rights of the City under the Renewal Franchise, and any such transfer shall, by its terms, be expressly subordinate to the terms and conditions of this Renewal Franchise.

(d) A transfer or assignment of this Renewal Franchise or control thereof between commonly controlled entities, between affiliated companies, or between parent and subsidiary corporations, shall not constitute a transfer or assignment of this Renewal Franchise or control thereof. An "affiliated company" is defined as any Person or entity that directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with another Person or entity.

(e) Unless otherwise allowed by applicable law(s) and/or unless both parties hereto agree to an extension of time in writing, the Franchising Authority shall make a decision on said written application within one hundred and twenty (120) days of receipt of said application, after which time, the application shall be deemed approved.

(f) The Franchisee shall submit to the Franchising Authority an original and one (1) copy, unless otherwise required, of the application and FCC Form 394 requesting such transfer or assignment consent.

(g) Any proposed controlling or owning Person or transferee approved by the Franchising Authority shall be subject to all of the terms and conditions contained in this Renewal Franchise.

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 this Renewal Franchise.

(b) If the Franchising Authority denies its consent to any such action and a transfer has nevertheless been effected, the Franchising Authority may revoke and terminate this Renewal Franchise, unless such transfer is otherwise allowable by applicable law.

(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 City.

SECTION 2.8 - POLE AND CONDUIT ATTACHMENT RIGHTS

Pursuant to RSA 231:161, permission is hereby granted to the Franchisee to attach or otherwise affix cables, wires, or optical fibers comprising the Cable System to existing poles and conduits on Public Ways, provided the Franchisee secures permission and consent of the public utility companies to affix the cables and/or wires to their pole and conduit facilities. Franchisee may erect its own poles and install its own conduit, with approval of the location of such installation by the City, pursuant to state and local licensing requirements, which approval shall not be unreasonably withheld. All poles and conduit installed within the service area shall be made available for attachment or use by Franchisee.

SECTION 2.9– RESERVATION OF AUTHORITY

Nothing in this Renewal Franchise shall (i) abrogate the right of the Franchising Authority to perform any public works or public improvements of any description, (ii) be construed as a waiver of any codes or bylaws/ordinances of general applicability and not specific to the Cable Television System, the Franchisee, or this Franchise, or (iii) be construed as a waiver or release of the rights of the Franchising Authority in and to the Public Ways. Any conflict between the terms of this Renewal Franchise and any present or future exercise of the City's police and regulatory powers shall be resolved by a court of appropriate jurisdiction.

ARTICLE 3
SYSTEM SPECIFICATIONS AND CONSTRUCTION

SECTION 3.1 - SERVICE AREA; LINE EXTENSIONS

(a) Service Area: Subject to Section 3.1(c) below, the Franchisee shall, upon request, make its Cable Service available to all residents in dwelling units on Public Streets and Private Roads.

(b) In the case of new construction or property development where right-of-way plant is to be placed aurally or underground, the developer or property owner shall give the Franchisee reasonable notice of not less than forty-five (45) days prior to such construction or development, and, if applicable, of the particular date on which open trenching will be available for the Franchisee's installation of conduit, pedestals and/or vaults, and materials to be provided at the Franchisee's expense, or as otherwise agreed by the parties. The Franchisee shall also provide specifications as needed for trenching. The cost of trenching and easements required to bring service to the development shall be borne by the developer or property owner. Under all circumstances, the Cable System shall pass new units within five (5) months after the Franchisee receives written notice that an occupancy permit has been granted by the City and/or the Franchisee receives written request for service, subject to events of force majeure and utility make ready.

(c) The Franchisee shall use commercially reasonable efforts to extend its Cable System and the availability of Cable Service to all residential dwelling units hereafter constructed or occupied in the City as of the Effective Date. It shall not be considered commercially reasonable to extend the Cable System to areas with density of less than twenty-five (25) homes per aerial mile of Cable System plant or forty-five (45) homes per mile of underground Cable System plant. In constructing, reconstructing, repairing or updating the Cable System, the Franchisee shall follow present and future pole placements in the City.

SECTION 3.2 – SUBSCRIBER CONNECTION

Installation costs shall conform with the Cable Act, as amended, and regulations thereunder.

(a) Aerial Installations: Any dwelling unit within one hundred fifty (150) feet of the existing Cable System plant shall be entitled to a standard aerial installation rate. Any aerial installation over one hundred fifty (150) feet from the existing Cable System plant requiring trunk or distribution type construction shall be considered non-standard and provided at a rate allowed by federal and/or state law or regulations, in addition to the standard installation charge. The Franchisee may charge

Subscribers for non-standard or customized installations; Subscribers shall be provided an itemized cost of the same prior to acceptance of the terms for such non-standard cable connection.

(b) **Underground Installations:** Underground installation shall be considered standard and therefore subject to standard underground installation rates within one hundred fifty (150) feet of the existing Cable System plant, provided no trunk or distribution type construction is required and sub-surface is dirt or similar soft surface. Underground installations within one hundred fifty (150) feet of the existing Cable System plant requiring trunk or distribution type construction or involving a hard surface or requiring boring through rock or under sidewalks, streets, flower bedding, etc., are considered non-standard installations and shall be provided at a rate allowed by federal and/or state law or regulations, in addition to the standard installation charge. Installations more than one hundred fifty (150) feet from existing Cable System plant requiring trunk or distribution type construction or involving a hard (concrete, asphalt, etc.) surface shall be provided at a rate allowed by federal and/or state law or regulations, in addition to the standard installation charge. Subscribers shall be provided an itemized cost of the same prior to acceptance of the terms for such non-standard cable connection.

SECTION 3.3 - RESIDENTIAL CABLE SYSTEM

(a) The Franchisee shall continue to operate, maintain and make available to all residents of the City, at a minimum, its existing Cable System. The Cable System shall be a minimum of 750 MHz and shall be fully capable of carrying at least seventy-eight (78) video channels in the downstream direction.

(b) The Cable System shall be designed and constructed so that all commercial television station broadcast Signals received by the Franchisee in stereo can be received in stereo by Subscribers without the necessity of subscribing to any other Cable System service, provided Subscriber has video reception equipment capable of receiving stereo Signals.

(c) Notifications to customers and the Franchising Authority regarding changes in rates, programming services or channel positions shall be made in accordance with 47 C.F.R. Part 76.

SECTION 3.4 - PARENTAL CONTROL CAPABILITY

The Franchisee shall provide, upon request, Subscribers with the capability to control the reception of any channels being received on their television sets in accordance with applicable laws. The Franchisee may charge Subscribers for such capability to the extent permitted by law.

SECTION 3.5 - EMERGENCY ALERT SYSTEM

The Cable System shall comply with the FCC Emergency Alert System regulations.

SECTION 3.6 - PUBLIC BUILDING CABLE DROPS

The Franchisee shall provide, as directed by the Franchising Authority, (a) one (1) Subscriber cable Drop connected to the Cable System within the distance requirements of Section 3.2, (b) one (1) Outlet, and (c) Basic Service to all municipal and school buildings which are listed in **Exhibit 2** hereto, without charges of any kind to the Franchising Authority, the City and/or Subscribers. The obligation of the Franchisee to provide Drops, Outlets and Basic Service shall pertain throughout the life of this Franchise and shall apply specifically to municipal and school buildings constructed, located or relocated subsequent to the commencement of this Franchise, which shall be wired within six (6) months of delivery of written request from the Franchising Authority to the Franchisee. The Franchising Authority or its designee shall consult with the appropriate individuals to determine the appropriate location of each Drop and Outlet prior to the installation of the free Basic Service. The Franchising Authority shall be responsible for all costs of a non-standard installation to any municipal or school building to the extent the Franchising Authority directs that Cable Service be provided to such building and provides payment for such non-standard installation in advance of construction. Such Drops shall include any converters or other Signal decoding equipment that may be necessary to allow Basic Service programming to be viewed on municipally owned television sets.

ARTICLE 4
TECHNICAL AND SAFETY STANDARDS

SECTION 4.1 - SYSTEM MAINTENANCE

(a) In installing, operating and maintaining equipment, cable and wires, the Franchisee shall use reasonable efforts to avoid damage and injury to trees, structures and improvements, except as may be approved by the Franchising 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 System for which this Franchise is granted shall be done in conformance with OSHA, the National Electrical Safety Code, rules and regulations of the FCC and all other applicable state and local laws and ordinances.

(c) Operations 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 System shall be routinely inspected and maintained by the Franchisee so that conditions that could develop into safety hazards for the public and/or operations 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 City.

(d) All structures and all lines, equipment and connections in the Public Ways and private roads and places of the City, wherever situated or located, shall at all times be kept and maintained in a safe and suitable condition and in good order and repair.

(e) The Signal of any television carried on the Cable System shall be carried without material degradation in quality at all Subscriber locations within the limits imposed by the technical specifications of the Cable System and as set forth by the FCC. The Cable 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 Systems. Upon written request by the Franchising Authority or its designee, the Franchisee shall provide proof of compliance with FCC Signal requirements.

(f) The City reserves the right to reasonably inspect all construction and installation work for compliance with applicable laws, codes, ordinances and regulations and with provisions of the Franchise, and the City through its code enforcement office. The Franchising Authority or its designee(s) shall have the right to inspect the plant, equipment or other property of the Franchisee in the City at reasonable times and under reasonable circumstances. The Franchisee shall fully cooperate in such inspections; provided, however, that such inspections are reasonable and do not interfere with the operation or the performance of the facilities of the Cable System, and that such inspections are conducted after reasonable notice to the Franchisee. The Franchisee shall be entitled

to have a representative present during such inspections. All inspections shall be at the expense of the City.

(g) All lines, cables and distribution structures and equipment, including poles and towers, erected by the Franchisee within the City shall be located so as not to obstruct or interfere with the proper use of the Public Ways. The Franchisee shall have no vested right in any such location except as granted herein by the Franchise, and such construction shall be removed by Franchisee at its own cost and expense whenever the same restricts or obstructs or interferes with the operation or location of said Public Ways, provided: however, that this standard shall apply to all Persons owning lines, cables, distribution structures, and equipment in, on or under the Public Ways.

(h) Upon written notice from the City, the Franchisee shall remedy a general deficiency with respect to the technical standards described herein within sixty (60) days of receipt of notice and a safety deficiency within forty-eight (48) hours of receipt of notice and shall notify the City when the deficiency has been corrected.

SECTION 4.2 - REPAIRS AND RESTORATION

(a) The Franchisee shall promulgate and adhere to a preventive maintenance policy at the performance standard set by the FCC. Whenever it is necessary to interrupt Service for the purpose of making repairs, adjustments, installation or other maintenance activities, the Franchisee shall do so at such time as will cause the least inconvenience to Subscribers. Except in an emergency, or for insignificant interruptions of thirty (30) minutes or less which may occur during the course of normal maintenance, the Franchisee will use best efforts to interrupt Service only between the hours of minimum usage.

(b) Whenever the Franchisee takes up or disturbs any pavement, sidewalk or other improvement of any Public Ways or private roads or places, the same shall be replaced and the surface restored in as reasonably good a condition as before entry as soon as practicable. Such restoration shall be made within thirty (30) days, weather permitting or due to events beyond the reasonable control of the Franchisee, after the Franchisee's receipt of written notification from the property owner so damaged unless otherwise agreed by the Franchisee and the property owner. Upon failure of the Franchisee to comply within the time specified (unless the Franchising Authority sets an extended time period for such restoration and repairs) or if such damage presents an emergency situation presenting a threat to public safety, the Franchising Authority may cause proper restoration and repairs to be made and the expense of such work shall be paid by the Franchisee upon reasonable documented expenses submitted by the Franchising Authority.

(c) In addition, upon the failure, refusal or neglect of the Franchisee to cause any work or other act required by law or by this Franchise to be properly completed in any Public Way within any time prescribed, the Franchising Authority may cause such work or other act to be performed or completed in whole or in part, and prior to so doing shall submit to the Franchisee in advance an itemized estimate of the cost thereof. The Franchisee shall, within thirty (30) days after receipt of the statement of the actual cost incurred, pay to the Franchising Authority the entire amount thereof. The Franchising Authority, at its option, and in its sole discretion, may draw upon the bond described herein to recover any cost incurred pursuant to this section, should the Franchisee fail to pay such costs within sixty (60) days of receipt of the statement of those costs.

SECTION 4.3 - CABLE LOCATION

(a) In all areas of the City where all of the transmission and distribution facilities of all public or municipal utilities are installed underground, the Franchisee shall install its Cable System underground provided that such facilities are actually capable of receiving the Franchisee's cable and other equipment without technical degradation of the Cable System's signal quality. Vaults and pedestals shall be suitably restored to a similar condition prior to underground work.

(b) In all areas of the City where public utility lines are aerially placed, if subsequently during the term of the Franchise such utility lines are required by local ordinance or State law to be relocated aerially or underground, the Franchisee shall similarly relocate its Cable System. Any costs of relocating utility poles or trenching for the placement of underground conduits shall be proportionally shared or reimbursed, if applicable, by all affected companies, as provided by law.

SECTION 4.4 - TREE TRIMMING

The Franchisee shall have the authority to trim trees upon and overhanging streets, alleys, sidewalks and Public Ways and places of the City 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 generally applicable City ordinances and regulations. In the installation of amplifiers, poles, other appliances or equipment and in stringing of cables and/or wires as authorized herein, the Franchisee shall avoid all unnecessary damage and/or injury to any and all shade trees in and along the streets, alleys, public ways and places, and private property in the City.

SECTION 4.5 - STRAND MAPS

Within sixty (60) days from a request in writing from the Franchising Authority, the Franchisee shall make available to the Franchising Authority a complete set of strand maps of the service area, and on which will show the Franchisee's Cable System plant in those areas in which its facilities exist subject to the provisions of Section 9.7. Upon written request by the Franchising Authority, the Franchisee shall provide updated maps, but no more frequently than annually during the life of this Renewal Franchise.

SECTION 4.6 - BUILDING MOVES

In accordance with applicable laws, the Franchisee shall, upon the request of any Person holding a building moving permit issued by the City, 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 written 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 move permit.

SECTION 4.7 – DIG SAFE

The Franchisee shall comply with all applicable "dig-safe" provisions, pursuant to New Hampshire Laws outlined in RSA 374:51.

SECTION 4.8 - RESIDENTIAL EXTERIOR WIRING

The Franchisee shall adhere to Subscribers' reasonable requests for location of entry and shall in other respects observe standard specifications for Drop connections into the residence. Each Drop shall be grounded at each Subscriber's residence at the time of initial installation of Cable Service or during the next scheduled in-house servicing that is performed.

SECTION 4.9 – EMERGENCY POWER

The Cable System shall incorporate equipment capable of providing standby powering of the headend for a minimum of four (4) hours upon failure of the power furnished by the electric utility company, unless for reasons of Force Majeure.

SECTION 4.10 – ANNUAL PERFORMANCE TESTS

Upon written request, the Franchisee shall provide copies of its Cable System performance tests to the Franchising Authority in accordance with FCC regulations, as set out in 47 C.F.R. Section 76.601 et seq.

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ARTICLE 5
SUBSCRIBER RIGHTS AND CONSUMER PROTECTION

SECTION 5.1 - TELEPHONE ACCESS

- (a) The Franchisee shall operate its customer service call centers to handle Subscriber calls twenty four hours per day, seven days per week.
- (b) The Franchisee shall have a publicly listed toll-free customer service telephone number.
- (c) The Franchisee shall comply with the FCC's Customer Service Obligations, codified at 47 C.F.R. Part 76, as may be amended from time to time, which standards are attached hereto as **Exhibit 3** and made a part hereof.

SECTION 5.2 - INSTALLATION VISITS - SERVICE CALLS - RESPONSE TIME

- (a) The Franchisee shall respond to all requests for standard aerial installation(s) within seven (7) business days of such request (or at such other time as is mutually agreed upon by the Franchisee and Subscriber), provided that the Franchisee is able to obtain any necessary easements, permits and/or licenses and subject to the completion of make-ready work, if any. Underground installation shall be completed as expeditiously as practicable. The Franchisee shall make reasonable efforts to install at times convenient to Subscribers (including times other than 9:00 am to 5:00 pm weekdays) and provide a four-hour interval (window of time) in which installation is scheduled to occur. If the Franchisee does not make the service call within the designated time frame, it shall be considered a missed visit, absent obtaining the Subscriber's permission to reschedule.
- (b) A Subscriber Complaint or request for service received after Normal Business Hours, as defined by the FCC, shall be responded to the next business day.
- (c) The Franchisee 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 or (ii) an outage as described in paragraph (d) below.
- (d) System outages shall be responded to, twenty four (24) hours a day by technical personnel. For purposes of this 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 Franchisee has reason to know of such an outage.
- (e) The Franchisee shall remove all Subscriber Cable System Drops within seven (7) days of receiving a request from a Subscriber to do so.

SECTION 5.3 - CUSTOMER SERVICE OFFICE

The Franchisee shall maintain a customer service office in the Seacoast for the transaction of in-person business (i.e. payments, questions, reports, orders, customer service, equipment pick up and return) with Subscribers. The office shall be open during Normal Business Hours. In the event that the Franchisee closes its existing Portsmouth office, the Franchisee shall use its best efforts to enter into a contract with a retail establishment in the City of Portsmouth to serve as a payment center and equipment drop-off location.

SECTION 5.4 - COMPLAINT RESOLUTION PROCEDURES

(a) The Franchisee shall establish a procedure for resolution of Complaints by Subscribers.

(b) Upon reasonable notice, the Franchisee shall expeditiously investigate and resolve all Complaints. In the event that a Subscriber is aggrieved, the Franchising Authority or its designee(s) shall be responsible for receiving and acting upon such Subscriber Complaints and/or inquiries, as follows:

- i. Upon the written request of the Franchising Authority or its designee(s), the Franchisee shall, within ten (10) business days after receiving such request, send a written report to the Franchising Authority with respect to any Complaint. Such report shall provide a full explanation of the investigation, finding and corrective steps taken by the Franchisee.
- ii. Should a Subscriber have an unresolved Complaint regarding Cable System operations, the Subscriber shall be entitled to file his or her Complaint with the Franchising Authority or its designee(s), who shall have primary responsibility for the continuing administration of this Franchise and the implementation of Complaint procedures. The Subscriber shall thereafter meet jointly with the Franchising Authority or its designee(s) and a representative of the Franchisee within thirty (30) days of the Subscriber's filing of his or her Complaint, in order to fully discuss and resolve such matter.

(c) Notwithstanding the foregoing, if the Franchising Authority or its designee(s) determines it to be in the public interest, the Franchising Authority or its designee(s) may investigate any Complaint arising from the operations of the Franchisee.

(d) In the event that the Franchising Authority or its designee(s) finds a pattern of Complaints, the Franchising Authority or its designee(s) and the Franchisee shall discuss, in good faith, amendments to the Franchisee's procedures for the resolution of Complaints.

SECTION 5.5 - REMOTE CONTROL DEVICES

The Franchisee shall allow its Subscribers to purchase, from legal and authorized parties other than the Franchisee, own, utilize and program remote control devices. The Franchisee takes no responsibility for changes in its equipment which might make inoperable the remote control devices acquired by Subscriber.

SECTION 5.6 - EMPLOYEE IDENTIFICATION CARDS

All of the Franchisee's employees and contractors/subcontractors entering upon private property in connection with the construction, installation, maintenance and/or operation of the Cable System, including repair and sale personnel, shall be required to display photo identification. If such employee(s) or contractor/subcontractor(s) does not display a photo identification card and, as a result, is not admitted to the Subscriber's home, such visit shall be deemed to be a missed service visit by the Franchisee.

SECTION 5.7 - PROTECTION OF SUBSCRIBER PRIVACY

(a) The Franchisee shall respect the rights of privacy of every Subscriber and/or user of the Cable System and shall not violate such rights through the use of any device or signal associated with the Cable System, and as hereafter provided.

(b) The Franchisee shall comply with all privacy provisions contained in this Article 5 and all other applicable federal and State laws including, but not limited to, the provisions in Section 631 of the Cable Act.

(c) The Franchisee 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 this policy.

SECTION 5.8 - PRIVACY WRITTEN NOTICE

At the time of entering into an agreement to provide any Cable Service to a Subscriber, and annually thereafter to all Cable System Subscribers, the Franchisee 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 Franchisee's practices regarding the collection, retention, uses and

dissemination of personal Subscriber information, and describing the Franchisee's policy for the protection of Subscriber privacy.

SECTION 5.9 - MONITORING

(a) Neither the Franchisee nor its agents nor the Franchising Authority nor its agents shall tap, monitor, arrange for tapping or monitoring, or permit any 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, unless legally authorized or ordered to do so by a court of law or other legal authority; provided, however, that the Franchisee may conduct system wide or individually addressed "sweeps" solely for the purpose of verifying system integrity, checking for illegal taps, controlling return-path transmission, billing for pay services or monitoring Channel usage in a manner not inconsistent with the Cable Act. Unless legally prohibited or ordered not to do so by a court of law or other legal authority, the Franchisee shall report to the affected parties and the Franchising Authority any instances of monitoring or tapping of the Cable System, or any part thereof, of which it has knowledge, whether or not such activity has been authorized by Franchisee.

(b) The Franchisee shall not record or retain any information transmitted between a Subscriber or user and any third party, except as required for lawful business purposes. The Franchisee shall destroy all Subscriber information of a personal nature when such information is no longer necessary for the Franchisee's lawful business purposes, or as required by applicable State and/or federal law(s).

SECTION 5.10 - DISTRIBUTION OF SUBSCRIBER INFORMATION

The Franchisee and its agents and/or employees shall not, without giving Subscribers an opportunity to prevent disclosure, disclose to any third party data identifying or designating any Subscriber either by name or address. Said opportunity to prevent disclosure shall be provided to each Subscriber annually through a written notice. A Subscriber shall have the right, at any time, to request the Franchisee not to disclose to any third party data identifying the Subscriber either by name or address and the Franchisee shall abide by this request.

SECTION 5.11 - POLLING BY CABLE

No poll or upstream response of a Subscriber or user shall be conducted or obtained, unless (i) the program shall contain an explicit disclosure of the nature, purpose and prospective use of the results of the poll or upstream response, and (ii) the program has an information, entertainment or

education function which is self-evident. The Franchisee or its agents shall release the results only in the aggregate and without individual reference.

SECTION 5.12 - INFORMATION WITH RESPECT TO VIEWING HABITS AND SUBSCRIPTION DECISIONS

Except as permitted by §631 of the Cable Act or pursuant to an order by a court, neither the Franchisee nor its agents or employees shall make available to any third party, including the Franchising Authority, information concerning any individual Subscriber.

SECTION 5.13 - SUBSCRIBER'S RIGHT TO INSPECT AND VERIFY INFORMATION

(a) The Franchisee shall make available for inspection by a Subscriber at a reasonable time and place all personal Subscriber information that the Franchisee maintains regarding said Subscriber.

(b) A Subscriber may obtain from the Franchisee a copy of any and all of their personal Subscriber information regarding him or her maintained by the Franchisee. The Franchisee may require a reasonable fee for making said copies.

(c) A Subscriber may challenge the accuracy, completeness, retention, use or dissemination of any item or personal Subscriber information. Such challenges and related inquiries about the handling of Subscriber information shall be directed to the Franchisee's Corporate Counsel. The Franchisee shall change any such information upon a reasonable showing by any Subscriber that such information is inaccurate.

SECTION 5.14 - PRIVACY STANDARDS REVIEW

The Franchising Authority and the Franchisee shall periodically review this Article 5 to determine that it effectively addresses appropriate concerns about privacy. This Article may be amended periodically by agreement of the Franchising Authority and the Franchisee.

SECTION 5.15 – DESIGNATION OF FRANCHISING AUTHORITY ON SUBSCRIBER BILLS

If the Franchisee is required by law to designate the Franchising Authority as the contact on any bill or other material distributed to Subscribers by the Franchisee, the Franchisee shall designate the Franchising Authority as the contact for Cable Services only, provided that such designation shall not restrict the Franchisee's ability to provide a single bill to Subscribers for Cable Services and other services offered by Franchisee.

ARTICLE 6
PRICES AND CHARGES

SECTION 6.1 - PRICES 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 4** for informational purposes. Any changes in price for Cable Service, equipment and installation will be in conformance with applicable law.

(b) The Franchising Authority shall have the right, to the extent granted under state law, the Cable Act and FCC regulations, to regulate rates, equipment, installation and service charges to Subscribers.

(c) The Franchisee may require a deposit or refuse service to any applicant for Cable Service for a bona fide credit reason, which relates to the applicant's overdue or delinquent account with the Franchisee. The Franchisee may levy collection charges and late fees consistent with law. The Franchisee may require that the account of any Subscriber requesting work be current before such work is performed.

ARTICLE 7 REGULATORY OVERSIGHT

SECTION 7.1 – INDEMNIFICATION

The Franchisee shall, at its sole cost and expense, indemnify and hold harmless the Franchising Authority, the City, its officials, boards, commissions, committees, agents and/or employees against all claims for damage due to the actions of the Franchisee, its employees, officers or agents arising out of the construction, installation, maintenance, operation and/or removal of the Cable System under the Renewal Franchise, including, without limitation, damage to Persons or property, both real and personal, caused by the construction, installation, operation, maintenance and/or removal of any structure, equipment, wire or cable installed. The Franchising Authority shall give the Franchisee written notice of its obligation to indemnify and defend the Franchising Authority within ten (10) days of receipt of a claim or action pursuant to this section. Upon receipt of notice in writing from the Franchising Authority, the Franchisee shall at its own expense defend any action or proceeding against the City 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 System. The Franchisee shall not be responsible for any claims of damage caused by the gross negligence of the Franchising Authority, the City, its officials, boards, commissions, committees, agents, and/or its employees.

SECTION 7.2 – INSURANCE

At all times during the term of the Renewal Franchise, including the time for removal of facilities provided for herein, the Franchisee shall obtain, pay all premiums for, and file with the Franchising Authority, within (30) days of execution of this Renewal Franchise and within thirty (30) days of renewal of each policy, copies of the certificates of insurance for the following policies:

(a) The Franchisee shall carry insurance throughout the term of this Renewal Franchise and any removal period, pursuant to all applicable laws, listing the City as an additional insured with an insurance company authorized to transact business within the State of New Hampshire, indemnifying the City and the Franchisee from and against all claims for injury or damage to Persons or property, both real and personal, caused by the construction, installation, operation, maintenance and/or removal of the Cable System. The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000.00) 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 (\$1,000,000.00). The

amount of such insurance for excess liability shall be Five Million Dollars (\$5,000,000.00) in umbrella form.

(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 (\$1,000,000.00).

(c) All insurance coverage, including Workers' Compensation in amounts as required by applicable law, shall be maintained throughout the entire term of this Renewal Franchise. All expenses incurred for said insurance shall be at the sole cost and expense of the Franchisee.

(d) The following conditions shall apply to the insurance policies required herein:

- i. Such insurance shall commence no later than the Effective Date of this Renewal Franchise.
- ii. Such insurance shall be primary with respect to any insurance maintained by the City and shall not call on the City's insurance for contributions.
- iii. Such insurance shall be obtained from brokers or carriers authorized to transact insurance business in the State.

(e) All such Franchisee policies and certificates of insurance shall stipulate that the coverage afforded by the policies will not be cancelled, terminated or modified until at least thirty (30) days' prior notice has been given to the City.

SECTION 7.3 - PERFORMANCE BOND

(a) The Franchisee shall maintain at its sole cost and expense throughout the term of the Renewal Franchise a faithful performance bond running to the City, with good and sufficient surety authorized to do business in the State, in the sum of Twenty-Five Thousand Dollars (\$25,000.00). The bond shall be conditioned upon the faithful performance and discharge of all of the obligations imposed by this Renewal Franchise, including the satisfactory restoration of pavements, sidewalks, Public Ways and other improvements in accordance with this Renewal Franchise.

(b) Up to the total amount of the bond shall be forfeited in favor of the City in the event:

- i. The Franchisee abandons the Cable System or any part thereof at any time during the term of the Franchise; or
- ii. The Franchisee fails to purchase and maintain insurance as required by this Agreement.
- iii. The Franchisee fails to perform its material obligations under this Agreement or in any material way violates the terms of this Agreement.

(c) The bond shall be a continuing obligation of this Renewal Franchise, and thereafter until the Franchisee has satisfied all of its obligations to the City that may have arisen from the grant

of the Renewal Franchise or from the exercise of any privilege herein granted. In the event that the City recovers from said surety, the Franchisee shall take immediate steps to reinstate the performance bond to the appropriate amount required herein.

SECTION 7.4 - NOTICE AND OPPORTUNITY TO CURE

In the event that the Franchising Authority has reason to believe that the Franchisee has not complied with or has defaulted in the performance of any or several provisions of this Renewal Franchise, except as excused by force majeure, and prior to instituting any action against the Franchisee under Section 7.3 (Performance Bond) or Section 7.5 (Revocation), the Franchising Authority shall notify the Franchisee in writing, by certified mail, of the provision or provisions which the Franchising Authority believes may have been in default or not complied with and the details relating thereto. The Franchisee shall have sixty (60) days from the receipt of such notice to:

(a) respond to the Franchising Authority in writing, contesting the Franchising Authority's assertion of default or non-compliance and providing such information or documentation as may be necessary to support the Franchisee's position; or

(b) cure any such default or non-compliance (and provide written evidence of the same), or, in the event that by nature of the default or non-compliance, such default or non-compliance cannot be cured within such sixty (60) day period, to take reasonable steps to cure said default or non-compliance and diligently continue such efforts until said default or non-compliance is cured. The Franchisee shall report to the Franchising Authority, in writing, by certified mail, at forty-five (45) day intervals as to the Franchisee's efforts, indicating the steps taken by the Franchisee to cure said default or non-compliance and reporting the Franchisee's progress until such default or non-compliance is cured.

(c) In the event that (i) the Franchisee fails to respond to such notice of default or non-compliance; and/or (ii) the Franchisee fails to cure the default or non-compliance or to take reasonable steps to cure the default or non-compliance within the required sixty (60) day period, the Franchising Authority or its designee shall promptly schedule a public hearing no sooner than fourteen (14) days after written notice, by certified mail, to the Franchisee. The Franchisee shall be provided reasonable opportunity to offer evidence, question witnesses, if any, and be heard at such public hearing.

(d) Within thirty (30) days after said public hearing, the Franchising Authority shall issue a written determination of its findings. In the event that the Franchising Authority determines that the Franchisee is in such default or non-compliance, the Franchising Authority may determine to pursue any lawful remedy available to it including without limitation: the Revocation of the Franchise Under 7.5; specific performance of any provision which reasonably lends itself to such a remedy as an alternative to damages; an action for monetary damages; and/or the assessment of liquidated

damages as described in Section 7.6. Failure by the Franchising Authority to produce a written report within sixty (60) days of hearing shall render the issue of default or non-compliance null and void.

SECTION 7.5 - REVOCATION OF FRANCHISE

The Franchise issued hereunder may, after due notice and hearing as provided in Section 7.4, be revoked by the Franchising Authority for any of the following reasons:

1. For failure to comply with any of the material terms and conditions of the Franchise;
2. For any transfer or assignment of the Franchise Agreement or control thereof without consent of the Franchising Authority as described in Section 2.7; and/or
3. For failure to maintain a performance bond as described in Section 7.3 or to maintain insurance as described in Section 7.2.

SECTION 7.6 – LIQUIDATED DAMAGES

A. For the violation of any of the following provisions of this Renewal Franchise, liquidated damages shall be paid by the Franchisee to the Franchising Authority. Any such liquidated damages shall be assessed as of the date that the Franchisee received written notice, by certified mail, of the provision or provisions which the Franchising Authority believes are in default, provided that the Franchising Authority made a determination of default pursuant to Section 7.4 above.

(1) For failure to fully activate, operate and maintain the Subscriber Network in accordance with Section 3.3 herein, Five Hundred Dollars (\$500.00) per day, for each day that any such non-compliance continues.

(2) For failure to obtain the advance, written approval of the Franchising Authority for any transfer of this Renewal Franchise in accordance with Section 2.7 herein, Two Hundred Fifty (\$250.00) per day, for each day that any such non-compliance continues.

(3) For failure to comply with any provisions of Article 8 relating to Public, Educational and Governmental Access, One Hundred Dollars (\$100.00) per day, for each day that any such non-compliance continues.

(4) For failure to comply with the FCC's Customer Service Obligations and the Subscriber Rights and Consumer Protection provisions of Article 5, One Hundred Dollars (\$100.00) per day that any such non-compliance continues.

(5) For failure to provide, install and/or fully activate the Subscriber Network and/or Outlets in accordance with Section 3.6 herein, Fifty Dollars (\$50.00) per day that any of such Drops and/or Outlets are not provided, installed and/or activated as required.

(6) For failure to submit reports, pursuant to Section 9.8 herein, Fifty Dollars (\$50.00) per day that 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 Franchise and applicable law, including revocation, or any other statutorily or judicially imposed penalties or remedies; provided, however, that in the event that the Franchising Authority collects liquidated damages for a specific breach for a specific period of time, pursuant to Section 7.7 above, the collection of such liquidated damages shall be deemed to be the exclusive remedy for said specific breach for such specific period of time only.

C. Each of the above-mentioned cases of non-compliance shall result in damage to the City, its residents, businesses and institutions, compensation for which will be difficult to ascertain. The Franchisee agrees that the liquidated damages in the amounts set forth above are fair and reasonable compensation for such damage. The Franchisee agrees that said foregoing amounts are liquidated damages, not a penalty for 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 7.7 - REMOVAL OF SYSTEM

Upon termination of the 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 Public Ways along which they are installed and shall restore the areas to as good condition as before entry. If such removal is not completed within six (6) months of such termination, the Franchising Authority may deem any property not removed as having been abandoned and make use of it as Franchising Authority desires, or at the Franchisee’s expense remove or cause to be removed any components of the Cable System and restore such areas.

SECTION 7.8 - 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 to the extent that any provision of this Franchise conflicts with or is inconsistent with such laws, rules or regulations.

SECTION 7.9 – PUBLIC HEARING

Upon request by the Franchising Authority, with thirty (30) days' prior written notice, the Franchisee shall attend a public hearing to provide or receive information regarding Cable Services being provided pursuant to this Franchise Agreement. If Franchisee is unable to attend a particular hearing, it shall promptly notify the Franchising Authority either by phone or in writing, explaining in reasonable detail the reason(s) why a representative is unable to attend.

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ARTICLE 8
PUBLIC, EDUCATIONAL AND GOVERNMENTAL ACCESS
FACILITIES AND SUPPORT

SECTION 8.1 - PEG ACCESS CHANNELS

(a) The Franchising Authority shall continue to make available at no cost to the Franchising Authority or Access Corporation one (1) downstream Access Channel for Governmental Access programming, to be programmed by the City and/or the Access Corporation.

(b) The Franchisee shall make available on September 15, 2009 one (1) additional downstream Access Channel to be programmed by the Franchising Authority, its School Department and/or the Access Corporation.

(c) The Franchisee shall make available on February 1, 2010 one (1) additional downstream Access Channel to be programmed by the Franchising Authority, its School Department and/or Access Corporation conditioned upon the following:

The second channel, pursuant to paragraph (b) above, is being substantially programmed. Substantially programmed shall mean that the second channel is carrying locally-produced, non-character generated programming between the hours of 5:00 p.m. and 10:00 p.m., Monday through Friday, at least seventy percent (70%) of the time for the twelve (12) week period immediately preceding February 1, 2010, or the twelve week period preceding the Franchising Authority's written request for a third channel under paragraph (h) below, as may be applicable. Of the 70% described above, at least thirty percent (30%) of the programming shall be new, non-duplicative programming during that six week period.

(d) The first two Access Channels shall be included as part of the Basic Service available to all Subscribers. The third channel may, at the option of the Franchisee, be made available in the digital tiers only.

(e) The Franchisee shall not move or otherwise relocate the channel location(s) of the Access Channel(s), once established, without the advance, written notice to the Franchising Authority and the Access Corporation; such notice shall be at least sixty (60) days. The Franchisee shall use its best efforts, in good faith, to minimize any Access Channel(s) relocations. The Franchisee shall provide at least thirty (30) days to Subscribers of the relocation. Access Channels shall be located together whenever reasonably possible.

(f) The City and/or the Access Corporation shall be responsible for the picture quality of all Access Programming at the input of the modulators which is the demarcation point between the video origination equipment owned, operated and maintained by the Franchisee and the City's and/or

Access Corporation's end-user equipment. The Franchisee may require access to the modulator(s) for the purpose of testing, maintaining, and/or adjusting output levels of the modulator, and the Franchisee shall test and adjust the levels of such output as reasonably needed to ensure good picture quality. The Franchisee may require the City or the Access Corporation to first test and determine if end-user equipment is the source of any apparent signal problems.

(g) Modulators or equivalent technology at origination locations shall be owned and maintained by the Franchising Authority.

(h) In the event the Franchising Authority does not utilize the second and third channels on the dates identified in subsections b and c above, the Franchising Authority shall nonetheless retain the right to such additional Access Channels and shall notify the Franchisee in writing when it is prepared to so use the channels. The Franchisee shall have six (6) months from the receipt of such written notification to activate the Access Channel(s) requested.

(i) The Franchising Authority agrees that neither the Education nor the Public Access Channel shall be utilized solely to carry character-generated messages; provided, however, that the Franchising Authority and/or Access Corporation may use character-generated messages along with new programming.

SECTION 8.2 - CENSORSHIP

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

SECTION 8.3 - ACCESS CABLECASTING

(a) In order that Access programming can be cablecast over the Access Channel(s), all Access programming shall be modulated, then transmitted from the origination location to the headend or hub on a dedicated upstream channel(s) made available to the Franchising Authority and/or the Access Corporation for its use. At the headend, Access Programming shall be retransmitted in the downstream direction on the Access Channel(s).

(b) The Franchisee shall maintain the Access Channel(s), and shall monitor the Access Channel(s) for technical signal quality and shall ensure that they are maintained at standards commensurate with those that apply to the Cable System's commercial channels pursuant to FCC technical standards. The Franchising Authority shall be responsible for the picture quality of all Access Programming at the demarcation point, which shall be the modulator output at the origination

location. To provide for adequate picture quality, the City's video signals shall meet NTSC standards and/or the minimum operating input parameters of the modulators.

(c) It shall be the Franchisee's sole responsibility to ensure that Access programming is automatically switched to the appropriate Access Channel(s), in an efficient and timely manner. The Franchisee shall not charge the Franchising Authority and/or its designee(s) for such switching responsibility. The City or its designee is responsible for all manual switching. The Franchisee and the Franchising Authority shall negotiate, in good faith, any difficulties that arise regarding cablecasting of Access Programming.

(d) The Franchisee shall provide and maintain all other necessary switching and/or processing equipment located in its headend facility in order to switch upstream signals from the City to the designated downstream Access Channel(s). Nothing herein shall require the Franchisee to provide any other switching equipment or any other end user equipment.

SECTION 8.4 –ORIGINATION LOCATIONS

The Franchising Authority's existing origination location for the City's government channel is at City Hall, as set forth on Exhibit 2, attached hereto. Should the Franchising Authority or Access Corporation decide to add or relocate origination locations, the Franchisee shall provide Origination Capability to the new locations as follows:

- i. The Franchisee shall provide a written estimate of the reasonable costs of providing such video Origination Capability within forty-five (45) days of receipt of a request from the Franchising Authority.
- ii. Within forty-five (45) days of the Franchising Authority's receipt of the Franchisee's written estimate, the Franchising Authority and/or the Access Corporation shall tender payment of the estimate if the Franchising Authority wishes to proceed.
- iii. Upon receipt of the deposit from the Franchising Authority, the Franchisee shall order equipment and begin the construction process.
- iv. The Franchisee shall construct, install and provide such Origination Capability to the new location within ninety (90) days of the tender of the estimate for an aerial Drop and within one hundred twenty (120) days of tender of the estimate for an underground Drop, subject to Force Majeure.

SECTION 8.5 – PEG ACCESS PROVIDER

Beginning on the Effective Date, the Franchising Authority, either directly or through its Access Corporation, shall for those Access Channels initiated:

- (1) Schedule, operate and program Access Channels;
- (2) Manage the annual funding, pursuant to the obligations in this Renewal Franchise ;
- (3) Purchase, maintain and/or lease equipment, with the funds allocated for such purposes;
- (4) Conduct training programs in the skills necessary to produce Access programming;
- (5) Provide technical assistance and production services to Access Channel users;
- (6) Establish rules, procedures and guidelines for use of the Access Channels;
- (7) Provide publicity, fundraising, outreach, referral and other support services to Access Channel users;
- (8) Assist users in the production of Access Programming of interest to Subscribers and issues, events and activities; and
- (9) Accomplish such other tasks relating to the operation, scheduling and/or management of the Access Channels, facilities and equipment as appropriate and necessary.

SECTION 8.6 – PROGRAMMING EXCLUSIVITY AND NON-COMPETITION

The Franchising Authority, or its designee, agrees that it will not use its designated Access Channels, equipment, or other facilities to provide for-profit commercial services which have the effect of competing with the Franchisee's business.

ARTICLE 9
MISCELLANEOUS

SECTION 9.1 - SEVERABILITY

If any section, paragraph, term or provision of this Franchise Agreement 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 any other section, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of this Franchise.

SECTION 9.2 - 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 subdivisions, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; environmental restrictions; washouts; droughts; civil disturbances; explosions; strikes; and unavailability of essential equipment, services and/or materials and/or other matters beyond the control of the party seeking such relief.

SECTION 9.3 - NOTICES

(a) Every notice to be served upon the Franchising Authority shall be delivered or sent by certified mail (postage prepaid) to the Attn: City Council, City of Portsmouth, One Junkins Avenue, Portsmouth, New Hampshire 03801, or such other address as the Franchising 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 the Franchisee. Every notice served upon the Franchisee shall be delivered or sent by certified mail (postage prepaid) to the following address or such other address as the Franchisee may specify in writing to the Franchising Authority.

Comcast Cable Communications, Inc.
Attn: Director of Government & Community Relations
4 Liberty Way
Westford, MA 01886

with copies to:

Comcast Cable Communications, Inc.
Attn: Vice President, Government Affairs
676 Island Pond Road
Manchester, NH 03109

Comcast Cable Communications, Inc.
Attn: Government Affairs
1500 Market Street
Philadelphia, PA 19102

(b) Delivery of such notices 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 - AMENDMENT OR MODIFICATION

This Renewal Franchise shall not be amended or modified except by written agreement following publication of the proposed amendment in a manner consistent with the publication and notice provisions of RSA 33:8-a.

SECTION 9.5 - DELEGATION

The Franchising Authority may delegate to any Access Corporation, City official, employee, agency or commission the authority to exercise any of City's rights hereunder which may lawfully be so delegated. The Franchisee shall receive written notice within thirty (30) days regarding any such delegation.

SECTION 9.6 - FINAL AGREEMENT

The Agreement stated herein, in writing, constitutes the final and entire agreement between the parties.

SECTION 9.7 - PROPRIETARY AND CONFIDENTIAL INFORMATION

If the Franchisee reasonably believes that any documentation to be provided to the Franchising Authority in accordance with the provisions of this Renewal Franchise contains proprietary or confidential information, then the Franchisee shall provide the Franchising Authority with written notice thereof, and thereafter Franchisee shall submit the information to its counsel, who shall confer with the City's counsel for a determination of the validity of the Franchisee's claim of a proprietary interest. In the event of a disagreement, the parties shall submit the matter to a court of appropriate jurisdiction.

SECTION 9.8 – ANNUAL CITY REVIEW

(a) Upon written request, the Franchisee shall file annually with the Franchising Authority a statistical summary of the operations of the Cable System. The report shall include, but not be limited to, (i) the number and type of Service Subscribers, (ii) the number of dwelling units passed, and (iii) the number of plant miles in construction/upgrade or completed and the additional information listed in **Exhibit 5**.

(b) The Franchising Authority may hold a performance evaluation hearing within thirty (30) days of each anniversary of the Effective Date of this Renewal Franchise. All such evaluation hearings shall be open to the public. The purpose of said evaluation hearing shall be to review the Franchisee's compliance with the terms and conditions of this Renewal Franchise.

(c) The Franchising Authority shall have the right to question the Franchisee on any aspect of this Renewal Franchise including, but not limited to, the installation, operation and/or maintenance of the Cable System. During review and evaluation by the Franchising Authority, the Franchisee shall fully cooperate with the Franchising Authority and/or its designee, and produce such documents or other materials as are reasonably requested from the Franchising Authority. Any Subscriber or other Person may submit comments during such review hearing, either orally or in writing.

(d) Within thirty (30) days after the conclusion of such review hearing(s), the Franchising Authority shall issue a written report with respect to the Franchisee's compliance with this Renewal Franchise and send one (1) copy to the Franchisee and file one (1) copy with the City Clerk's Office. If inadequacies are found which result in a violation of any of any of the material terms and conditions of this Renewal Franchise, the Franchisee shall have an opportunity to respond and propose a plan for implementing any changes or improvements necessary, in accordance with Section 7.4.

SECTION 9.9 – ADDITIONAL INFORMATION

At any time during the term of this Renewal Franchise, upon the reasonable written request of the Franchising Authority, the Franchisee shall not unreasonably deny any requests for further information which may be required to establish the Franchisee's compliance with its obligations pursuant to the Renewal Franchise. Notwithstanding anything to the contrary set forth in this License, Licensee shall not be required to disclose information which may reasonably be deemed to be proprietary or confidential in nature.

SECTION 9.10 – DUAL FILINGS

Upon written request, and pursuant to Section 14.1(b), the Franchisee shall make available to the City, copies of any petitions or communications with any State or federal agency or commission pertaining to any material aspect of the Cable System operation hereunder.

SECTION 9.11 – NO RECOURSE AGAINST THE FRANCHISING AUTHORITY

Pursuant to Section 635A(a) of the Cable Act, in any court proceeding involving any claim against the Franchising Authority or other governmental entity or any official, member, employee, or agent of the Franchising Authority or such governmental entity, arising from the regulation of cable service or from a decision of approval or disapproval with respect to a grant, renewal, transfer, or amendment of this Renewal Franchise, any relief, to the extent such relief is required by any other provision of federal, State or local law, shall be limited to injunctive relief and declaratory relief.

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SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Franchise to be executed by their duly authorized representative this _____ day of _____, **2008**.

CITY OF PORTSMOUTH

By: John Bohenko
Its: City Manager
Duly Authorized by vote of the
City Council on .

Accepted By:
COMCAST OF MAINE/NEW HAMPSHIRE, INC.

By: Kevin M. Casey
Its: President
New England Region

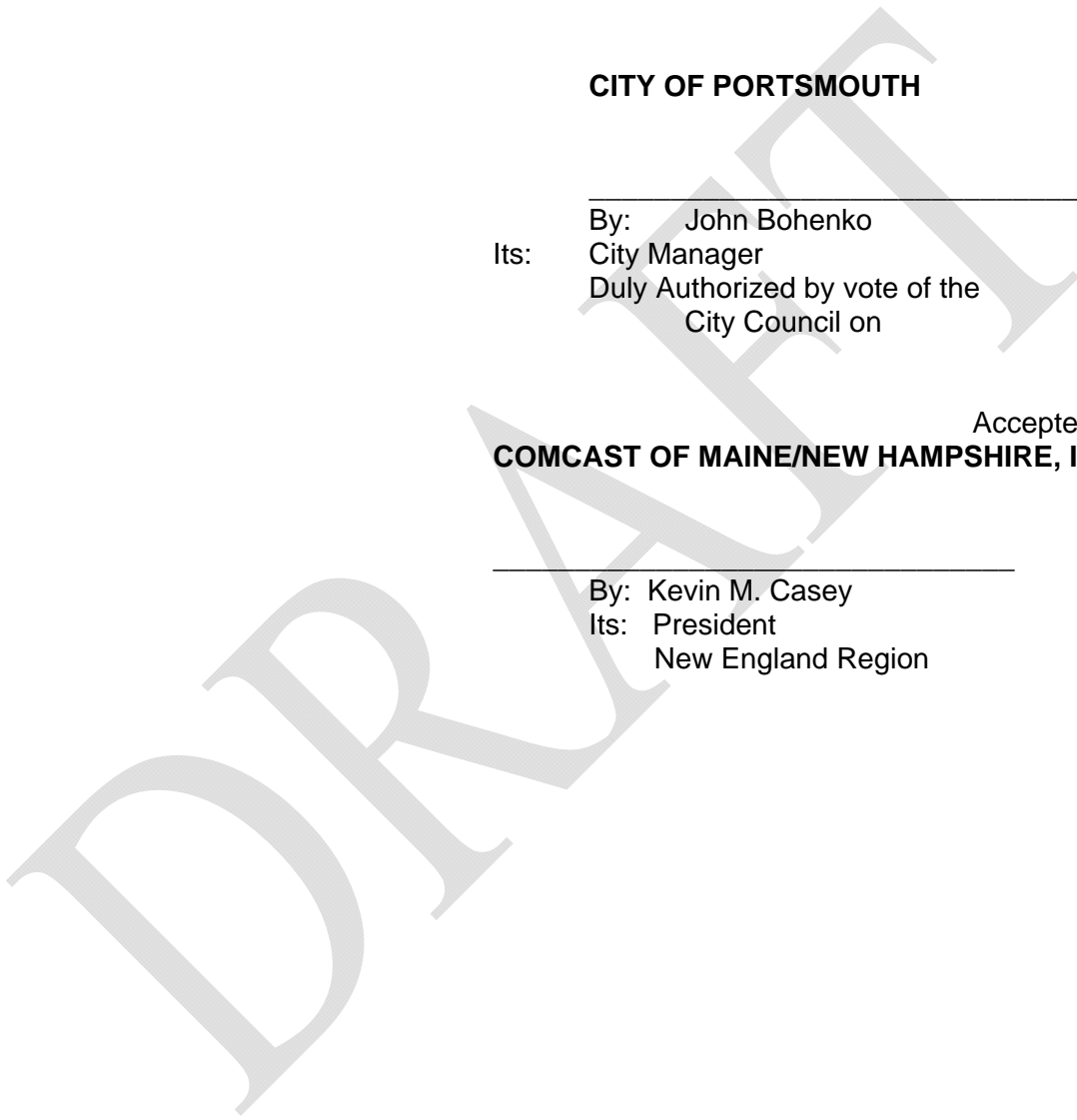


EXHIBIT 1

REVENUE & FRANCHISE FEE REPORTING FORM

COMCAST NEW ENGLAND REGION

CITY OF PORTSMOUTH
 PERIOD: _____

Totals By Service:

Advertising Revenue	\$
Basic Service Revenue	\$
Pay Service Revenue (1)	\$
Other Unregulated Revenue (2)	\$
Digital Revenue	\$
Subtotal	\$
Leased Access Revenue	\$
Less Bad Debt	\$
Subtotal	\$
Total Gross Revenue	\$
Franchise Fee 5%	\$
Less FCC fees	\$
Franchise Fee Due	\$

- 1- Pay Service includes all Pay Channels and Pay Per View Movie/Event revenue.
- 2- Other Unregulated includes converter, remote, installation, TV Guide, wire maintenance and other misc. billing adjustments.

Authorized Comcast Representative:

_____ Date: _____
Title: _____

EXHIBIT 2

MUNICIPAL DROP LOCATIONS

1. City Hall, 1 Junkins Avenue, Portsmouth
2. Police Dept, 3 Junkins Avenue, Portsmouth
3. Library, 175 Parrott Avenue, Portsmouth
4. DPW, 680 Peverly Hill Road, Portsmouth
5. Portsmouth Fire Station 1, 170 Court Street, Portsmouth
6. Portsmouth Fire Station 2, 2700 Lafayette Road, Portsmouth*
7. Portsmouth High School, 50 Alumni Circle, Portsmouth
8. Portsmouth Middle School, 155 Parrott Avenue, Portsmouth
9. Little Harbour School / Central Office, 50 Clough Drive, Portsmouth
10. New Franklin School, 1 Frankin Drive, Portsmouth
11. Dondero School, 32 Van Buren Avenue, Portsmouth, NH 03801
12. Portsmouth Alternative Secondary School, 35 Sherburne Road, Portsmouth
13. Spinnaker Point Recreation Center, 30 Spinnaker Way, Portsmouth
14. Connie Bean Community Center, 135 Daniel Street, Portsmouth

*Possible relocation of municipal facility currently under consideration

Origination location for the City's existing government channel is at City Hall, 1 Junkins Avenue, Portsmouth, NH.

EXHIBIT 3

FCC CUSTOMER SERVICE REGULATIONS

TITLE 47--TELECOMMUNICATION

CHAPTER I--FEDERAL COMMUNICATIONS COMMISSION

PART 76--CABLE TELEVISION SERVICE

Subpart H--General Operating Requirements

Sec. 76.309 Customer Service Obligations

- (a) A cable franchise authority may enforce the customer service standards set forth in paragraph (c) of this section against cable operators. The franchise authority must provide affected cable operators ninety (90) days written notice of its intent to enforce the standards.
- (b) Nothing in this rule should be construed to prevent or prohibit:
 - (1) A franchising authority and a cable operator from agreeing to customer service requirements that exceed the standards set forth in paragraph (c) of this section;
 - (2) A franchising authority from enforcing, through the end of the franchise term, pre-existing customer service requirements that exceed the standards set forth in paragraph (c) of this section and are contained in current franchise agreements;
 - (3) Any State or any franchising authority from enacting or enforcing any consumer protection law, to the extent not specifically preempted herein; or
 - (4) The establishment or enforcement of any State or municipal law or regulation concerning customer service that imposes customer service requirements that exceed, or address matters not addressed by the standards set forth in paragraph (c) of this section.
- (c) Effective July 1, 1993, a cable operator shall be subject to the following customer service standards:
 - (1) Cable system office hours and telephone availability--
 - (i) The cable operator will maintain a local, toll-free or collect call telephone access line which will be available to its subscribers 24 hours a day, seven days a week.
 - (A) Trained company representatives will be available to respond to customer telephone inquiries during normal business hours.
 - (B) After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.

- (ii) Under normal operating conditions, telephone answer time by a customer 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. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis.
 - (iii) The operator will not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless an historical record of complaints indicates a clear failure to comply.
 - (iv) Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time.
 - (v) Customer service center and bill payment locations will be open at least during normal business hours and will be conveniently located.
- (2) Installations, outages and service calls. Under normal operating conditions, each of the following four standards will be met no less than ninety-five (95) percent of the time measured on a quarterly basis:
- (i) Standard installations will be performed within seven (7) business days after an order has been placed. "Standard" installations are those that are located up to 125 feet from the existing distribution system.
 - (ii) Excluding conditions beyond the control of the operator, the cable operator will begin working on "service interruptions" promptly and in no event later than 24 hours after the interruption becomes Known. The cable operator must begin actions to correct other service problems the next business day after notification of the service problem.
 - (iii) The "appointment window" alternatives for installations, service calls, and other installation activities will be either a specific time or, at maximum, a four-hour time block during normal business hours. (The operator may schedule service calls and other installation activities outside of normal business hours for the express convenience of the customer.)
 - (iv) An operator may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.
 - (v) If a cable operator representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time that is convenient for the customer.
- (3) Communications between cable operators and cable subscribers--
- i. Refunds--Refund checks will be issued promptly, but no later than either—
 - ii. Credits--Credits for service will be issued no later than the customer's next billing cycle following the determination that a credit is warranted.
- (4) Definitions--
- (i) Normal business hours--The term "normal business hours" means those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

- (ii) Normal operating conditions--The term “normal operating conditions” means those service conditions which are within the control of the cable operator. Those conditions which are not within the control of the cable operator include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the cable operator include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the cable system.
- (iii) Service interruption--The term “service interruption” means the loss of picture or sound on one or more cable channels.

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EXHIBIT 4

SCHEDULE OF CHARGES

FOR INFORMATIONAL PURPOSES

Please see the following page(s).

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EXHIBIT 5

FORM FOR ANNUAL REPORTS

FILED UPON WRITTEN REQUEST FROM THE FRANCHISING AUTHORITY

Location and hours of Customer Service Office:

Customer Service Telephone Number:

Location of Headend (Reception Facility):

Miles of Cable Plant in Portsmouth:

Number and Type of Service Subscribers (basic/digital):

Number of Dwelling Units passed:

System Reliability Percentage:

Number of reports of system outages and response time for such outages:

Franchise Fee Paid: \$ _____