BRECKNOCK TOWNSHIP, LANCASTER COUNTY, PENNSYLVANIA

ORDINANCE NO. 2023- 232

AN ORDINANCE OF THE TOWNSHIP OF BRECKNOCK, LANCASTER COUNTY, PENNSYLVANIA, AUTHORIZING THE EXECUTION OF A CABLE FRANCHISE AGREEMENT BETWEEN THE TOWNSHIP AND SERVICE ELECTRIC CABLEVISION, INC.

WHEREAS, pursuant to the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, the Telecommunications Act of 1996, and the regulations of the Federal Communications Commission and Pennsylvania law, the Township of Brecknock (hereinafter the "Township") is authorized to grant franchises to construct, operate and maintain a cable system utilizing public rights-of-way and properties within the Township's jurisdiction; and

WHEREAS, Brecknock Township and Service Electric Cablevision, Inc. ("Service Electric") have negotiated the terms and conditions of a non-exclusive cable agreement, authorizing Service Electric to maintain, construct, operate, and upgrade its cable system over, under and along the public rights-of-way for use by the Township's residents; and

WHEREAS, the aforesaid rights-of-way are public properties acquired and maintained by the Township at a significant expense to the Township's taxpayers and the right to use said rights-of-way is a valuable property right; and

WHEREAS, the Township desires to protect and manage the aforesaid rights-of-way, require high standards of customer service, ensure future technical improvements to maintain a state-of-the-art cable system, obtain complimentary services for its public buildings, receive financial compensation for Service Electric's use of the Township's rights-of-way as provided by federal law, establish certain reporting requirements and provide for the current and future cable-related needs of its residents; and

WHEREAS, the Township has determined that Service Electric has the financial, legal and technical ability to provide cable services to subscribers located in the Township; and

WHEREAS, the Township, after affording the public notice and opportunity for comment, has determined that the public interest would be served by entering into a cable franchise agreement with Service Electric according to the terms and conditions negotiated between the Township and Service Electric.

NOW, THEREFORE BE IT ORDAINED that the Board of Supervisors of Brecknock Township, Lancaster County, Pennsylvania as follows:

SECTION 1. Agreement. The Cable Franchise Agreement negotiated with Service Electric Cablevision, Inc., including the terms and conditions contained therein, is hereby approved, and the Chairman of the Board of Supervisors and the Secretary of the Township are hereby

authorized to execute said Agreement attached hereto as Exhibit "A".

SECTION 2. Renewal. The Cable Franchise Agreement may be renewed by Resolution of the Township.

SECTION 3. Repealer. Any ordinance or part of ordinance conflicting with this Ordinance is hereby repealed insofar as the same affects this Ordinance.

SECTION 4. Severability. In the event that any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the Township that such remainder shall be and remain in force and effect.

SECTION 5. Effective Date. This Ordinance shall become effective five (5) days after enactment as provided by law.

ENACTED AND ORDAINED as an Ordinance of Brecknock Township, Lancaster County, Pennsylvania, this 19 day of formaty, 2023.

BOARD OF SUPERVISORS OF BRECKNOCK TOWNSHIP,

LANCASTER COUNTY, PENNSYLVANIA

Chairman

Vice Chairman

Member

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Secretary

CERTIFICATE OF ENACTMENT

I	hereby	certify	that	the	foregoing	is	a	true	and	accurate	copy	of	Ordinance
No. 2023	- 232	_adopte	l by	the	Board of S	Sup	erv	isors	of B	recknock	Towns	ship.	Lancaste
County, I	Pennsylv	ania at a	ı publ	lic m	eeting held	on	F	26	14	, 20	23, pui	suar	it to notice
as require	d by law	7.			_		•		• •		, 1		

Dated: 2/14/23

ownship Secretary



CABLE FRANCHISE AGREEMENT

BETWEEN

TOWNSHIP OF BRECKNOCK

AND

SERVICE ELECTRIC CABLEVISION, INC.

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CABLE FRANCHISE AGREEMENT

This Cable Franchise Agreement (hereinafter referred to as the "Agreement") is executed as of the 14th day of February, 2023 (hereinafter referred to as the "Effective Date") by and between Township of Brecknock, a municipality located in Lancaster County, Pennsylvania (hereinafter referred to as the "Township") and Service Electric Cablevision, Inc. (hereinafter referred to as "Service Electric").

WHEREAS, pursuant to Title VI of the Cable Act, the regulations of the Federal Communications Commission (hereinafter referred to as the "FCC") and Pennsylvania law, the Township is authorized to grant and renew franchises to construct, operate and maintain a Cable System utilizing Public Rights-of-Way and properties within the Township's jurisdiction; and

WHEREAS, Service Electric has requested that the Township grant Service Electric a franchise to maintain, construct, operate, and maintain its Cable System over, under and along the aforesaid rights-of-ways for use by the Township's residents; and

WHEREAS, the aforesaid Public Rights-of-Way used by Service Electric are public properties acquired and maintained by the Township on behalf of the citizens of the Township, and the right to use said rights-of-way is a valuable property right; and

WHEREAS, the Township desires to protect and manage the aforesaid rights-of-way, establish standards of Subscriber service, maintain a technologically advanced Cable System, receive Franchise Fees for Service Electric's use of the Township's rights-of-ways as provided by federal law, obtain the use of an educational and governmental channel, establish certain reporting requirements, obtain certain complimentary services, provide legal protections for the Township, and meet the current and future cable-related needs of its residents; and

WHEREAS, the Township has determined that this Agreement and the process for consideration of this Agreement complies with all applicable federal, state and local laws and regulations; and

WHEREAS, the Township has determined that the public interest would be served by granting Service Electric's franchise according to the terms and conditions contained herein;

NOW THEREFORE, in consideration of the mutual promises contained herein and intending to be legally bound hereby, the Township and Service Electric agree as follows:

SECTION 1 <u>DEFINITIONS</u>

The following terms used in this franchise shall have the following meanings:

- (a) <u>Affiliated Entity</u> Any corporation, partnership or other business entity that owns or controls, is owned or controlled by, or is under common ownership or control with Service Electric.
- (b) <u>Basic Service</u> The service tier that includes at least the retransmission of local broadcast television signals.
- (c) <u>Cable Act</u> Title VI of the Communications Act of 1934, as amended by the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competitive Act of 1992 and the Telecommunications Act of 1996, as it may, from time to time, be further amended.
- (d) <u>Cable Service</u> The one-way transmission to Subscribers of video programming or other programming service and Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.
- (e) <u>Cable System</u> 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 Township but such term does not include (1) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (2) a facility that serves Subscribers without using any public right-of-way; (3) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act, except that such facility shall be considered a Cable System (other than for purposes of Section 621 of the Cable Act) to the extent that facility is used in the transmission of video programming directly to Subscribers unless the extent of that use is solely to provide interactive on-demand services; (4) an open video system that complies with Section 653 of the Cable Act; (5) any facilities of any electric utility used solely for operating its electric utility systems; or.
- (f) <u>Channel</u> A portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television channel as a television channel is defined by FCC regulation.
- (g) <u>Complaint</u> Any written (including electronic) or oral communication by a Subscriber expressing dissatisfaction with any aspect of Service Electric's business or the operation of its Cable System.
- (h) <u>Communications Act</u> The federal Communications Act of 1934, as amended, and as it may, from time to time, be further amended.

- (i) <u>Drop</u> The coaxial or fiber optic or other cable that connects a home or building to the Cable System.
- (j) <u>Educational and Governmental (EG) Channel</u> An access channel that consists of local educational and/or governmental programming.
- (k) <u>Emergency</u> A condition that either (1) constitutes a clear and immediate danger to the health, welfare, or safety of the public; or (2) has caused or is likely to cause the Cable system in the Public Rights-of-Way to be unusable and result in loss of the services provided.
 - (1) <u>FCC</u> Federal Communications Commission.
- (m) Force Majeure Acts of God; acts of public enemies, including terrorist attacks; orders of any kind of the government of the United States of America or the Commonwealth of Pennsylvania or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections; riots; labor strikes; epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; explosions; unavailability of materials or equipment; extraordinary make ready costs; partial or entire failure of utilities or other event that is reasonably beyond Service Electric's ability to anticipate or control.
- (n) <u>Franchise</u> The right granted by the Township to construct, operate and maintain a Cable System within the corporate limits of the Township as embodied in the terms and conditions of this Agreement.
- (o) <u>Franchise Fee</u> The fee that Service Electric remits to the Township pursuant to Section 622 of the Cable Act, 47 U.S.C. §542, and Section 6.1 of this Agreement.
- (p) <u>Gross Revenues</u> All revenue received directly or indirectly by Service Electric or its Affiliated Entities arising from, attributable to, or in any way derived from the operation of Service Electric's Cable System in the Township to provide Cable Services. Gross Revenues shall include, but are not limited to, the following:
 - (1) Basic Service fees;
 - (2) fees charged to Subscribers for any service tier other than Basic Service;
 - (3) fees charged for premium services;
 - (4) fees charged to Subscribers for any optional, per-channel or per-program services:
 - (5) revenue from the provision of any other Cable Services;
 - (6) charges for installation, additional outlets, relocation, disconnection, reconnection and change-in-service fees for video or audio programming;
 - (7) fees for changing any level of Cable Service programming;
 - (8) fees for service calls pertaining to Cable Services;
 - (9) fees for leasing of channels
 - (10) rental or sales of any and all equipment, including converters and remotecontrol devices:

- (11) Studio rental, production equipment and personnel fees
- (12) any and all locally-derived advertising revenues;
- (13) revenues or commissions from locally-derived home shopping channels;
- (14) revenue from interactive tv services
- (15) fees for any and all music services
- (16) fees for video-on demand
- (17) sales of program guides
- (18) late payment fees;
- (19) NSF check charges;

Gross Revenues shall not include bad debts, investment income, refunded deposits, or any taxes on services furnished by Service Electric and imposed directly upon any Subscriber or user by the Township, state, federal or other governmental unit. In the event of any dispute over the classification of revenue, the Township and Service Electric agree that reference should be made to generally accepted accounting principles ("GAAP") as promulgated and defined by the Financial Accounting Standards Board ("FASB").

- (q) HD High definition format.
- (r) <u>Leased Access or Commercial Access Channel</u> Any channel on Service Electric's Cable System designated for use by any entity that is unaffiliated with Service Electric pursuant to Section 612 of the Cable Act, 47 U.S.C. §532.
- (s) <u>Multiple Dwelling Units or MDU's</u> Any building, buildings or area occupied by dwelling units, appurtenances thereto, grounds and facilities, which dwelling units are intended or designed to be owned, occupied or leased for occupation, or actually occupied, as individual homes or residences for three (3) or more households.
- (t) <u>Normal Business Hours</u> Those hours during which most similar businesses in the community are open to serve Subscribers. In all cases, "Normal Business Hours" must include some evening hours at least one night per week and/or some weekend hours.
- (u) <u>Normal Operating Conditions</u> Business conditions within Service Electric's service department which are within the control of Service Electric. Those conditions that are not within the control of Service Electric include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages and severe or unusual weather conditions.
 - (v) Outlet An interior receptacle that connects a television set to the Cable System.
- (w) <u>Public Rights-of-Way</u> The surface and the area across, in, over, along, under and upon the public streets, roads, lanes, avenues, alleys, sidewalks, bridges, highways and other rights-of-way, as the same now or may thereafter exist, which are under the jurisdiction or control of the Township.

- (x) <u>Programming</u> Any video or audio signal carried over the Cable System that is generally considered comparable to programming provided by a television broadcast station.
 - (y) <u>Service Interruption</u> The loss of picture or sound on one or more channels.
- (z) <u>Subscriber</u> A person or entity who contracts with Service Electric for, and lawfully receives, the video signals and Cable Services distributed by the Cable System.

SECTION 2 GRANT OF FRANCHISE

2.1 GRANT OF AUTHORITY

Pursuant to the Cable Act, the regulations of the FCC and Pennsylvania law, the Township hereby grants a non-exclusive and revocable franchise to Service Electric. Subject to the terms and conditions contained herein, the Township hereby grants to Service Electric the right to own, construct, extend, install, operate, maintain, upgrade and rebuild a Cable System, including such wires, cables, fiber, conductors, ducts, conduits, amplifiers, pedestals, attachments and other equipment as is necessary and appropriate to the operation of the Cable System in the Public Rights-of-Way, including property over which the Township has a sufficient easement or right-of-way, for the purpose of reception, transmission, amplification, origination, distribution or redistribution of video and audio signals to provide Cable Services as permitted by applicable law. Nothing Herein shall preclude Service Electric from offering any other service over is Cable System as may be lawfully allowed.

2.2 TERM OF FRANCHISE

The term of this Agreement shall be for a period of ten (10) years commencing on the Effective Date and expiring on 3143033, unless the Franchise is terminated prior to the expiration date in accordance with the terms and conditions of this Agreement.

2.3 REPRESENTATIONS AND WARRANTIES

- (a) Service Electric represents, warrants and acknowledges that, as of the Effective Date:
- (1) Service Electric is duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;
- (2) Service Electric has the requisite power and authority under applicable law and its by-laws and articles of incorporation and/or other organizational documents, is authorized by resolutions of its Board of Directors or other governing body, and has secured all consents which are required to be obtained as of the Effective Date, to enter into and legally bind Service

Electric to this Agreement and to take all actions necessary to perform all of its obligations pursuant to this Agreement;

- (3) There is no action or proceeding pending or threatened against Service Electric which would interfere with its performance or its ability to perform the requirements of this Agreement;
- (4) Pursuant to Section 625(f) of the Cable Act, as of the Effective Date, the performance of all terms and conditions in this Agreement is commercially practicable.

2.4 <u>NON-EXCLUSIVITY</u>

This Franchise granted to Service Electric shall be non-exclusive. Nothing in this Agreement shall affect the right of the Township to grant other Franchises to construct, operate or maintain a Cable System.

2.5 FRANCHISE SUBJECT TO FEDERAL, STATE AND LOCAL LAWS

This Franchise is subject to and shall be governed by all lawful and applicable provisions of federal, state and local laws and regulations. This Franchise is further subject to all applicable ordinances and resolution of the Township. Without waiving any of its rights, the Township agrees that, to the extent any term of this Agreement is inconsistent with the terms of any Township cable franchise ordinance existing as of the Effective Date, this Agreement shall control.

2.6 <u>COMPETITIVE EQUITY</u>

- (a) Service Electric acknowledges and agrees that the Township reserves the right to grant one or more additional franchises to construct, operate, and maintain a Cable System within the Township.
- (b) The Franchise granted to Service Electric is non-exclusive; however, if the Township grants a subsequent franchise or other authorization to provide similar wired video services, that, when taken as a whole upon consideration of all of its material obligations, is more favorable or less burdensome to the subsequent provider than this Agreement is to Service Electric, then Service Electric may request an amendment to this Agreement to provide Service Electric with competitive equity. If, when taken as a whole upon consideration of all of its material obligations, the subsequent Franchise is more favorable or less burdensome, then the Township and Service Electric shall enter into good faith negotiations in order to modify this Agreement to the mutual satisfaction of both parties to provide Service Electric with such competitive equity.
- (c) In the event an application for a new Franchise for Cable Service is submitted to the Township proposing to serve Subscribers within the Township, then the Township shall notify Service Electric in writing of the submission of the application.

SECTION 3 SYSTEM CONSTRUCTION, OPERATION AND MAINTENANCE

3.1 TECHNICAL REQUIREMENT

- (a) Service Electric shall operate, maintain, construct and extend the Cable System so as to offer one-way and two-way Cable Services for all programming services throughout all parts of the Township where the density requirements of Section 3.2 are met. The Cable Service provided by the Cable System shall be delivered in accordance with FCC standards. The Cable System shall meet or exceed any and all technical performance standards of the FCC, the National Electrical Safety Code, the National Electric Code and any other applicable federal laws and regulations and the laws, ordinances and construction standards of the Commonwealth of Pennsylvania and the generally applicable laws, ordinances and construction standards of the Township.
- (b) Stand-by power at the headend(s) shall be provided in the event of a service interruption. Stand-by power must activate automatically upon the failure of commercial utility power.

3.2 AREA TO BE SERVED

- (a) Service Electric shall continue to make Cable Service available to every dwelling within the Township where it is currently providing service as of the date of this agreement. Service Electric reserves the right, but not the obligation to extend the Cable System into any other portion of the Township.
- (b) Any dwelling unit within one hundred twenty-five (125) feet aerial distance from the main distribution line shall be entitled to a standard installation rate. For any dwelling unit between one hundred twenty-five (125) feet and two hundred-fifty (250) feet aerial distance from the main distribution line, Service Electric shall extend the Cable Service and the Subscriber and Service Electric shall share equally the actual cost of installation from the main distribution line. For any dwelling unit in excess of two hundred fifty feet aerial distance or that requires an underground installation, Service Electric shall extend Cable Service and the Subscriber shall pay Service Electric's actual cost of installation from its main distribution system.
- (c) The Township has the right to require Service Electric to place wires and/or equipment underground, provided that the Township imposes such requirement on all similarly situated entities. All installations of wires and/or equipment by Service Electric shall be underground in those areas of the Township where the wires and/or equipment of similarly situated entities (i.e. telephone and electric utilities) are underground; provided, however, that such underground locations are capable of accommodating Service Electric's facilities without technical degradation of the Cable System's signal quality. Service Electric shall not be required to construct, operate, or maintain underground any ground-mounted appurtenances such as Subscriber taps, line extenders, system passive devices, amplifiers, power supplies, or pedestals.

(d) In the event that public or private funds are made available to pay for such underground projects, Service Electric shall be included by the Township for such funds, if permitted to do so under applicable law. In the event that Service Electric is required to place existing aerial plant underground, Service Electric reserves its right to pass any remaining costs in excess of any such available public or private funds through to Subscribers if and to the extent allowed by applicable law.

3.3 CABLE SYSTEM SPECIFICATIONS

- (a) Service Electric has designed, constructed and shall maintain a Cable System that has been built for digital television standards.
- (b) Service Electric reserves the right to alter, adjust, modify, rebuild, upgrade, redesign, or otherwise reconfigure the Cable System at any time during the term of the Agreement, provided that no alteration, adjustment, modification, rebuild, upgrade, redesign or other reconfiguration of the Cable System shall have the effect of reducing the technical capabilities of the Cable System as set forth in Section 3.1.

3.4 SYSTEM TESTS

- (a) Service Electric shall be responsible for ensuring that its Cable System is designed, installed and operated in a manner that fully complies with applicable FCC technical standards. Upon a showing of a pattern of Subscriber Complaints regarding signal quality or a determination of non-compliance related to signal quality through a compliance review under Section 5.2 herein, Service Electric, upon written request by the Township, shall perform applicable tests to determine compliance with FCC technical standards. Service Electric shall provide a report to the Township within thirty (30) days of completion of a Township-requested test that describes the results of the test. If any test under this Section indicates that the Cable System fails to meet applicable FCC requirements, Service Electric shall take such corrective measures as are necessary to correct any failure and to prevent their recurrence as far as is possible.
- (b) Upon sixty (60) days' written request to Service Electric, the Township may inspect the Cable System at any time to ensure compliance with this Agreement and applicable law, including to ensure that the Cable System is constructed and maintained in a safe condition. The Township reserves the right, upon at least sixty (60) days' written notice to Service Electric, to conduct a technical audit of the Cable System.

3.5 <u>EMERGENCY ALERT SYSTEM</u>

Service Electric shall comply with the Emergency Alert System requirements of the FCC.

3.6 SERVICES FOR SUBSCRIBERS WITH DISABILITIES

Service Electric shall comply with all applicable federal regulations, including the Communications Act of 1934, as amended, that ensure the provision of Cable Services and related equipment are accessible to and usable by persons with disabilities.

3.7 SERVICE TO MULTIPLE DWELLING UNITS ("MDU's")

Service Electric and the Township hereto acknowledge and agree that installation and provision of Cable Service to MDU's are subject to a separate negotiation between the landlord, owner or governing body of any such MDU and Service Electric, which negotiations shall be conducted in accordance with the procedures set forth in the Cable Act, as amended, applicable FCC regulations, the Pennsylvania Landlord Tenant Act of 1951, as amended, and the applicable provisions of 68 P.S. § 250.501 et seq.

3.8 REPAIRS AND RESTORATION

- (a) Whenever Service Electric or any of its agents, including any contractor or subcontractor, takes up or disturbs any pavement, sidewalk or other improvement of any public or private property, the same shall be replaced and the surface restored in as good condition as before the disturbance within ten (10) business days of the completion of the disturbance, weather permitting. Upon failure of Service Electric to comply within the time specified and the Township having notified Service Electric in writing of the restoration and repairs required, the Township may cause proper restoration and repairs to be made and the expense of such work shall be paid by Service Electric upon demand by the Township.
- (b) Whenever Service Electric or any agent, including any contractor or subcontractor, shall install, operate or maintain equipment, cable, or wires, it shall avoid damage and injury to property, including structures, improvements and trees in and along the routes authorized by the Township if required for the proper installation, operation and maintenance of such equipment, cable, or wires. Service Electric shall promptly repair and restore any public or private property that is damaged as a result of construction, installation, repair or maintenance of the Cable System within ten (10) business days, weather permitting.
- (c) Service Electric's operation, construction, repair and maintenance personnel, including all contractors and subcontractors, shall be trained in the use of all equipment and the safe operation of vehicles. Such personnel shall follow all safety procedures required by all applicable federal, state and local laws and regulations. All areas of the Cable System shall be inspected in accordance with such applicable federal, state and local laws and regulations so as to prevent hazardous conditions or risks to safety for the public and/or operating and maintenance personnel. Service Electric shall install and maintain its wires, cables, fixtures, and other equipment in such a manner as shall not interfere with any installations of the Township or any public utility serving the Township.
- (d) Should a public safety emergency occur as a result of, incident to, or connected with operation, construction, repair, or maintenance activities by Service Electric personnel,

including all contractors and subcontractors, then such personnel shall immediately contact the applicable public safety emergency dispatcher (e.g. 9-1-1).

- (e) Whenever Service Electric or any agent, including any contractor or subcontractor, shall disturb any pavement, sidewalk or other public property in order to perform any underground activity, it shall utilize the Pennsylvania One Call System prior to any such disturbance. Service Electric shall adhere to any additional undergrounding requirements which the Commonwealth may establish in the future. Service Electric shall adhere to all requirements of the Pennsylvania Underground Utility Line Protection Act.
- (f) All structures and all lines, equipment and connections in, over, under, and upon streets, sidewalks, alleys, and public and private ways and places of the Township, wherever situated or located, shall at all times be kept and maintained in a safe and suitable condition and in good order and repair in accordance with customary industry standards and practices.

3.9 SERVICE AREA MAPS

Upon thirty (30) days written request, Service Electric shall permit the Township to view a complete set of Service Electric service area strand maps of the Township on which shall be shown those areas in which facilities exist and the location of streets. The strand maps shall also designate where the cable wires and other equipment are aerial and where they are underground. Such viewing by Township officials shall be at a mutually agreed time and location. Should the Township wish to obtain such strand maps of the Township for its exclusive use, Service Electric shall provide such maps within thirty (30) days of a written request, but no more than once annually and only after the Township and Service Electric have executed a non-disclosure agreement as such maps are confidential and proprietary pursuant to Section 5.1 of this Agreement.

3.10 <u>DISCONNECTION AND RELOCATION</u>

- (a) Service Electric shall, at no cost to the Township, protect, support, temporarily disconnect, relocate in the same street, or other public way and place, or remove from any street or any other public way or place, any of its property as required by the Township or its designee by reason of traffic conditions, street construction, change or establishment of street grade, site distance visibility, the construction of any public improvement or structure, or any other reason related to public health, safety and welfare.
- (b) In requiring Service Electric to protect, support, temporarily disconnect, relocate or remove any portion of its property, the Township shall treat Service Electric the same as, and require no more of Service Electric than, any similarly situated entity.

3.11 EMERGENCY REMOVAL OF EQUIPMENT

(a) If, at any time, in case of fire or other disaster in the Township, it shall be necessary, in the reasonable judgment of the Township or its agent, to cut or move any of the wires, cable or equipment of the Cable System, the Township shall have the right to do so without cost or liability,

- . provided that, wherever possible, the Township shall give Service Electric notice and the ability to relocate wires, cable or other equipment.
 - (b) In cutting or moving any of the wires, cable or equipment of the Cable System in the event of fire or other disaster, the Township shall treat Service Electric the same as, and require no more of Service Electric than, any other similarly situated entity.

3.12 TREE TRIMMING

- (a) Service Electric, or its agents, including contractors and subcontractors, shall have the authority to trim trees upon and overhanging the Public Rights-of-Way so as to prevent the branches of such trees from coming in contact with the wires, cables, or other equipment of Service Electric. Any such tree trimming shall only be performed in accordance with applicable laws and regulations.
- (b) If Service Electric or its agents, including contractors and subcontractors, wish to cut down and remove any tree or trees as may be necessary for the installation and/or maintenance of its equipment, it shall apply to the Township for permission, with the exception of Emergency situations as defined in Section 1(k), and if permission is granted, shall perform such cutting and removal in accordance with the regulations of the Township.

3.13 CHANNEL CAPACITY

Service Electric shall meet or exceed programming and channel capacity requirements set forth in this Agreement and required by federal and state law and regulations.

3.14 BROADCAST CHANNELS

To the extent required by federal law, Service Electric shall provide all Subscribers with Basic Service including, but not limited to: a) all broadcast television signals carried in fulfillment of the requirements of Section 614 of the Cable Act; b) the signals of qualified non-commercial educational television signals carried in fulfillment of the requirements of Section 615 of the Cable Act; and c) any Educational and Governmental Channel pursuant to Section 611 of the Cable Act. All such signals shall be delivered to Subscribers in accordance with FCC technical specifications.

3.15 SIGNAL SCRAMBLING

Service Electric shall at all times comply with FCC regulations regarding scrambling or other encryption of audio and video signals.

3.16 CONTINUITY OF SERVICE

Subscribers shall continue to receive service from Service Electric provided their financial and other obligations to Service Electric are honored. Subject to Force Majeure provisions in Section 9.1, Service Electric shall use its best efforts to ensure that all Subscribers receive continuous, uninterrupted service regardless of the circumstances. For the purpose of

construction, routine repairing or testing of the Cable System, Service Electric shall use its best efforts to interrupt service only during periods of minimum use. When necessary service interruptions of more than twenty-four (24) hours can be anticipated, Service Electric shall notify Subscribers in advance of such service interruption along with providing Subscribers with a prorata credit for the time of such service interruption.

SECTION 4 SUBSCRIBER SERVICE STANDARDS

4.1 OFFICE HOURS AND TELEPHONE AVAILABILITY

- (a) Service Electric shall provide and maintain a toll-free telephone access line that will be available to Subscribers twenty-four (24) hours a day, seven (7) days a week. Trained representatives shall respond to Subscriber telephone inquiries during Normal Business Hours. After Normal Business Hours, the access line may be answered by a service or an automated response system. Inquiries received after Normal Business Hours must be responded to by a trained company representative on the next business day.
- (b) Under Normal Operating Conditions and during Normal Business Hours, telephone answering time by a Subscriber representative, including wait time, shall not exceed thirty (30) seconds after 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 percent (90%) of the time, measured on a quarterly basis. Under Normal Operating Conditions, the Subscriber shall receive a busy signal less than three percent (3%) of the time.
- (c) Service Electric will not be required to perform surveys to measure compliance with the telephone answering standards above unless a historical record of Complaints indicates a clear failure to comply. If the Township determines, after receiving Complaints itself and/or receiving a record of Complaints made to Service Electric in accordance with Sections 4.5 and/or 5.7(a), that there is a clear failure to comply with the telephone answering requirements above, the Township shall notify Service Electric in writing that it must measure its compliance with these requirements for the next three months and report to the Township the results of such monthly average measurements.

4.2 INSTALLATIONS AND SERVICE CALLS

(a) Service Electric shall maintain a staff of employees sufficient to provide adequate and prompt service to its Subscribers. Service Electric shall require that any employee or agent, including any subcontractor, who personally visits any residential dwelling, shall display a photo identification badge. Any vehicle used for installation, operation or maintenance activities by any Service Electric employee or agent, including any subcontractor, shall prominently display the Service Electric logo.

- (b) Standard installations will be performed within seven (7) business days after an order has been placed. "Standard" installations are those aerial installations that are located up to one hundred twenty-five (125) feet from the existing main distribution line.
- (c) Upon scheduling of appointments with the Subscriber for installations, service calls and other activities, Service Electric shall provide the Subscriber with either a specific time or an "appointment window" of a maximum of four (4) hours during Normal Business Hours. Service Electric may schedule service calls and installation activities outside of Normal Business Hours at a time that is convenient for the Subscriber.
- (d) Service Electric may not cancel an appointment with a Subscriber after the close of business on the business day prior to the scheduled appointment. If, at any time, an installer or technician is running late, an attempt to contact the Subscriber must be made prior to the time of the appointment. If the appointment must be rescheduled, it must be done so at a time that is convenient for the Subscriber.

4.3 NOTICES

- (a) Service Electric shall provide written notice to each Subscriber upon initial subscription, at intervals not less than one (1) per year thereafter to each Subscriber and at any time upon request, regarding each of the following areas:
 - (1) Products and services offered;
 - (2) Prices and options for programming services and conditions of subscription to programming and other services;
 - (3) Channel positions of programming carried on the Cable System;
 - (4) Installation and service maintenance policies;
 - (5) Instructions on how to use the Cable Service and any converters;
 - (6) Billing and Subscriber complaint procedures;
 - (7) A notice of Subscriber privacy rights as required by federal law.
- (b) In accordance with applicable law, Service Electric shall notify Subscribers and the Township in writing of any changes in rates, programming services or channel positions a minimum of thirty (30) days in advance of such changes provided that such change is within the control of Service Electric. Service Electric shall not be required to provide prior notice to Subscribers of any rate change that is the result of a regulatory fee, Franchise Fee or any other fee, tax, assessment or charge of any kind imposed by any federal agency, the Commonwealth of Pennsylvania or the Township on the transaction between Service Electric and the Subscriber. Advance notice is not required for the launch of new channels when offered on a subscription basis or added to an existing service tier at no additional cost to the customer.

4.4 BILLING

- (a) Bills shall be clear, concise and understandable. Bills must be fully itemized, with itemizations including, all applicable service tiers, equipment charges and any installation or repair charges. Bills shall state the billing period, including an effective due date, the amount of current billing and any relevant credits or past due balances.
- (b) The Township hereby requests that Service Electric omit the Township's name, address, and telephone number from Subscriber bills as permitted by 47 C.F.R. § 76.952.

4.5 SUBSCRIBER COMPLAINT PROCEDURES

Service Electric shall establish clear written procedures for resolving all Subscriber Complaints, which shall include at least the following:

- (a) Service Electric shall provide the Subscriber with a written response to a written Complaint within thirty (30) days of its receipt at the local business office. Such response shall include the results of its inquiry into the subject matter of the Complaint, its conclusions based on the inquiry, and its decision in response to the Complaint.
- (b) If the Township is contacted directly about a Subscriber Complaint, it shall notify Service Electric promptly and in writing. When Service Electric receives such notification, the time period for Service Electric to respond as required by Section 4.5(a) shall commence. If the Township notifies Service Electric in writing, then Service Electric shall respond in writing within the time period specified in Section 4.5(a).
- (c) Any Subscriber who, in good faith, disputes all or part of any bill sent by Service Electric has the option of withholding the disputed amount, without a late fee or disconnection, until Service Electric has investigated the dispute in good faith and has made a determination that the amount is owed provided that:
- (1) The Subscriber provides a written Complaint to Service Electric in a timely fashion and includes identifying information;
 - (2) The Subscriber pays all undisputed charges; and
- (3) The Subscriber cooperates in determining the appropriateness of the charges in dispute.
- (4) It shall be within Service Electric's sole discretion to determine when the dispute has been resolved.
- (d) Service Electric shall maintain Subscriber Complaint records for inspection by the affected Subscriber, which shall contain the date each Complaint is received, the name and address of the affected Subscriber, a description of the Complaint, the date of resolution of the Complaint, and a description of the resolution.

4.6 **DISCONNECTION**

Service Electric may disconnect or terminate a Subscriber's service for cause:

- (a) If at least sixty (60) days have elapsed from the due date of the bill that Subscriber has failed to pay; and
- (b) If Service Electric has provided at least ten (10) days written notice to the affected Subscriber prior to disconnection, specifying the effective date after which Cable Services are subject to disconnection; and
 - (c) If there is no pending written dispute with Service Electric regarding the bill; or
- (d) If at any time and without notice, Service Electric determines in good faith that Subscriber has tampered with or abused Service Electric's equipment or service or is engaged in theft of Cable Service.

4.7 **SERVICE INTERRUPTIONS**

- (a) Excluding conditions beyond its control, Service Electric shall begin working on a Service Interruption promptly and in no event later than twenty-four (24) hours after the interruption becomes known and shall diligently pursue to completion. Notice of a Service Interruption of a single Subscriber shall give rise to this obligation on behalf of Service Electric. All other service calls not affecting public health, safety or welfare shall occur within a maximum of forty-eight (48) hours after notice to Service Electric or scheduled at the convenience of the Subscriber.
- (b) In the event that there is a Service Interruption to any Subscriber for twenty-four (24) or more consecutive hours and upon receipt of written or credible oral request, Service Electric shall grant such Subscriber a pro rata credit or rebate, on a daily basis, of that portion of the service charge during the next consecutive billing cycle, or, at its option, apply such credit to any outstanding balance that is currently due.

4.8 PRIVACY

Service Electric shall comply with the privacy provisions of Section 631 of the Cable Act and all other applicable federal and state privacy laws and regulations. Service Electric shall at all times maintain adequate physical, technical and administrative security safeguards to ensure that personally- identifiable Subscriber information is handled and protected strictly in accordance with this policy and all applicable laws and regulations.

SECTION 5 REGULATION BY THE TOWNSHIP

5.1 RIGHT TO INSPECT

- (a) The Township shall have the option, upon thirty (30) business days' written notice and during Normal Business Hours, to inspect at the notice location for Service Electric specified in Section 9.3, all documents, records and other pertinent information maintained by Service Electric which relate to the terms of this Agreement.
- (b) In addition, Service Electric shall maintain for inspection by the public and the Township all records required by the FCC and as specified in 47 C.F.R. § 76.305 in the manner specified therein.
- (c) Upon thirty (30) days written request to Service Electric, the Township may inspect the Cable System at any time to ensure compliance with this Agreement and applicable law, including to ensure that the Cable System is constructed and maintained in a safe condition. The Township may not conduct a physical inspection of the Cable System or open any vaults, pedestals or conduits without the express permission of Service Electric. The Township may not inspect the Cable System on Service Electric's property other than for permitted work. If an unsafe condition is found to exist, the Township, in addition to taking any other action permitted under applicable law, may order Service Electric, in writing, to make the necessary repairs and alterations specified therein forthwith to correct the unsafe condition within a reasonable time established by the Township.

5.2 RIGHT TO CONDUCT COMPLIANCE REVIEW

The Township or its representatives may conduct a full compliance review with respect to whether Service Electric has complied with the material terms and conditions of this Agreement so long as it provides Service Electric with forty-five (45) days written notice in advance of the commencement of any such review or public hearing. Such notice shall specifically reference the section(s) or subsection(s) of the Agreement that is (are) under review, so that Service Electric may organize the necessary records and documents for appropriate review by the Township. Within thirty (30) days of a written request, Service Electric shall provide the Township with copies of records and documents related to the cable compliance review. The period for any such review shall be for not more than the sixty (60) months immediately previous to the notice. The Township shall promptly inform Service Electric in accordance with Section 8.1 of any alleged non-compliance issues that result from the compliance review.

5.3 RESERVED AUTHORITY

The Township reserves the regulatory authority arising from the Cable Act and any other applicable federal or state laws or regulations. Nothing in this Agreement shall remove, restrict or reduce the Township's authority, rights and privileges it now holds, or which hereafter may be

conferred upon it, including any right to exercise its police powers in the regulation and control of the use of the Public Rights-of-Way.

5.4 **POLICE POWERS**

Service Electric's rights under this Agreement are subject to the police powers of the Township to adopt and enforce general laws and regulations necessary for the safety and welfare of the public. Such laws and regulations are separate and distinct from the terms and conditions contained in this Agreement. If the Township's exercise of the police power results in a material alteration of the terms and conditions of this Agreement, then the parties shall negotiate amendments in good faith to this Agreement to the mutual satisfaction of both parties to ameliorate the negative effects on Service Electric of the material alteration.

5.5 NO LIMITATION ON TAXING OR FEE AUTHORITY

Nothing in this section or in this Agreement shall be construed to limit the authority of the Township to impose any tax, fee or assessment of general applicability. Such taxes, fees or assessments shall be in addition to Franchise Fees.

5.6 PERMITS

Service Electric shall apply to the Township for all generally-applicable required permits and shall not undertake any activities in the Public Rights-of-Way subject to a permit without receipt of such permit, the issuance of which shall not be unreasonably withheld by the Township. Service Electric shall not be required to obtain permits for Cable Service drops for individual Subscribers or for servicing or installation of pedestals or routine maintenance that does not disturb surface grade or impact vehicular traffic. Service Electric shall pay any and all required permit fees.

5.7 **REPORTING**

In addition to the other reporting requirements contained in this Agreement, Service Electric shall provide the following reports to the Township:

(a) Subscriber Complaint Reports

Within thirty (30) days of a written request, Service Electric shall submit to the Township a report showing the number of Complaints, as defined in Section 1(g), that required a work order and/or service call, originating from the Township and received during the previous 12-month reporting period, the dates they were received, summary descriptions of the Complaints, the dates the Complaints were resolved and summary descriptions of the resolutions.

In addition, and upon request, Service Electric shall provide a report containing at least the following statistical information for the previous 12-month period:

(1) Number of repair service requests received;

- (2) Breakdown by type of complaint received (i.e. complete outage, snowy picture, etc.);
- (3) Breakdown by cause of problem (i.e. subscriber equipment, drop/converter, system, etc.);
- (5) Number of known service interruptions and the approximate length of time of each such interruption;

(b) Government Reports

Service Electric shall provide to the Township, upon written request, copies of any and all communications, reports, documents, pleadings and notifications of any kind which Service Electric has submitted to any federal, state or local regulatory agencies if such documents relate specifically to Service Electric's Cable System within the Township. Service Electric shall provide copies of such documents no later than thirty (30) days after their request.

SECTION 6 COMPENSATION TO THE TOWNSHIP

6.1 FRANCHISE FEES

Service Electric shall pay to the Township an amount equal to one percent (1%) of the Gross Revenues derived from the operation of its Cable System to provide Cable Service in the Township. Service Electric shall not deduct or otherwise credit against the Franchise Fee any tax, fee or assessment of general applicability. The Township may amend the Franchise Fee upon written notice to Service Electric provided that the Franchise Fee may not exceed the maximum percentage permitted by law. A copy of the Resolution or Ordinance authorizing the Franchise Fee rate adjustment by the Township shall accompany such written notice. Any change in Service Electric's Franchise Fee obligation contained herein shall commence within sixty (60) days from such written notice.

6.2 QUARTERLY PAYMENTS

Franchise Fee payments to the Township under this provision shall be computed at the end of each calendar quarter. Such payments shall be made within forty-five (45) days following the end of each calendar quarter. Specifically, payments shall be due and payable on or before May 15 (for the first quarter), August 15 (for the second quarter), November 15 (for the third quarter), and February 15 (for the fourth quarter). In the event that any Franchise Fee payment is not made on or before the date by which it is due, then interest calculated at one and one-half percent (1.5%) shall be added to the amount of Franchise Fee revenue due to the Township. The interest rate shall be applied as described from the date such Franchise Fee payment was originally due. No acceptance of any payment shall be construed as an accord that the amount paid is in fact the

correct amount, nor shall acceptance of any payment be construed as a release of any claim the Township may have for additional sums payable under this Agreement. Upon request and if mutually agreeable, Service Electric shall deposit the Franchise Fee payments electronically into an account as designated by the Township.

6.3 **QUARTERLY REPORTS**

Each Franchise Fee payment shall be accompanied by a written report containing an accurate statement of Service Electric's Gross Revenues received for Cable Services for each calendar quarter in connection with the operation of Service Electric's Cable System and showing the basis for the computation of fees. Specifically, the report shall contain line items for sources of revenue received and the amount of revenue received from each source. The report shall be verified by a financial representative of Service Electric.

6.4 FRANCHISE FEE REVIEW

The Township shall have the right to conduct a Franchise Fee review of Service Electric's records reasonably related to the sources, amounts and computation of Gross Revenues. Any such Franchise Fee review shall occur within twenty-four (24) months from the date the Township receives such payment, after which period any such payment shall be considered final. Within thirty (30) days of a written request, Service Electric shall provide the Township with copies of financial records related to the Franchise Fee review.

- (a) In the event of an alleged underpayment, the Township shall provide Service Electric with a written statement indicating the basis for the alleged underpayment. If the Franchise Fee review reveals that there have been no underpayments, the Township shall provide written notice to Service Electric indicating that no underpayments were found and that the Franchise Fee review is closed. Service Electric shall have thirty (30) days from the receipt of the statement regarding an alleged underpayment to provide the Township with any written objection to the results of the Franchise Fee review, including any substantiating documentation. Based on this exchange of information, the Township shall make a final determination of the underpayment(s), if any, within thirty (30) days of Service Electric's objection and shall provide Service Electric with written notice of the determination. If Service Electric disputes the Township's final determination, it may submit the dispute to mediation or arbitration within thirty (30) days of receiving the Township's written notice of determination. In the event that Service Electric fails to submit the matter to mediation or arbitration within the required time period, the Township's final determination shall be binding on Service Electric.
- (b) Any Franchise Fee payment due to the Township as a result of the Franchise Fee review shall be paid to the Township by Service Electric within sixty (60) days from the date the Township notifies Service Electric of its final determination, or if the matter is submitted to mediation or litigation, within sixty (60) days from the final disposition of such action.

6.5 BUNDLED SERVICES:

If Cable Services subject to the Franchise Fee required under this Section 6.5 are provided to Subscribers in conjunction with non-Cable Services and the total cost of the bundle reflects a discount from the aggregate retail prices of the services contained therein, then the Franchise Fee shall be applied to the retail price of the Cable Services in the bundle reduced by no more than a proportionate share of the overall discount.

SECTION 7 SERVICES TO THE COMMUNITY

7.1 SERVICES TO COMMUNITY FACILITIES

- (a) Service Electric will provide a standard cable drop with any necessary cable box to one outlet at one public/administration building upon written request.
- (b) Services for the public building location shall include, at minimum, one (1) standard cable Drop, outlet, converter box (and any other required end user equipment) and Standard Cable level Services (or equivalent) package to each location. Service Electric will assess the costs of any additional levels of cable service, outlets, or service locations requested by the Township in accordance with applicable law.

7.2 EDUCATIONAL AND GOVERNMENTAL (EG) CHANNEL

- (a) Service Electric shall make available to the Township the use of one (1) Educational and Governmental ("EG") Access Channel in accordance with Section 611 of the Cable Act. Such EG Channel(s) shall be used for community programming related to educational and/or governmental activities. The Township shall have complete control over the content, scheduling, administration and all other programming aspects of the EG Channel, and may delegate such functions, or a portion of such functions, to a designated access provider. Service Electric shall not exercise any editorial control over EG Channel programming. Service Electric shall cablecast the activated EG Channel so that they may be received by all Service Electric Subscribers in the Township.
- (b) To enable the Township to utilize the EG Channel, Service Electric shall continue to maintain direct fiber links, including activation equipment capable of transmitting high quality video and audio between the video origination location and the Service Electric headend such that live programming can originate from this selected location and be distributed via the Cable System to Subscribers in the Township. This fiber link and equipment shall be collectively known as the "Return Line." Service Electric shall determine the engineering solution necessary to allow distribution of the EG Channel programming, via the Cable System, to Subscribers in the Township.

- (c) Service Electric shall be responsible for maintaining the Return Line(s) to the origination site(s) of the EG Channel so long as the Township provides Service Electric with access to such location and access to the EG Channel equipment within such locations. Service Electric shall provide, install and maintain in good working order the equipment and the cable necessary for transmitting the signal to the channel aggregation site for further processing and distribution to Subscribers. Service Electric shall maintain the EG Channel in accordance with the same FCC technical specifications that are comparable to the specifications used to maintain commercial channels transmitted to Subscribers on the Cable system, except that it shall not be responsible for the technical signal quality of programming produced by any EG channel programmer.
- (d) Any expenditure made in connection with the construction of the Return Line shall be at the expense of the Township. The Township and Service Electric further agree that all costs incurred by Service Electric for supporting such EG Channel, including any and all equipment, and EG capital support grants may be designated as "costs of franchise requirements" or "external costs" as defined by the FCC and Service Electric reserves its right to pass these costs through to the Subscribers pursuant to federal law.
- (e) The Township or its designee shall be responsible for providing any necessary production or playback equipment and shall be responsible for securing and supervising any trained/qualified personnel who conduct the operation of the EG channel. The Township and Service Electric agree to work cooperatively in implementing the EG channel through such means and in such manner as shall be mutually satisfactory.
- (f) Within one hundred eighty (180) days of a written request by the Township, Service Electric shall, at the Township's expense, relocate the EG origination site and the associated Return Line as follows: (i) Service Electric's obligation shall be subject to the same terms and conditions that apply to the original EG origination site in this Section; and (ii) the Township shall provide access to such site at least ninety (90) days prior to anticipated use of the new EG origination site. The timeline for relocation of the EG origination site shall be subject to the timely granting of any and all required permits, walk-out, make ready, and the detection of all underground utilities.
- (g) In the event the Township or its designee does not program any EG Channel, Service Electric may request the use of this channel subject to written approval by the Township. If the Township approves Service Electric's use of an EG Channel and, subsequent to such approval, the Township requests the utilization of the EG Channel being programmed by Service Electric, Service Electric shall relinquish such use no later than sixty (60) days after receipt of written notification from the Township that it requires such channel for educational and/or governmental use.
- (h) Service Electric shall use its best efforts to maintain the channel assignments for the current EG Channel(s) as of the Effective Date. Notwithstanding the foregoing, in the event that Service Electric deems a change in any EG Channel assignment to be necessary and changes any channel assignment in accordance with this Section, Service Electric shall provide the Township thirty (30) days advance written notice of any change in EG Channel assignments.

SECTION 8 ENFORCEMENT, INSURANCE AND INDEMINIFICATION

8.1 <u>VIOLATIONS AND OPPORTUNITY TO CURE</u>

- (a) If the Township has reason to believe that Service Electric violated any provision of this Agreement, it shall notify Service Electric in writing of the nature of such violation and the section(s) of this Agreement that it believes has been violated and the details relating thereto. If the Township does not notify Service Electric of any violation of this Agreement, it shall not operate as a waiver of any rights of the Township hereunder or pursuant to applicable law.
- (b) Service Electric shall have forty-five (45) days to cure such violation after written notice is received by taking appropriate steps to comply with the terms of this Agreement. If the nature of the violation is such that it cannot be fully cured within thirty (30) days, the period of time in which Service Electric must cure the violation shall be extended by the Township in writing for such additional time necessary to complete the cure, provided that Service Electric shall have promptly commenced to cure and is diligently pursuing its efforts to cure in the reasonable judgment of the Township.
- (c) If the violation has not been cured within the time allowed under Section 8.1(b) and, in the Township's judgment, Service Electric has not taken reasonable steps to cure the violation, then the Township may deem that Service Electric is liable for liquidated damages and/or any other right or remedy and the Township's costs in accordance with Section 8.2.

8.2 LIQUIDATED DAMAGES

(a) Because Service Electric's failure to comply with provisions of this Agreement will result in injury to the Township and because it will be difficult to measure the extent of such injury, the Township may assess liquidated damages against Service Electric in the amount of Two Hundred Fifty Dollars (\$250.00) per day for each day the violation continues, provided Service Electric has had an opportunity to cure in accordance with Section 8.1(b). Such damages shall not be a substitute for specific performance by Service Electric, but shall be in addition to such specific performance

(b)

(b) The first day for which liquidated damages may be assessed, if there has been no cure after the end of the applicable cure period, shall be the day after the end of the applicable cure period, including any extension of the cure period granted by the Township. Liquidated damages may not be assessed for a time period exceeding one hundred and twenty (120) days per violation. The Township may commence revocation proceedings and/or initiate an action in law or equity in a court of competent jurisdiction before, during, or after the assessment of liquidated damages.

8.3 **REVOCATION**

- (a) In addition to the other rights, powers and remedies retained by the Township under this Agreement, the Township reserves the separate and distinct right to revoke this Franchise if:
- (1) It is demonstrated that Service Electric practiced any fraud or deceit upon the Township in the operation of its Cable System or any other activities pursuant to this Agreement;
- (2) Service Electric repeatedly fails, after notice and opportunity to cure, to maintain signal quality pursuant to the standards provided for by the FCC or the technical requirements set forth in Section 3.1;
- (3) Service Electric repeatedly violates, after notice and opportunity to cure, one or more of the material terms or conditions of this Agreement;
- (c) The foregoing shall not constitute a violation of a material term or condition if the violation occurs without the fault of Service Electric or occurs as a result of circumstances beyond its control or by reason of Force Majeure as defined in Section 9.1. Service Electric shall not be excused from the performance of any of its obligations under this Franchise by mere economic hardship or by the misfeasance or malfeasance of its directors, officers or employees.
- Supervisors after an appropriate public hearing that shall afford Service Electric due process and full opportunity to be heard. This shall include the ability to introduce evidence, to question witnesses and to respond to any notice of grounds to terminate in accordance with the standards of a fair hearing applicable to administrative hearings in the Commonwealth of Pennsylvania. All notice requirements shall be met by providing Service Electric at least thirty (30) days prior written notice (via certified mail-return receipt requested) of any public hearing concerning the proposed revocation of this franchise. Such notice shall state the grounds for revocation. The Township, after a public hearing and upon finding the existence of grounds for revocation, may either declare this franchise terminated or excuse such grounds upon a showing by Service Electric of mitigating circumstances or good cause for the existence of such grounds. The Township shall issue such declaration and finding within thirty (30) days in a written decision which shall be sent via certified or overnight mail to Service Electric.

8.4 PERFORMANCE BOND

(a) Service Electric shall obtain and maintain, within thirty (30) days of the Effective Date and throughout the term of this Agreement, at its sole cost and expense, a performance bond with a surety company licensed to do business in the Commonwealth of Pennsylvania to ensure Service Electric's faithful performance of its obligations. The performance bond shall provide that the Borough may recover from the principal and surety any and all liquidated damages and/or compensatory damages incurred by the Borough for Service Electric's violations of this

Agreement, after notice and opportunity to cure, in accordance with Sections 8.1 and 8.2. An original copy of the bond shall be delivered to the Borough.

(b) The performance bond shall be in the amount of Twenty-Five Thousand Dollars (\$25,000). Service Electric shall not reduce, cancel or materially change said bond from the requirement contained herein without the express prior written permission of the Borough until such time as construction of Service Electric's Cable System in the Planned Build-out Area is complete. Service Electric shall restore the bond to its original level within thirty (30) days after any amount has been paid to the Borough from the performance bond.

8.5 **INSURANCE**

- (a) Service Electric shall obtain and maintain, in full force and effect, at its sole cost and expense, during the Franchise term, the following minimum insurance coverage with an insurance company that is authorized to conduct business in Pennsylvania and which has an A.M. Best rating (or equivalent) no less than A-minus VII, indemnifying the Township from and against any and all claims for injury or damage to persons or property, both real and personal, caused by the construction, installation, reconstruction, operation, maintenance or removal of the Cable system by Service Electric or any of its contractors, subcontractors, agents or employees in the following amounts:
- (1) The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000) as to any one (1) occurrence.
- (2) The amount of such insurance against liability for injury or death to any person shall be no less than One Million Dollars (\$1,000,000).
- (3) The amount of such insurance for excess liability shall be Three Million Dollars (\$3,000,000) in umbrella form.
- (4) The amount of such insurance against all claims arising out of the operation of motor vehicles and general tort or contract liability shall be One Million Dollars (\$1,000,000).
- (b) The Township, its officials and employees, shall be designated as additional insureds under each of the insurance policies required in this Section 8.5.
- (c) Service Electric shall not cancel any required insurance policy without obtaining alternative insurance in conformance with this Section 8.5 and without submitting insurance certificates to the Township verifying that Service Electric has obtained such alternative insurance. Service Electric shall provide the Township with at least thirty (30) days prior written notice in the event there is an adverse material change in coverage or the policies are cancelled or not renewed.
- (d) Service Electric shall deliver to the Township Certificates of Insurance showing evidence of the required coverage within thirty (30) days of the Effective Date of the Agreement, upon request by the Township.

8.6 INDEMNIFICATION

Service Electric shall indemnify, defend, save and hold harmless the Township, its elected and appointed officials, officers, agents and employees acting in their official capacities, from claims for injury, loss, liability, cost or expense arising in whole or in part from, caused by or connected with any act or omission of Service Electric, its officers, agents, contractors, subcontractors or employees, arising out of, but not limited to, the construction, installation, upgrade, reconstruction, operation, maintenance or removal of the Cable System or any other equipment or facilities of Service Electric. The Township shall give Service Electric timely written notice of its obligation to indemnify and defend the Township. The obligation to indemnify, defend, save and hold the Township harmless shall include, but not be limited to, the obligation to pay judgments, injuries, liabilities, damages, penalties, and reasonable attorneys' fees. If the Township determines that it is necessary for it to employ separate counsel, in addition to that provided by Service Electric, the cost for such separate counsel shall be the responsibility of the Township. Service Electric shall not indemnify the Township for any claims resulting solely from acts of willful misconduct or negligence on the part of the Township.

SECTION 9 MISCELLANEOUS

9.1 FORCE MAJEURE

If for any reason of force majeure, Service Electric is unable in whole or in part to carry out its obligations hereunder, Service Electric shall not be deemed in violation of this Agreement during the continuance of such inability. Upon written (including electronic) request by the Township, Service Electric shall inform the Township within thirty (30) days of receipt of the request whether or not Service Electric has determined that a condition of Force Majeure exists.

9.2 REMOVAL OF SYSTEM

- (a) Upon lawful termination or revocation of this Agreement, Service Electric shall remove its supporting structures, poles, transmissions and distribution systems and other appurtenances from the streets, ways, lanes, alleys, parkways, bridges, highways, and other public and private places in, over, under, or along which they are installed and shall restore the areas to their original condition. If such removal is not completed within six (6) months of such lawful termination or revocation, the Township or property owner may deem any property not removed as having been abandoned and the Township may remove it at Service Electric's cost.
- (b) During the term of the Agreement, if Service Electric decides to abandon or no longer use all or part of its Cable System, it shall give the Township written notice of its intent at least ninety (90) days prior to the announcement of such decision, which notice shall describe the property and its location. The Township shall have the right to either require Service Electric to remove the property, remove the property itself and charge Service Electric with the costs related thereto, or transfer ownership of the property to the Township's designee provided fair market value is paid to Service Electric.

(c) Notwithstanding the above, Service Electric shall not be required to remove its Cable System, or to relocate the Cable System, or to sell the Cable System, or any portion thereof as a result of revocation, denial of renewal, or any other lawful action to forbid or disallow Service Electric from providing Cable Services, if the Cable System is actively being used to facilitate any other services not governed by the Cable Act.

9.3 NOTICES

Every notice or payment to be served upon or made to the Township shall be sent to:

Township of Brecknock 1026 Dry Tavern Road Denver, PA 17517 Attention: Secretary/Treasurer

The Township may specify any change of address in writing to Service Electric. Every notice to be served upon Service Electric shall be sent to:

Service Electric Cablevision 4949 Liberty Lane, Suite 400 Allentown, PA 18106 Attention: Legal

Service Electric may specify any changes of address in writing to the Township. Each delivery to Service Electric or the Township shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of receipt.

9.4 EQUAL EMPLOYMENT OPPORTUNITY

Service Electric is an equal opportunity employer and shall comply with all applicable federal and state laws and regulations regarding equal opportunity employment.

9.5 CAPTIONS

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

9.6 GOVERNING LAW; VENUE

This Agreement shall be governed and construed by and in accordance with the laws of the Commonwealth of Pennsylvania. If suit is brought by a party to this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of Pennsylvania, County of Lancaster, or in the United States District Court for the Eastern District of Pennsylvania.

9.7 TRANSFER, ASSIGNMENT OR CHANGE IN CONTROL

- (a) Neither Service Electric nor its parent nor any Affiliated Entity shall transfer, assign or otherwise encumber, through its own action or by operation of law, its right, title or interest in the Cable System or in this Agreement without the prior written consent of the Township, provided that such consent shall not be unreasonably withheld.
- (b) Neither Service Electric nor its parent nor any Affiliated Entity shall change, transfer or assign, through its own action or by operation of law, its control of the Cable System or of this Agreement without the prior written consent of the Township, provided that such consent shall not be unreasonably withheld.
- (c) Neither Service Electric nor its parent nor any Affiliated Entity shall sell, convey, transfer, exchange or release more than thirty-five percent (35%) of its equitable ownership in the Cable System without the prior written consent of the Township, provided that such consent shall not be unreasonably withheld.
- (d) No such consent shall be required for (i) a transfer in trust, by mortgage, hypothecation, or by assignment to a financial institution of any rights, title or interest of Service Electric in the Franchise or in the Cable System in order to secure indebtedness; or (ii) a transfer to an entity owned and/or controlled by Service Electric.
- (e) Service Electric shall make written application to the Township of any transfer, change in control or assignment as described above and shall provide all information required by FCC Form 394 and any other applicable federal, state, and local statutes and regulations regarding transfer or assignment. The Township shall have thirty (30) days from the receipt of FCC Form 394 to notify Service Electric of any additional information it needs to make an informed decision on the transfer or assignment. The Township shall have one hundred twenty (120) days from the receipt of all required information to take action on the transfer or assignment.
- (f) Any consent by the Township for any transfer or assignment described above shall not be effective until the proposed transferee or assignee shall have executed a legally binding document stating that it shall be bound by all the terms and conditions contained in this Agreement.

9.8 ENTIRE AGREEMENT

This written instrument contains the entire agreement between the parties, supersedes all prior agreements or proposals whether written or oral except as specifically incorporated herein, and cannot be changed without written amendment approved by both the Township and Service Electric. This Agreement supersedes all prior cable franchise agreements or cable ordinances, or parts of cable franchise agreements or cable ordinances, that are in conflict with the provisions herein.

9.9 SEVERABILITY

If any section, provision or clause of this Agreement is held by a court of competent jurisdiction to be illegal, invalid or unenforceable, or is pre-empted by federal or state laws or regulations, such section, provision or clause shall be deemed to be severable from the remaining portions of this Agreement and shall not affect the legality, validity or enforceability of the remaining portions of this Agreement.

9.10 NO WAIVER OF RIGHTS

No course of dealing between the Township and Service Electric, nor any delay on the part of the Township in exercising any rights hereunder, shall operate as a waiver of any such rights of the Township or acquiescence in the actions of Service Electric in contravention of such rights, except to the extent expressly waived by the Township.

9.11 CHANGE OF LAW

In the event there is a change in a federal or state statute or regulation applicable to the Cable System or to this Agreement, the Township or Service Electric may notify the other party of its desire to amend this Agreement in order to comply with the change in statute or regulation. The Township and Service Electric may amend this Agreement to comply with such change in statute or regulation provided such amendment is approved by the Township and Service Electric.

9.12 COMPLIANCE WITH LAWS

Service Electric shall comply with all federal, state and local laws and regulations.

9.13 THIRD-PARTY BENEFICIARIES

Nothing in this Agreement is or was intended to confer third-party beneficiary status on any person other than the parties to this Agreement to enforce the terms of this Agreement.

9.14 APPLICABILITY OF AGREEMENT

All of the provisions in this Agreement shall bind Service Electric, the Township and their respective successors and assigns. This Agreement is authorized by Ordinance No. 2023.232 dated 214, 2023 of the Township Board of Supervisors.

WITNESS our hands and official seals to this Cable Franchise Agreement.

TOWN	SÄIP\OF BRECKNOCK
By:	Jan Alexander
Name:	Jerry A. Long
Title:	Chairman
Date:	a/14/23
SERVI	CE ELECTRIC CABLEVISION, INC.
By:	11/40
Name:	Mark D. Walter
Title:	Senior Vice President
Date:	2/15/23