ADMINISTRATIVE ORDINANCE NO. 11 - 2023 ADMINISTRATION BILL NO. 11 - 2023 INTRODUCED – DECEMBER 12, 2023 ADOPTED BY COUNCIL - DECEMBER 19, 2023

AN ORDINANCE OF THE LANCASTER CITY COUNCIL AUTHORIZING EXECUTION OF A CABLE FRANCHISE AGREEMENT BETWEEN THE CITY OF LANCASTER AND SHENANDOAH CABLE TELEVISION, LLC.

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

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

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

WHEREAS, the City 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 Shentel's use of the City's public 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 City, and meet the current and future cable-related needs of its residents; and

WHEREAS, the City 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 City has determined that the public interest would be served by granting Shentel a franchise according to the terms and conditions contained herein;

NOW THEREFORE, **BE IT ORDAINED** that the Council of the City of Lancaster does hereby approve the cable franchise agreement negotiated with Shentel, including all of the terms and conditions contained therein, and does hereby authorize the execution of such agreement.

DULY ORDAINED AND ENACTED this 19th day of December, 2023, by the Council of the City of Lancaster, Lancaster County, Pennsylvania, in lawful session duly assembled.

ATTEST:

Bartog

Bernard W. Harris, Jr. City Clerk

CITY OF LANCASTER

Danene Sorace, Mayor

Exhibit A

Franchise Agreement

CABLE FRANCHISE AGREEMENT

BETWEEN

CITY OF LANCASTER

AND

SHENANDOAH CABLE TELEVISION, LLC

With assistance from:

Cohen Law Group 413 South Main Street - Third Floor Pittsburgh, PA 15215 Phone: (412) 447-0130 www.cohenlawgroup.org

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CABLE FRANCHISE AGREEMENT

This Cable Franchise Agreement (hereinafter referred to as the "Agreement") is by and between City of Lancaster, a municipality located in Lancaster County, Pennsylvania (hereinafter referred to as the "City") and Shenandoah Cable Television, LLC (hereinafter referred to as "Shentel").

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

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

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

WHEREAS, the City 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 Shentel's use of the City's public 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 City, and meet the current and future cable-related needs of its residents; and

WHEREAS, the City 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 City has determined that the public interest would be served by granting Shentel a 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 City and Shentel agree as follows:

SECTION 1 DEFINITIONS

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

(a) <u>Affiliated Entity</u> - Any persons(s) or entity(ies) who own or control, are owned or controlled by or are under common ownership or control with Shenandoah Cable Television, LLC, but does not include Affiliated Entities that are not involved with the use, management, operation, construction, repair and/or maintenance of Shentel's cable systems.

(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 or 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 or 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 City 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;

(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 Shentel's operation of its Cable System that is within Shentel's control and requires a corrective measure on the part of Shentel or its contractors or subcontractors.

(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) Educational and Governmental (EG) Channel - 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; or partial or entire failure of utilities.

(n) <u>Franchise</u> - The authorization granted by the City to construct, operate and maintain a Cable System within the corporate limits of the City as embodied in the terms and conditions of this Agreement.

(o) <u>Franchise Fee</u> - The fee that Shentel remits to the City 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 by Shentel or its Affiliated Entities arising from, attributable to, or in any way derived from the operation of Shentel's Cable System in the City to provide Cable Services, as calculated in accordance with generally accepted accounting principles ("GAAP"). Gross Revenues shall include, but are not limited to, the following:

- (1) Basic Service fees;
- fees charged to Subscribers for any Cable Service tier other than Basic Service;
- (3) fees charged for premium Cable Services;
- (4) fees for all digital video tiers;
- (5) fees for video-on-demand;
- (6) fees charged to Subscribers for any optional, per-channel or per-program Cable Services;
- (7) revenue from the provision of any other Cable Services;
- (8) charges for installation, additional outlets, relocation, disconnection, reconnection and change-in-service fees for Cable Service.
- (9) fees for changing any level of Cable Service programming;
- (10) fees for service calls pertaining to Cable Services;
- (11) inside wire maintenance fees for Cable Services;

- (12) service plan protection fees for Cable Services;
- (13) convenience fees;
- (14) early termination fees on Cable Services;
- (15) fees for Leased Access Channels;
- (16) charges based on the sale or lease of any portion of the Cable System for Cable Service;
- (17) rental or sales of any and all equipment, including converters and remote control devices;
- (18) advertising revenues attributable to the local Cable System and Cable Services;
- (19) revenues or commissions from locally-derived home shopping channels;
- (20) broadcast retransmission fees;
- (21) regional sports fee;
- (22) late payment fees on Cable Services;
- (23) billing and collection fees on Cable Services;
- (24) NSF check charges; and
- (25) Franchise Fees.

Gross Revenue shall not include refundable deposits, investment income, programming launch support payments, nor any taxes, or other fees or assessments imposed or assessed by any governmental authority. 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 the Gross Annual Revenues in the period so collected. In the event of any dispute over the classification of revenue, the City and Shentel agree that reference should be made to generally accepted accounting principles ("GAAP") as promulgated and defined by the Financial Accounting Standards Board ("FASB").

(q) <u>HD</u> - High definition format.

(r) <u>Leased Access or Commercial Access Channel</u> - Any channel on Shentel's Cable System designated for use by any entity that is unaffiliated with Shentel 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 Shentel's service department which are within the control of Shentel. Those conditions that are not within the control of Shentel include, but are not limited to, natural disasters, civil disturbances, power

outages, telephone network outages and severe or unusual weather conditions or other conditions of Force Majeure.

(v) <u>Outlet</u> - An interior receptacle that connects a television set to the Cable System.

(w) <u>Public Buildings</u> – shall mean the City Building, police stations, fire companies, public works buildings, and water and sewer authorities. Public Buildings shall not include buildings owned by the City but leased to third parties, or buildings, such as storage facilities, at which government employees are not regularly stationed, or to facilities used by a private service provider, such as a private ambulance company.

(x) <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 City.

(y) <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.

(z) <u>Service Interruption</u> - The loss of picture or sound on all Cable Service channels.

(aa) <u>Subscriber</u> - A person or entity who contracts with Shentel for, and lawfully receives Cable Service 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 City hereby grants a non-exclusive and revocable franchise to Shentel. Subject to the terms and conditions contained herein, the City hereby grants to Shentel the authority to 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 City has a sufficient easement or right-of-way to provide Cable Services. Nothing herein shall preclude Shentel from offering any other service over the 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 date when fully executed by both parties (the "Effective Date"), 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) Shentel represents, warrants and acknowledges that, as of the Effective Date:

(1) Shentel is duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;

(2) Shentel has the requisite approval from the applicable federal and state agencies;

(3) There is no action or proceeding pending or threatened against Shentel 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 NON-EXCLUSIVITY

This Franchise granted to Shentel shall be non-exclusive. Nothing in this Agreement shall affect the right of the City 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 generally applicable local laws and regulations. This Franchise is further subject to all generally applicable ordinances and resolution of the City. Without waiving any of its rights, the City agrees that, to the extent any term of this Agreement is inconsistent with the terms of any City cable franchise ordinance existing as of the Effective Date, this Agreement shall control.

2.6 COMPETITIVE EQUITY

(a) Shentel acknowledges and agrees that the reserves the right to grant one or more additional franchises to construct, operate, and maintain a Cable System within the City.

(b) The Franchise granted to Shentel is non-exclusive; however, if the City 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 Shentel, then Shentel may request an amendment to this Agreement to provide Shentel 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 City and Shentel shall enter into good faith negotiations in order to modify this Agreement to the mutual satisfaction of both parties to provide Shentel with such competitive equity.

(c) In the event an application for a new Franchise for Cable Service or request for other authorization to provide similar wired services is submitted to the City proposing to serve Subscribers within the City, then the City shall notify Shentel in writing of the submission of the application.

SECTION 3 SYSTEM CONSTRUCTION, OPERATION AND MAINTENANCE

3.1 TECHNICAL REQUIREMENT

(a) Shentel shall operate, maintain, construct and extend the Cable System so as to offer Cable Services throughout all parts of the City where the density requirements of Section 3.2 are met. The Cable Service provided by the Cable System shall be delivered in accordance with applicable FCC standards and the Cable Act. The Cable System shall meet or exceed any and all applicable 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 City.

(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) Within three (3) years of the Effective Date, Shentel shall construct the Cable System and make Cable Service available to all residential dwelling units in the City, subject to the standard installation requirements in Section 3(b) and the setback requirements in Section 3(c) of this Agreement. In the event that construction is delayed by factors identified as Force Majeure, Shentel shall provide a written request to the City indicating the requested reasonable extension of time necessary to complete the construction of the Cable System, which request shall not be unreasonably denied.

(b) Shentel shall make Cable Service available to every dwelling occupied by a person requesting Cable Service provided that Shentel is able to obtain from the property owners any necessary easements and/or permits in accordance with Section 621(a)(2) of the Cable Act. Shentel's obligation hereunder shall be subject to the timely performance of walk-out, make ready and location of all underground utilities, weather permitting.

(c) Any dwelling unit within two hundred (200) feet aerial distance from the main distribution line shall be entitled to a standard installation rate. For any dwelling unit in excess of two hundred (200) feet or that requires an underground installation, Shentel shall extend the Cable Service if the Subscriber pays Shentel the actual cost of installation from its main distribution

system with such cost being only the incremental portion beyond two hundred (200) feet for aerial installations.

(d) The City has the authority to require Shentel to place wires and/or equipment underground, provided that the City imposes such requirement on all similarly situated entities. All installations of wires and/or equipment by Shentel shall be underground in those areas of the City 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 Shentel's facilities without technical degradation of the Cable System's signal quality. Shentel shall not be required to construct, operate, or maintain underground any groundmounted appurtenances such as Subscriber taps, line extenders, system passive devices, amplifiers, power supplies, or pedestals.

(e) In the event that public or private funds are made available to pay for such underground projects, Shentel shall be included by the City for such funds, if permitted to do so under applicable law. In the event that Shentel is required to place existing aerial plant underground, Shentel 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) Shentel has designed and will construct and maintain a Cable System that has been built for digital television standards.

(b) Shentel 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) Shentel 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 noncompliance related to signal quality through a compliance review under Section 5.2 herein, Shentel, upon written request by the City, shall perform applicable tests to determine compliance with FCC technical standards. Shentel shall provide a report to the City within thirty (30) days of completion of a City-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, Shentel 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 Shentel, the City 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 City reserves

the right, upon at least sixty (60) days' written notice to Shentel, to conduct a technical audit of the Cable System.

3.5 EMERGENCY ALERT SYSTEM

Shentel shall comply with the Emergency Alert System requirements of the FCC.

3.6 SERVICES FOR SUBSCRIBERS WITH DISABILITIES

Shentel 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")

Shentel and the City 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 Shentel, which negotiations shall be conducted in accordance with the procedures set forth in the Cable Act, as amended, applicable FCC regulations and applicable Pennsylvania law.

3.8 REPAIRS AND RESTORATION

(a) Whenever Shentel 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 reasonably good condition as before the disturbance within twenty (20) business days of the completion of the disturbance, weather permitting. Upon failure of Shentel to comply within the time specified and the City having notified Shentel in writing of the restoration and repairs required, the City may cause proper restoration and repairs to be made and the expense of such work shall be paid by Shentel upon demand by the City.

(b) Whenever Shentel 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 City if required for the proper installation, operation and maintenance of such equipment, cable, or wires. Shentel shall promptly repair and restore any public or property that is damaged as a result of construction, installation, repair or maintenance of the Cable System within twenty (20) business days, weather permitting.

(c) Shentel'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. Shentel

shall install and maintain its wires, cables, fixtures, and other equipment in such a manner as shall not interfere with any installations of the City or any public utility serving the City.

(d) Should a public safety emergency occur as a result of, incident to, or connected with operation, construction, repair, or maintenance activities by Shentel 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 Shentel 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. Shentel shall adhere to any additional undergrounding requirements which the Commonwealth may establish in the future. Shentel 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 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 in accordance with customary industry standards and practices.

3.9 SERVICE AREA MAPS

Upon thirty (30) days' written request, Shentel shall provide to the City a complete set of Shentel as-built maps of the City Shentel shall provide such maps to the City: (i) within sixty (60) days after completion of the Cable System and (ii) within thirty (30) days of a written request, but no more than once annually and only after the City and Shentel have executed a non-disclosure agreement as such maps are confidential and proprietary pursuant to Section 5.1 of this Agreement. By way of clarification, Shentel's providing such maps to the City upon completion of the Cable System will not count against the no more than once annually qualifier.

3.10 DISCONNECTION AND RELOCATION

(a) Shentel shall, at no cost to the City, 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 City 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 Shentel to protect, support, temporarily disconnect, relocate or remove any portion of its property, the City shall treat Shentel the same as, and require no more of Shentel than, any other similarly situated entity utilizing the Public Rights of Way, including with respect to potential reimbursement of costs.

3.11 EMERGENCY REMOVAL OF EQUIPMENT

(a) If, at any time, in case of fire or other disaster in the City, it shall be necessary, in the reasonable judgment of the City or its agent, to cut or move any of the wires, cable or equipment of the Cable System, the City shall have the right to do so without cost or liability, provided that, wherever possible, the City shall give Shentel 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 City shall treat Shentel the same as, and require no more of Shentel than, any other similarly situated entity.

3.12 TREE TRIMMING

(a) Shentel, 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 Shentel. Any such tree trimming shall only be performed in accordance with applicable laws and regulations.

(b) If Shentel 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 City 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 City.

3.13 CHANNEL CAPACITY

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

3.14 BROADCAST CHANNELS

To the extent required by federal law, Shentel 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

Shentel 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 Cable Service from Shentel provided their financial and other obligations to Shentel are honored. Subject to Force Majeure provisions in Section 9.1, Shentel 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, Shentel 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, Shentel shall notify Subscribers in advance of such service interruption along with providing Subscribers with a pro-rata credit for the time of such service interruption.

SECTION 4 SUBSCRIBER SERVICE STANDARDS

4.1 OFFICE HOURS AND TELEPHONE AVAILABILITY

(a) Shentel 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. For purposes of such Subscriber communications, Shentel shall provide language access options for telephone calls to its customer service representatives.

(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) Shentel 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 City determines, after receiving Complaints itself and/or receiving a record of Complaints made to Shentel 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 City shall notify Shentel in writing that it must measure its compliance with these requirements for the next three months and report to the City the results of such monthly average measurements.

4.2 INSTALLATIONS AND SERVICE CALLS

(a) Shentel shall maintain a staff of employees sufficient to provide adequate and prompt service to all Subscribers and will make commercially reasonable efforts to accommodate languages spoken by such Subscribers. Shentel 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 Shentel employee or agent, including any subcontractor, shall prominently display the Shentel 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 fifty (150) feet from the existing main distribution line.

(c) Upon scheduling of appointments with the Subscriber for installations, service calls and other activities, Shentel shall provide the Subscriber with either a specific time or an "appointment window" of a maximum of four (4) hours during Normal Business Hours. Shentel may schedule service calls and installation activities outside of Normal Business Hours at a time that is convenient for the Subscriber.

(d) Shentel 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) In accordance with applicable federal law, Shentel shall provide written information to each Subscriber upon initial subscription, and at least annually to Subscribers and at any time upon request, regarding each of the following areas:

- Products and services offered;
- 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, Shentel shall notify Subscribers and the City 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 Shentel. Shentel 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 City on the transaction between Shentel 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.

(c) The written notices required by this section may be provided electronically as permitted by 47 C.F.R. § 76,1600.

4.4 BILLING

(a) Bills shall be clear, concise and understandable. Bills must be fully itemized, and shall include 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 City hereby requests that Shentel omit the City's name, address, and telephone number from Subscriber bills as permitted by 47 C.F.R. § 76.952.

4.5 SUBSCRIBER COMPLAINT PROCEDURES

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

(a) Shentel 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 City is contacted directly about a Subscriber Complaint, it shall notify Shentel promptly and in writing. When Shentel receives such notification, Shentel shall respond in writing within the time period specified in Section 4.5(a).

(c) Any Subscriber who, in good faith, timely disputes all or part of any bill sent by Shentel has the option of withholding the disputed amount, without a late fee or disconnection, until Shentel has investigated the dispute in good faith and has made a determination that the amount is owed provided that:

 The Subscriber provides a written Complaint to Shentel in a timely fashion and includes identifying information;

(2) The Subscriber pays all undisputed charges;

(3) The Subscriber cooperates in determining the appropriateness of the charges in dispute; and (4) It shall be within Shentel's sole discretion to determine when the dispute has been resolved.

(d) In accordance with applicable law, Shentel 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

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

(a) If at least thirty (30) days have elapsed from the due date of the bill that Subscriber has failed to pay; and

(b) If Shentel has provided at least ten (10) days' 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 Shentel regarding the bill; or

(d) If at any time and without notice, Shentel determines in good faith that Subscriber has tampered with or abused Shentel's equipment or service, is engaged in theft of Cable Service or has exhibited violent or threatening behavior toward its employees.

4.7 SERVICE INTERRUPTIONS

(a) Excluding conditions beyond its control, Shentel shall begin working on a Service Interruption promptly and in no event later than twenty-four (24) hours after the Service Interruption becomes known and shall pursue to completion. Notice of a Service Interruption of a single Subscriber shall give rise to this obligation on behalf of Shentel. All other service calls not affecting public health, safety or welfare shall occur within a maximum of forty-eight (48) hours after notice to Shentel or scheduled at the convenience of the Subscriber.

(b) In the event that there is a Service Interruption to any Subscriber for six (6) or more consecutive hours and upon receipt of written or credible oral request, Shentel 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

Shentel shall comply with the privacy provisions of Section 631 of the Cable Act and all other applicable federal and state privacy laws and regulations. Shentel 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 CITY

5.1 RIGHT TO INSPECT AND PROTECTION OF PROPRIETARY INFORMATION

(a) The City shall have the option, upon thirty (30) business days' written notice and during Normal Business Hours, to inspect at the notice location for Shentel specified in Section 9.3, all documents, records and other pertinent information maintained by Shentel which relate to the terms and conditions of this Agreement for the purpose of verifying compliance with the terms and conditions of this Agreement and applicable law.

(b) In addition, Shentel shall maintain for inspection by the public and the City all records required by the FCC and as specified in 47 C.F.R. § 76.305 in the manner specified therein.

Notwithstanding anything to the contrary set forth herein, all information (c) specifically marked by Shentel as proprietary or confidential in nature and furnished to the City or its designated representatives shall be treated as confidential by the City so long as it is permitted to do so under applicable law. Representatives and/or agents of the City may be requested to execute a non-disclosure agreement prior to the provision by Shentel of certain confidential information, provided such representatives and/or agents are permitted to do so under applicable law. Information and documentation marked by Shentel as proprietary or confidential shall include a brief written explanation as to its proprietary nature or confidentiality subject to review by the City. The City and its officially designated representatives agree in advance to treat any such information or records which Shentel reasonably deems would provide an unfair advantage for Shentel's competitors (e.g. system design maps, engineering plans, programming contracts, etc.) as confidential so long as permitted to do so under applicable law and only to disclose it to City employees, agents, or representatives who have a need to know or in order to enforce the provisions of this Agreement. In the event a request is made by an individual or entity not an employee, agent or representative of the City acting in their official capacity for information related to the franchise and marked by Shentel as confidential and/or proprietary, the City shall timely notify Shentel of such request and shall cooperate with Shentel in protecting its proprietary and confidential information to the extent permitted by applicable law. Shentel shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act, or information which is not relevant to regulation of the franchise (e.g. employee files, tax returns, etc.).

5.2 RIGHT TO CONDUCT COMPLIANCE REVIEW

Not more than twice during the term of this Agreement, the City or its representatives may conduct a full compliance review with respect to whether Shentel has complied with the material terms and conditions of this Agreement so long as it provides Shentel with forty-five (45) days' written notice in advance of the commencement of any such review. Such notice shall specifically reference the section(s) or subsection(s) of the Agreement that is (are) under review, so that Shentel

may organize the necessary records and documents for appropriate review by the City. Within thirty (30) days of a written request, Shentel shall provide the City 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 City shall promptly inform Shentel in accordance with Section 8.1 of any alleged non-compliance issues that result from the compliance review.

5.3 RESERVED AUTHORITY

The City 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 City'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

Shentel's rights under this Agreement are subject to the police powers of the City 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 City'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 Shentel 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 City 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

Shentel shall apply to the City 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 City. Shentel 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. Shentel shall pay any and all required permit fees.

5.7 REPORTING

In addition to the other reporting requirements contained in this Agreement, upon written request, Shentel shall provide the following reports to the City:

(a) Subscriber Complaint Reports

Within thirty (30) days of a written request and no more than once per year, Shentel shall submit to the City a report showing the number of Complaints, as defined in Section 1(g), that required a service call, originating from the City 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 written request, Shentel shall provide a report containing at least the following statistical information for the previous 12-month period:

- (1) Number of repair service requests received;
- Breakdown by type of complaint received (i.e. complete outage, snowy picture, etc.);
- Breakdown by cause of problem (i.e. subscriber equipment, drop/converter, system, etc.);
- (4) Number of known service interruptions in excess of 30 minutes and the approximate length of time of each such interruption
- (b) Government Reports

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

(c) <u>Construction Reports</u>

During construction of the Cable System, Shentel shall provide timely, accurate written progress reports to the City, on a quarterly basis and additionally upon request by the City, in a format that is mutually agreeable to both parties, to enable the City to monitor the status of Shentel's construction of the Cable System.

SECTION 6 COMPENSATION TO THE CITY

6.1 FRANCHISE FEES

Shentel shall pay to the City an amount equal to five percent (5%) of the Gross Revenues derived from the operation of its Cable System to provide Cable Service in the City. Shentel shall not deduct or otherwise credit against the Franchise Fee any tax, fee or assessment of general

applicability, unless required by law. The City may amend the Franchise Fee upon written notice to Shentel 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 City shall accompany such written notice. Any change in Shentel's Franchise Fee obligation contained herein shall commence within ninety (90) days from such written notice.

6.2 QUARTERLY PAYMENTS

Franchise Fee payments to the City 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 of the first three calendar quarters and sixty (60) days after the fourth 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 March 1 (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 the then-current prime rate, as published by the Wall Street Journal, shall be added to the amount of 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 City may have for additional sums payable under this Agreement. Upon request and if mutually agreeable, Shentel shall deposit the Franchise Fee payments electronically into an account as designated by the City.

6.3 QUARTERLY REPORTS

Within ten (10) days of each Franchise Fee payment described in Section 6.2 above, Shentel shall provide a written report containing an accurate statement of Shentel's Gross Revenues received for Cable Services for each calendar quarter in connection with the operation of Shentel'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 Shentel.

6.4 FRANCHISE FEE REVIEW

Not more than twice during the franchise term, the City shall have the right to conduct a Franchise Fee review or audit of Shentel's records reasonably related to the sources, amounts and computation of Gross Revenues. Any such Franchise Fee review or audit shall occur within sixty (60) months from the date the City receives such payment, after which period any such payment shall be considered final. Within thirty (30) days of a written request, Shentel shall provide the City with copies of financial records related to the Franchise Fee review or audit.

(a) In the event of an alleged underpayment, the City shall provide Shentel with a written statement indicating the basis for the alleged underpayment. If the Franchise Fee review or audit reveals that there have been no underpayments, the City shall provide written notice to Shentel indicating that no underpayments were found and that the Franchise Fee review is closed. Shentel shall have thirty (30) days from the receipt of the statement regarding an alleged

underpayment to provide the City with any written objection to the results of the Franchise Fee review, including any substantiating documentation. Based on this exchange of information, the City shall make a final determination of the underpayment(s), if any, within thirty (30) days of Shentel's objection and shall provide Shentel with written notice of the determination. If Shentel disputes the City's final determination, it may submit the dispute to mediation or arbitration within thirty (30) days of receiving the City's written notice of determination. In the event that Shentel fails to submit the matter to mediation or arbitration within the required time period, the City's final determination shall be binding on Shentel.

(b) Any Franchise Fee payment due to the City as a result of the Franchise Fee review shall be paid to the City by Shentel within forty-five (45) days from the date the City notifies Shentel of its final determination, or if the matter is submitted to mediation or litigation, within forty-five (45) days from the final disposition of such action. If the Franchise Fee review shows that Franchise Fees have been underpaid, then Shentel shall pay the underpaid amount plus interest from the due date equal to the then-current prime rate of interest as published in *The Wall Street Journal* on the underpayment amount. If Franchise Fees have been underpaid by five percent (5%) or more, then Shentel shall also pay up to three thousand dollars (\$3,000) of documented out-of-pocket costs of the Franchise Fee review. Any entity employed by the City that performs an audit or franchise fee review shall not be permitted to be compensated on a success based formula, e.g. payment based upon underpayment of fees, if any.

6.5 BUNDLED SERVICES

All revenue earned from bundled services shall be allocated to Cable Service and non-Cable Service in accordance with generally accepted accounting principles (GAAP). It is understood that in some cases equipment and other non-service charges may be allocated at full retail price due to requirements related to sales taxes or similar tax requirements. To the extent such allocations are discretionary or otherwise not addressed by GAAP, allocations of revenue from such bundles shall not be structured for the purpose of evading franchise fees applicable to Cable Services.

SECTION 7 SERVICES TO THE COMMUNITY

7.1 SERVICES TO COMMUNITY FACILITIES

(a) Shentel shall provide a Cable Service drop and Basic Service with any necessary cable box to one outlet at each Public Building listed in Exhibit A. If Shentel intends to charge for the services required by this section, it will give the City 120 days' notice of the commencement of charges. The charges shall be consistent with applicable law – at the time of this writing, defined as the "marginal cost." Shentel will disclose in writing reasonable detail sufficient to define the marginal cost and the amount due and shall arrange with the City for invoicing or deductions from the franchise fee. Charges may include those for services and equipment, if any, at each location. Charges may include all applicable fees and taxes and shall be subject to adjustment at a time consistent with Shentel's retail rate adjustments. The City may remove locations or change the

level of cable service indicated on Exhibit A with thirty (30) days' written notice to Shentel. The City may elect in writing not to receive the service, in which case it will not be invoiced and no deduction will be taken from the franchise fee.

(b) During the term of the Franchise, the City may change a Public Building location listed in Exhibit A upon 90-days' written notice to Shentel, provided that the new location is within one hundred fifty (150) feet of existing Shentel cable distribution plant.

7.2 EDUCATIONAL AND GOVERNMENTAL (EG) CHANNEL

(a) Shentel shall make available to the City the use of two (2) Educational and Governmental ("EG") Access Channel(s) 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 City shall have complete control over the content, scheduling, administration and all other programming aspects of the EG Channel(s), and may delegate such functions, or a portion of such functions, to a designated access provider. Shentel shall not exercise any editorial control over EG Channel programming. Shentel shall cablecast the activated EG Channel(s) so that they may be received by all Shentel Subscribers in the City.

(b) To enable the City to utilize the EG Channel, Shentel shall maintain direct fiber links, including activation equipment capable of transmitting high quality video and audio between the video origination location and the Shentel headend such that live programming can originate from this selected location and be distributed via the Cable System to Subscribers in the City. This fiber link and equipment shall be collectively known as the "Return Line." Shentel shall determine the engineering solution necessary to allow distribution of the EG Channel programming, via the Cable System, to Subscribers in the City.

(c) Shentel shall be responsible for maintaining the Return Line(s) to the origination site(s) of the EG Channel(s) so long as the City provides Shentel with access to such location and access to the EG Channel equipment within such locations. Shentel 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. Shentel 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 City. The City and Shentel further agree that all costs incurred by Shentel 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 Shentel reserves its right to pass these costs through to the Subscribers pursuant to federal law.

(e) The City 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 City and Shentel 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 City, Shentel shall, at the City's expense, relocate the EG origination site and the associated Return Line as follows: (i) Shentel'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 City 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, walkout, make ready, and the detection of all underground utilities.

(g) In the event the City or its designee does not program any EG Channel, Shentel may request the use of this channel subject to written approval by the City. If the City approves Shentel's use of an EG Channel and, subsequent to such approval, the City requests the utilization of the EG Channel being programmed by Shentel, Shentel shall relinquish such use no later than sixty (60) days after receipt of written notification from the City that it requires such channel for educational and/or governmental use.

(h) Shentel 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 Shentel deems a change in any EG Channel assignment to be necessary and changes any channel assignment in accordance with this Section, Shentel shall provide the City thirty (30) days advance written notice of any change in EG Channel assignments.

(i) Upon written request by the City, Shentel shall transport and distribute one (1) activated EG channel in high definition ("HD") format within one hundred eighty (180) days. Shentel shall carry all components of the EG HD channel signals including, but not limited to, video, audio, stereo, closed captioning, and other elements associated with the programming. Shentel may implement HD carriage of EG Channels in any manner (including selection of compression, utilization of IP, and other processing characteristics) that produces a signal as accessible, functional, useable and of a quality equivalent from the perspective of the viewer to other HD channels of the same resolution carried on the cable system. All EG programming containing properly formatted closed captions, SAP or stereo audio shall be delivered to Subscribers in such formats.

At the time that the City and/or its designee begin to produce EG programming in HD format for the second EG Access Channel, Shentel shall distribute the EG Channel signals in HD format throughout the City, provided that City documents in writing with Shentel that there is a minimum of 10 hours per week of original, locally produced, non-character generated HD content. Shentel shall distribute the signals in HD format within one hundred eighty (180) days of a written request and verification that the City and/or its designee is producing EG programming in HD format as required herein.

At the cost of the City or its designated access provider, Shentel shall provide all necessary equipment at the designated channel origination location and at its Headend and hubs or similar distribution facilities necessary to deliver the Access Channel in HD format to Subscribers. The City shall also pay for the cost of any necessary upgrades to the Return Line(s). The City and Shentel agree that the costs for HD transmission equipment or upgrades to the Return Line qualify as a capital cost for EG Facilities within the meaning of the Cable Act 47 U.S.C.A. Section 542(g)(20)(C), and therefore is an appropriate use of revenues derived from the EG Capital Grants provided for in this Franchise.

Shentel shall also continue to distribute the signals in standard definition ("SD") format for at least thirty-six (36) months after activation of the HD Access Channel, at which point Shentel shall have the right to reclaim the SD Access Channel(s).

(j) Shentel shall make available to the City or its designated Access Channel operator the third-party vendor contact information necessary to participate in the interactive channel guide carried on the Cable System. It shall be the sole responsibility of the Access Channel operator to provide the necessary program information and descriptions to the channel guide vendor and to comply with all requirements of such vendor. Any associated costs shall be borne by the City or its designee.

7.3 EG CAPITAL GRANT

Shentel shall provide the City with a one-time EG capital grant to be used in support of the production of local EG Channel programming. The City shall ensure the use of the capital grant is consistent with federal law. The EG grant provided by Shentel shall be two-fold. First, Shentel shall remit a capital grant of five thousand (\$5,000) to the City within ninety (90) days of the Effective Date. Second, Shentel shall remit to the City on a quarterly basis beginning the quarter in which its first cable subscriber is activated a capital grant reflecting \$.06 per Subscriber per month. Pursuant to federal law, such capital grant shall not be offset against Franchise Fees remitted or due to the City. Shentel and the City agree that the cost of such grant may be designated as a "cost of franchise requirements" or "external cost" as defined by the FCC and Shentel reserves its right to pass these costs through to the Subscribers.

SECTION 8 ENFORCEMENT, INSURANCE AND INDEMINIFICATION

8.1 VIOLATIONS AND OPPORTUNITY TO CURE

(a) If the City has reason to believe that Shentel violated any material provision of this Agreement, it shall notify Shentel 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. The person providing such notice shall do so pursuant to the requisite authority of the City.

(b) Shentel shall have forty-five (45) days to cure such violation after written notice is received by taking reasonable steps to comply with the terms of this Agreement. If the nature of the violation is such that it cannot be fully cured within forty-five (45) days, the period of time in which Shentel must cure the violation shall be extended by the City in writing for such additional time necessary to complete the cure, provided that Shentel shall have promptly commenced to cure and is taking reasonable steps to complete the cure in the reasonable judgment of the City.

(c) If the violation has not been cured within the time period allowed under Section 8.1(b) and, in the City's judgment, Shentel has not taken reasonable steps to cure the violation, then the City may deem that Shentel is liable for liquidated damages and/or any other right or remedy in accordance with this Section 8.

8.2 LIQUIDATED DAMAGES

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

(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 City. Liquidated damages may not be assessed for a time period exceeding one hundred and twenty (120) days per violation. The City may commence revocation proceedings and/or initiate an action in law or equity in a court of competent jurisdiction after the assessment of liquidated damages or in lieu of liquidated damages. With respect to liquidated damages assessed, all similar violations or failures resulting from the same factual events affecting multiple Subscribers shall be assessed as a single violation.

8.3 REVOCATION

(a) In addition to the other rights, powers and remedies retained by the City under this Agreement, the City reserves the separate and distinct right to revoke this Franchise if:

 It is demonstrated that Shentel practiced any fraud or deceit upon the City in the operation of its Cable System or any other activities pursuant to this Agreement;

(2) Shentel 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) Shentel repeatedly violates, after notice and opportunity to cure, one or more of the material terms or conditions of this Agreement;

(b) The foregoing shall not constitute a violation of a material term or condition if the violation occurs without the fault of Shentel or occurs as a result of circumstances beyond its control or by reason of Force Majeure as defined in Section 9.1. Shentel 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.

(c) A revocation shall be declared only by a written decision of the City Council after an appropriate public hearing that shall afford Shentel 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 Shentel 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 City, 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 Shentel of mitigating circumstances or good cause for the existence of such grounds. The City shall issue such declaration and finding within thirty (30) days in a written decision which shall be sent via certified or overnight mail to Shentel. If Shentel appeals such determination to an appropriate court, the revocation shall be stayed.

8.4 PERFORMANCE BOND

(a) Shentel shall obtain and maintain, 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 Shentel's faithful performance of its obligations. The performance bond shall provide that the City may recover from the principal and surety any and all liquidated damages and/or compensatory damages incurred by the City for Shentel's violations of this Agreement, after notice and opportunity to cure, in accordance with Sections 8.1 and 8.2.

(b) The performance bond shall be in the amount of One Hundred Thousand Dollars (\$100,000). Shentel shall not reduce, cancel or materially change said bond from the requirement contained herein without the express prior written permission of the City.

8.5 INSURANCE

(a) Shentel 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 City 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 Shentel 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 TwoMillion Dollars (\$2,000,000) 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 Two Million Dollars (\$2,000,000).

(3) The amount of such insurance for excess liability shall be Five Million Dollars (\$5,000,000) in umbrella form. (4) The amount of such insurance against all claims arising out of the operation of motor vehicles shall be One Million Dollars (\$1,000,000) combined single limit per occurrence.

(b) The City, its officials and employees, shall be designated as additional insureds under each of the insurance policies required in this Section 8.5.

(c) Shentel 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 City verifying that Shentel has obtained such alternative insurance. Shentel shall provide the City with at least thirty (30) days' prior written notice in the event the policies are cancelled or not renewed.

(d) Shentel shall deliver to the City Certificates of Insurance showing evidence of the required coverage within thirty (30) days of a written request by the City.

8.6 INDEMNIFICATION

Shentel shall indemnify, defend, save and hold harmless the City, 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 Shentel, 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. The City shall give Shentel timely written notice of its obligation to indemnify and defend the City. The obligation to indemnify, defend, save and hold the City harmless shall include, but not be limited to, the obligation to pay judgments, injuries, liabilities, damages, penalties, and reasonable attorneys' fees. If the City determines that it is necessary for it to employ separate counsel, in addition to that provided by Shentel, the cost for such separate counsel shall be the responsibility of the City. Shentel shall not indemnify the City for any claims resulting from acts of willful misconduct or gross negligence on the part of the City.

SECTION 9 MISCELLANEOUS

9.1 FORCE MAJEURE

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

9.2 REMOVAL OF SYSTEM

(a) Upon lawful termination or revocation of this Agreement, Shentel 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 reasonably restore the areas to their original condition. If such removal is not completed within six (6) months of such lawful termination or revocation, the City or property owner may deem any property not removed as having been abandoned and the City may remove it at Shentel's cost.

(b) During the term of the Agreement, if Shentel decides to abandon or no longer use all or part of its Cable System, it shall give the City 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. Upon Shentel's abandonment of the Cable System, the City shall have the right to either require Shentel to remove the property, remove the property itself and charge Shentel with the reasonable costs related thereto.

(c) Notwithstanding the above, Shentel 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 Shentel 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 City shall be either by hand delivery or first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service or electronic mail and addressed to:

City of Lancaster 120 North Duke Street P.O. Box 1599 Lancaster, PA 17608 Attention: City Manager

With copies for legal notices to:

Cohen Law Group 413 S. Main Street Pittsburgh, PA 15215

The City may specify any change of address in writing to Shentel. Every notice to be served upon or made to Shentel shall be either by hand delivery or first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service or electronic mail and addressed to:

> Shenandoah Cable Television, LLC 500 Shentel Way Edinburg, VA 22824 Attention: Chris Kyle

Shentel may specify any changes of address in writing to the City. Each delivery to Shentel or the City 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

Shentel 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 Western District of Pennsylvania.

9.7 TRANSFER, ASSIGNMENT OR CHANGE IN CONTROL

(a) Neither Shentel 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 City, provided that such consent shall not be unreasonably withheld.

(b) Neither Shentel 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 City, provided that such consent shall not be unreasonably withheld.

(c) Neither Shentel nor its parent nor any Affiliated Entity shall sell, convey, transfer, exchange or release fifty-one percent (51%) or more of its direct ownership in the Cable System without the prior written consent of the City, 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 Shentel 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 Shentel. (e) Shentel shall make written application to the City of any transfer, assignment or change in control 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 City shall have thirty (30) days from the receipt of FCC Form 394 to notify Shentel of any additional information it needs to make an informed decision on the transfer or assignment. The City 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 City 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 City and Shentel. This Agreement supersedes all prior cable franchise agreements or cable ordinances, or parts of cable franchise agreements or cable ordinances, agreements, representations or understandings, whether written or oral, of the parties regarding the subject matter hereof that are in conflict with the provisions herein.

9.9 SEPARABILITY

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 separable 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 City and Shentel, nor any delay on the part of the City in exercising any rights hereunder, shall operate as a waiver of any such rights of the City or acquiescence in the actions of Shentel in contravention of such rights, except to the extent expressly waived by the City.

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

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 City or Shentel may notify the other party of its desire to amend this Agreement in order to comply with the change in statute or regulation. The City and Shentel shall amend this Agreement to comply with such change in statute or regulation provided such amendment is approved by the City and Shentel.

9.12 COMPLIANCE WITH LAWS

Shentel shall comply with all federal, state and generally applicable local laws and regulations.

9.13 NO 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 Shentel, the City and their respective successors and assigns. This Agreement is authorized by Ordinance No._____ dated _____, 2023 of the City Council.

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

CITY OF LANCASTER

Ву:

Name:

Title:

Date: _____

SHENANDOAH CABLE TELEVISION, LLC

Ву:

Name: _____

Title:

Date: _____

EXHIBIT A LOCATIONS FOR CABLE TELEVISION SERVICE

FIRE DEPT NO 3, LANCASTER	333 E KING ST	LANCASTER	PA	17602-2902
LANC EMS,LEMSA	125 E FREDERICK ST	LANCASTER	PA	17602-2222
FIREHOUSE, FREMONT	843 FREMONT ST	LANCASTER	PA	17603-5441
BUREAU OF PARKS, LANCASTER	420 S BROAD ST	LANCASTER	PA	17602-4667
CITY POLICE, LANCASTER	39 W CHESTNUT ST	LANCASTER	PA	17603-3510