

MICHAEL V. O'BRIEN
CITY MANAGER



CITY OF WORCESTER

**MICHAEL V. O'BRIEN
CITY MANAGER**

CITY COUNCIL CALENDAR FOR MARCH 4, 2008

SUPPLEMENTAL #1

- 8.38 MISCELLANEOUS AGENDA TRANSMITTALS**
B. Transmitting Informational Communication Relative to
the City's Cable Franchise License.



CITY OF WORCESTER

March 4, 2008

TO THE WORCESTER CITY COUNCIL

COUNCILORS:

I am pleased to present the City Council with the attached copy of the new cable television franchise license with Charter Communications.

This new cable license is the result of a deliberative process that began with the Cable Advisory Committee's ascertainment proceedings (public hearings) and included formal discussions at the City Council's Standing Committee on Public Service & Transportation. The Advisory Committee's Ascertainment Report then laid the groundwork for our subsequent negotiations with Charter Communications. In 2006, the City retained the Baller Herbst Law Group of Washington, D.C. to provide legal services in connection with the renewal of this cable television franchise. Attorney James Baller is nationally recognized for his expertise in cable and telecommunications law and he personally provided invaluable advice and counsel throughout these renewal proceedings. Please note Charter Communications has already signed the renewal franchise license and I intend to execute upon the completion of City Council's discussion on this matter.

The main points of the agreement are as follows:

- It provides for a 5-year term.
- It provides for an annual 5% franchise fee (maximum allowed under Federal law). This is 5% of Charter Communication's annual gross revenues for cable television. In FY07, it totaled approximately \$1.2M.
- It preserves three Public/ Education/ Government (PEG) Channels. Also, it provides for a fourth PEG channel on the digital tier for City use.
- It provides for a \$500,000 capital equipment grant (\$400,000 in Year 1, \$100,000 in Year 4) to support the PEG channels.
- It provides for the continuity of local news programming.
- It maintains the Senior/ Handicapped Citizen Discount (10%).
- It requires formal quarterly reports of customer service statistics.

The federal Cable Act clearly dictates the script for these negotiations. Two items of particular note - one is the "presumption of renewal": The Cable Act provides that we are bound to renew with the cable operator unless they default or they lack the financial means to properly run a cable franchise or to provide for cable services. These conditions do not exist in our current franchise agreement with Charter Communications. The second is that franchise agreements are by no means exclusive. The Cable Act provides that the City could have more than one cable operator.

The federal Cable Act is also very specific as to what can and cannot be negotiated in a renewal license for cable television. It is imperative that I present these categories to properly frame the terms outlined previously:

- The City can negotiate:
 - The length of the term of the renewal – up to a maximum of 10 years.
 - The franchise fee (not to exceed 5% of the cable operator's gross annual revenue from **cable services**). It does not, and cannot, request inclusion of other gross revenues from other services rendered by the cable provider such as Internet and telephone services.
 - The funding required for the PEG Channels. The Cable Act does not specify this to be over and above the maximum 5% franchise fee.
 - PEG Equipment. Cable operator is not required to provide capital equipment funding. The Cable Act excludes this from the 5% franchise fee but it may be included in the terms of a particular license.
 - Customer service requirements.
- The City cannot negotiate:
 - Rates. Please note: the Commonwealth regulates the cost of the Basic Service Tier rates pursuant to FCC regulations.
 - Programming.
 - Internet Services.
 - Telephone Services.

A five-year term for this renewal license is in the City's best interests for technology, competition, and regulations for the cable industry continues to evolve rapidly. Over the course of the last two years, competitors such as Verizon have expanded their presence in the cable services industry and they and others will eventually focus their attention on Worcester. Direct TV and other satellite providers are also providing competitive services. The very fact that the City will facilitate the construction of a 20-mile fiber loop, complete with wireless towers, over the next two years will provide for new and exciting options for competition. It is for these reasons that I believe a shorter term sets the stage for competition, above all else, to improve the range of services and price options for our citizens.

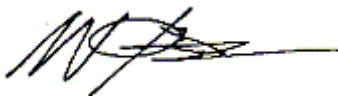
As City Council is aware, rates and programming decisions are beyond the scope of any negotiation. Charter Communications has nevertheless agreed to continue the discount program for senior and handicapped citizens. This license agreement not only provides the City with a \$500,000 capital payment over the term of the license, but also achieves this sum over and above the 5% franchise fee. The national trend is for cable operators to refuse to provide for capital funding for PEG equipment and facilities or, if they do, deduct this from the 5% franchise fee.

The City will use the Charter Communication supplied I-Net system to run our internal network until the new 20-mile fiber loop and wireless towers are operational. At this time we will switch off this Charter Communication service for our data network for which we pay \$477,000 (through a deduction from our 5% franchise fee). This action will eliminate this deduction and will subsequently restore the full 5% franchise fee. I need to stress, however, that the City's abandonment of these I-Net channels will have no impact on the PEG Access channels, including WCCA Channel 13, which utilize three separate I-Net channels to transmit their respective signals to Charter Communications on Higgins Street. Charter Communications must maintain these three I-Net channels for that purpose until another technology, as approved by the City, becomes available to transmit these PEG access signals.

The transition to the digital age has also been addressed. Charter Communications will provide a PEG channel to the City on its digital tier by the end of 2008. This digital tier channel will be in addition to the three existing PEG Access channels. These channels will remain on the basic service tier until such time as the local broadcast channels are all moved to the digital tier. This ensures that the PEG Access channels are available to all cable subscribers.

I look forward to a complete and comprehensive discussion by the City Council. I wish to thank Charter Communications and their team for the good faith negotiations that resulted in this renewal agreement. I'd also like to thank City Solicitor David M. Moore and Deputy City Solicitor Michael Traynor, as well as members of the Cable Advisory Committee, for their efforts and guidance to reach this milestone. In addition, I wish to extend my gratitude to our consultant, James Baller, for his professional services and guidance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. O'Brien', with a long horizontal line extending to the right.

Michael V. O'Brien
City Manager

COMMONWEALTH OF MASSACHUSETTS

RENEWAL CABLE TELEVISION LICENSE

GRANTED TO

**CHARTER COMMUNICATIONS ENTERTAINMENT I, DST
a/k/a CHARTER COMMUNICATIONS**

_____, 2008

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LICENSE

This License effective this ____ day of _____, 2008 by and between Charter Communications Entertainment I, DST, (“Licensee”), a Delaware Statutory Trust and the City of Worcester, Massachusetts (“City”), acting by its City Manager, as Issuing Authority, for the renewal of the cable television license between Licensee and City.

WITNESSETH

WHEREAS, the Issuing Authority of the City, pursuant to Chapter 166A of the General Laws of the Commonwealth of Massachusetts, as amended, is authorized to grant a License to Licensee to construct, upgrade, operate, and maintain a Cable System within the City; and

WHEREAS, Licensee has submitted Application Form 100 and other information as needed for review by City, and has requested a License to continue to construct, operate, and maintain a Cable System in the City; and

WHEREAS, the Issuing Authority conducted public hearings, other public proceedings, and gathering information from a variety of sources, pursuant to Section 626(a) of the Cable Act to 1) identify the future cable related community needs and interests of the City, and 2) review the performance of Licensee during its current franchise term; and

WHEREAS, the Issuing Authority and Licensee have engaged in good faith negotiations and have reached agreement on the terms of a License and have agreed on proposals for the Cable System; and

WHEREAS, the Issuing Authority, after consideration, analysis and deliberation, approved the legal, technical and financial qualifications, and proposals of Licensee; and

WHEREAS, the Issuing Authority has determined that it is in the best interests of the City to grant a non-exclusive License to Licensee.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound, the parties agree as follows:

ARTICLE 1 DEFINITIONS

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

(1) “Affiliate” or “Affiliated Person”: Any Person who or which directly or indirectly controls and owns an interest in the Licensee; any Person which the Licensee directly or indirectly controls and in which the Licensee owns an interest; and any Person directly or indirectly subject to control by and owned in whole or in part by a Person who of which directly or indirectly controls and owns an interest in the Licensee.

(2) “Basic Service Tier” or “Basic Service”: The level of cable programming service distributed over the Cable System which includes, at a minimum, all signals carried in fulfillment of the requirements of Sections 614 and 615 of the Cable Act; all public, educational, and governmental access programming required by the terms of this License; any signal of any television broadcast station that is provided by the Licensee to any Subscriber, except a signal which is secondarily transmitted by a satellite carrier beyond the local service area of such station.

(3) “Cable Communications Act” or “Cable Act”: Public Law No. 98-549, 98 Stat. 2779 (1984) (the Cable Communications Policy Act of 1984), as amended by Public Law No. 102-385, 106 Stat. 1460 (1992) (the cable Television Consumer Protection and Competition Act of 1992), and as further amended by Public Law No. 104-458, 110 Stat. 56 (1996) (the Telecommunications Act of 1996).

(4) “Cable Service(s)”: means facilitating the delivery to subscribers of multiple channels of Video Programming regardless of the technology used to provide it, as such term is defined in Title VI of the Federal Communications Act of 1934, including but not limited to the following:

(a) The one-way transmission to Subscribers of (i) video programming or other programming service; and (ii) subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming service, regardless of whether such transmission, service(s), or interaction relies upon internet protocol.

(b) Any other service using a Cable System which is not a Telecommunications Service or an Information Service, where under applicable law a franchise or similar permission or approval from City is required or permitted.

(5) “Cable System” or “System”: means a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed or used to provide Cable Services and which is capable of being provided to multiple Subscribers within the License Area, but such term does not include:

(a) A facility that serves only to retransmit the television signal of one (1) or more television broadcast stations.

(b) A facility that serves Subscribers without using any Public Way.

(c) A facility of a common carrier which is subject, in whole or in part, to the provisions of 47 U.S.C. §§ 201-226, except that such facility shall be considered a Cable System (other than for purposes of 47 U.S.C. §541(c)) to the extent such facility is used in the transmission video programming directly to subscribers, unless the extent of such use is solely to provide interactive on-demand services.

(d) Any facilities of an electric utility used solely for operating its electric utility system.

(6) “Cable Television Advisory Committee”: The committee appointed by the Issuing Authority, pursuant to Worcester Revised Ordinances, Part Two, Article I, §10. .

(7) “City”: The municipality of Worcester, Massachusetts.

(8) “City Solicitor”: The city solicitor of the City of Worcester.

(9) “CMR”: The acronym for the Code of Massachusetts Regulations.

(10) “Division”: The Cable Television Division of the Massachusetts Department of Telecommunications & Cable, or a successor agency.

(11) “Downstream Channel”: A channel over which signals travel from the Cable System headend to an authorized recipient.

(12) “Drop” or “Cable Drop”: The coaxial cable or other such connection from the feeder line of the Cable System to the home or building receiving Cable Service.

(13) “Educational Access Channel”: A channel on the Cable System which is designated by Licensee and subject to the management and control of the Issuing Authority for use by educational institutions and/or educators to present non-profit educational programming and/or information to the public.

(14) “External Costs”: Pursuant to Section 76.922(d)(2) of the FCC’s regulations, as such regulations may hereafter be from time to time amended. “External Costs” shall mean costs of Licensee in the categories enumerated in such regulations, including, but not necessarily limited to, the following categories: (a) state and local taxes applicable to the provision of Cable Service; (b) Franchise Fees; (c) costs of compliance with franchise requirements, including costs of public, educational, and governmental access channels as required by the franchise authority; d) retransmission consent fees; and (3) programming costs. Permitted per channel charges for regulated programming services may be adjusted to reflect changes in External Costs, which may be itemized on the customer’s bill and recouped from customers.

(15) “FCC”: The Federal Communications Commission, or any successor agency.

(16) “Government Access Channel”: A channel on the Cable System which is designated by Licensee and subject to the new management and control of the Issuing Authority for the presentation of non-commercial programming and/or information to the public.

(17) “Gross Annual Revenues”: All revenues of any form or kind derived by the Licensee from the operation of its Cable System to provide Cable Services in the City, including, without limitation, the distribution of any Subscriber Service or Service Related Activity over the System; Basic Service monthly fees; all other Service fees; installation; re-connection, downgrade, upgrade and any similar fees; fees paid for the use of channels designed for commercial use; interest collected on Subscriber fees and/or charges; all Commercial Subscriber revenues; fees collected for

channels designated for commercial use; home-shopping revenues, converters, remote control and other rentals, leases or sales; studio and other facility and/or equipment rentals and advertising revenues. In the event that an Affiliate and/or other Person is responsible for advertising, advertising revenues shall be deemed to be the pro-rata portion of advertising revenues, paid to the Licensee by the Affiliate or such other Person for said Affiliate's or other Persons' use of the Cable Television System for the carriage of advertising. Gross Annual Revenues shall also include the gross revenue of any operation of the Cable System to provide cable Services to the extent that said revenue is derived through a means which has the effect of avoiding payment of License Fees to the City that would otherwise be paid herein. It is the intention of the parties hereto that Gross Annual Revenues shall only include such revenues of Affiliates and/or other Persons relating to the operation of the Cable System to provide Cable Services and not the gross revenues of any such Affiliate(s) and/or other Person(s) itself, where unrelated to such operation. Additionally, Gross Annual Revenues shall not include: (i) any amount collected for a Pay-Per-view event that is passed through to the producer or other provider of said Pay-Per-View event; (ii) any taxes, fees or assessments collected by the Licensee from Subscribers for pass-through to a government agency, including the FCC user fee; (iii) any proceeds from the sale of Telecommunications Services; (iv) any billings by the Licensee of sums collected by the Licensee on behalf of a third party, but not retained by the Licensee, which sums are remitted by the Licensee directly to such third party; (v) the revenue generated by the sale of equipment to buyers other than Subscribers; (vi) the Licensee's actual bad debt, provided, however, that bad debt recoveries shall be included in Gross Annual Revenues; (vii) subscriber deposits; (viii) amounts paid to Licensee, but fully refunded to Subscribers; and (ix) revenues from services that the FCC or other applicable authority has determined are not subject to franchise fees, unless such determination is later overturned or withdrawn.

(18) "Headend": The electronic control center of the Cable System containing equipment that receives, amplifies, filters, and converts incoming Signals for distribution over the Cable System.

(19) "Institutional Network": The separate cable network existing as of the effective date of this License consisting of Upstream and Downstream channels for the noncommercial use of the Issuing Authority and its designees in accordance with the terms hereof and for the commercial or noncommercial use of the Licensee.

(20) "Institutional Network Channel": A 6MHz channel on the I-NET used for either Upstream or Downstream video, audio or data transmission. Also referred to as an "I-NET" Channel.

(21) "Issuing Authority": The city manager of the City. Also, when the context so allows, the term shall mean an authorized designee of the city manager assigned to collect data, oversee the Licensee's compliance with the terms of this License, conduct any hearings, surveys, and the like on behalf of the city manager.

(22) "Leased Channel" or "Leased Access Channel": A video channel on the Subscriber Network which the Licensee shall make available pursuant to Section 612 of the Cable Act.

- (23) “License”: This Agreement.
- (24) “License Area”: The territorial boundaries of City, as may be changed and added to pursuant to applicable law.
- (25) “Licensee”: Charter Communications Entertainment 1, DST, I/k/a Charter Communications.
- (26) “Local Origination Programming”: Local programming produced or selected and cablecast by the Licensee.
- (27) “Origination Capability” or “Origination Point”: An activated connection to an Upstream Channel, allowing a User(s) to transmit a Signal(s) upstream to a designated location.
- (28) “Outlet”: An interior receptacle or connection that connects a Subscriber’s or User’s equipment to the Cable System.
- (29) “Pay Cable” or “Premium Cable Services”: Programming delivered for a fee or charge to Subscribers on a per-channel basis in addition to the fee or charge to Subscribers for the Basic Service and distinct from tiers/tier prices, packages/package prices and bundles/bundle prices.
- (30) “Pay-Per-View”: Programming delivered for a fee or charge to Subscribers on a per-program or per-day basis in addition to the fee or charge to Subscribers for the Basic Service.
- (31) “PEG”: The acronym for “public, educational, and governmental” used in conjunction with PEG Access Channels.
- (32) “Person”: Any corporation, partnership, limited partnership, association, trust, organization, other business entity, individual or group of individuals acting in concert.
- (33) “Prime Rate”: The rate of interest which is reported in the Wall Street Journal on the first day interest is assessable.
- (34) “Public Access Channel”: A channel on the Cable System which is made available by Licensee to the Issuing Authority, and operated by Issuing Authority or its designee for the use of individuals and not-for-profit organizations wishing to present non-commercial programming and information.
- (35) “Public Building”: A building owned by the City and/or used for municipal purposes, including leased or rented offices or facilities.
- (36) “Public Way” or “Street”: The surface of, as well as the spaces above and below, any and all public streets, avenues, highways, alleys, sidewalks, lanes, boulevards, concourses, driveways, bridges, tunnels, parks, parkways and public grounds, and all other publicly owned real property or real property rights under the jurisdiction of the City within or belonging to the City, or over which the City has an easement or right-of-way, or to which the City has rights compatible

with the installation of cable and ancillary equipment pursuant to this License, now or hereafter existing. Reference herein to “public way” or “street” shall not be construed to be a representation or guarantee by the City that its property rights are sufficient to permit its use for any purpose, or that the Licensee shall gain or be permitted to exercise any rights to use property in the City greater than those already possessed by the City.

(37) “Residence”: Any structure used for private or other non-business purposes including private homes and that is able to receive Cable Service; but, excluding commercial entities, including but not limited to restaurants, bars, public clubs, private clubs, nursing homes, college dormitories, and hotels.

(38) “Scrambling/Encoding”: The electronic distortion of a Signal(s) in order to render it unintelligible or unreceivable without the use of a converter or other decoding device.

(39) “Service Related Activity”: Any activity or function for which the Licensee receives revenue from any other Person and which is directly associated with the operation of the Cable System to provide Cable Service or the production or distribution of any Cable Service over the Cable System by any Person other than the Licensee, including, without limitation, operation of studio or any other facilities or equipment, billing, audience promotion, and/or installation or lease of equipment, but excluding telecommunication services and so-called “Internet” services.

(40) “Signal”: Any transmission of electromagnetic or optical energy which carries programming from one location to another.

(41) “Subscriber”: Any Person within the City who subscribes to Cable Services.

(42) “Subscriber Network”: A bi-directional capable network operated by the Licensee, over which Cable Service may be transmitted to Subscribers.

(43) “Subscriber Revenue”: Gross Annual Revenue from Subscribers, but not including fees paid for the use of channels designated for commercial use, facility or equipment rentals and advertising revenues.

(44) “System Outage” or “Outage”: An occurrence wherein ten (10) or more calls from one (1) neighborhood report a loss of Cable Service.

(45) “Telecommunications”: The transmission, between or among points specified by the User, of information of the User’s choosing, without change in the form or content of the information as sent or received. This does not include Information services.

(46) “Telecommunications Service”: The offering of Telecommunications on or over the Cable System for a fee to the public, regardless of the facilities used to provide the service.

(47) “Trunk and Distribution System”: That portion of the Cable System for the delivery of signals, but not including drops to Subscribers’ residences.

(48) "Upstream Channel": A channel over which signals travel from an authorized location to the Cable System headend.

(49) "User": A Person utilizing the Cable System, including all related facilities for purposes of production and/or transmission of electronic or other Signals, as opposed to utilization solely as a Subscriber.

(50) "Video Programming": means programming provided by or generally considered comparable to programming provided by a television broadcast station.

ARTICLE 2 GRANT OF LICENSE

2.1 Grant.

(a) Pursuant to the authority of Chapter 166A of the General Laws of the Commonwealth of Massachusetts, (M.G.L. c. 166A) as inserted by Chapter 1103 of the Acts of 1971, as amended, and to federal law, the City Manager as Issuing Authority for the City shall grant a non-exclusive renewal Cable Television License to Charter Communications Entertainment I, DST. ("Licensee"), a Delaware Statutory Trust established for such purpose, authorizing and permitting said Licensee to operate a Cable System within the License Area. The License is granted pursuant to Chapter 166A of the General Laws of the Commonwealth of Massachusetts, as amended, and with all rules and regulations of the FCC, the rules and regulations of Cable Division, the Cable Act, as amended, and all other rules and regulations in force and effect upon the date hereof.

(b) Subject to the terms and conditions herein, the Issuing Authority shall grant to Licensee the right to upgrade, install, operate and maintain a Cable System in, under, over, along, across, through or upon the Public Ways within the License Area and subsequent additions thereto, and also through private ways and private easements within the License Area that have been dedicated for compatible uses. In exercising rights pursuant to the License, Licensee shall not endanger or interfere with the lives of persons or, without prior written permission, unlawfully interfere with any installations of the City, any public utility serving the City or any other persons permitted to use public ways and places. Grant of the License does not establish priority for use over other present or future permit holders or the City's own use of public ways and places.

2.2 Term. The License and the rights, privileges and authority hereby granted shall be for a term of five (5) years, commencing on the Effective Date of this License, unless otherwise lawfully terminated in accordance with the terms of this License.

2.3 License Requirements for Other License Holders.

(a) This License shall not affect the right of the Issuing Authority to grant to any other Person a license or right to occupy or use the streets, or portions thereof, for the construction, installation, operation or maintenance of a Cable System within the City; or the

right of the Issuing Authority to permit the use of the Public Ways and places of the City for any purpose whatsoever. The Licensee hereby acknowledges the Issuing Authority's right to make such grants and permit such uses pursuant to applicable federal and state laws and regulations in effect at the time of the grant. The Issuing Authority shall not permit or authorize any Person or entity to operate a Cable System without a License or franchise, as defined by 47 U.S.C. § 522(9).

(b) If any other provider of cable services or video services (without regard to the technology used to deliver such services) is lawfully authorized by the Issuing Authority to provide such services using facilities located wholly or partly in the public rights-of-way of the Issuing Authority, the Issuing Authority shall within sixty (60) days of a written request from Licensee, negotiate in good faith to determine whether and how to modify this License to insure that the obligations applicable to Licensee are, in their totality, no more burdensome than those imposed on the new competing provider. If the Issuing Authority fails to make modifications consistent with this requirement, within one hundred twenty (120) days of Licensee's written request, or such longer time period as the parties may agree upon, Licensee may seek such modification from a court of competent jurisdiction pursuant to 47 U.S.C. §§545 and 555.

2.4 Police Powers and Conflicts with License. By executing this License, the Licensee acknowledges that its rights are subject to the powers of the City to adopt and enforce general ordinances necessary to the safety and welfare of the public. The Licensee shall comply with all applicable State and City laws, ordinances, rules, and regulations governing construction within a Public Way. In the event of any conflict between this Renewal License and any City by-law and/or regulation, this Renewal License shall prevail. This License is a contract and except as to those changes that are the result of the City's exercise of its general police power, the City may not take any unilateral action that materially changes the explicit mutual promises in this contract. Nor may either party take any unilateral action that materially changes the explicit mutual promises in this contract. Any changes to this License must be made in writing signed by the Licensee and the Issuing Authority in accordance with applicable law and regulation.

2.5 Cable System License Required. No Cable System shall be allowed to occupy or use the Public Ways of the License Area for the provision of Cable Service nor shall any Person be allowed to operate a Cable System for the provision of Cable Service without a Cable System License.

2.6 Transfer and Assignment of License. The Franchise granted hereunder shall not be assigned, other than to an entity controlling, controlled by, or under common control with the Licensee, without the prior consent of the Issuing Authority, such consent not to be unreasonably withheld or delayed. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of the Licensee in the Franchise or Cable System to secure indebtedness. Within thirty (30) days of receiving a request for transfer, the Issuing Authority shall notify the Licensee in writing of any additional information it reasonably requires to determine the legal, financial and technical qualifications of the transferee. If the Issuing Authority has not taken action on the Licensee's

request for transfer within one hundred twenty (120) days after receiving such request, consent by the Issuing Authority shall be deemed given.

2.7 Unauthorized Transfer Action.

(a) Any transfer of the Cable System without complying with Section 2.6 above shall be null and void, and shall be deemed a material breach of this License.

(b) If the Issuing Authority's consent is not granted, and a transfer has, nevertheless, been affected, the Issuing Authority may revoke and terminate this License pursuant to Article 11 of this License.

(c) The grant or waiver of any one or more of such consents shall not render unnecessary any subsequent consent or consents, nor shall the grant of any such consent constitute a waiver of any other rights of the City or in any way stop any future adverse decisions by the Issuing Authority in response to any requested grant or waiver.

2.8 Future Renewals. Renewal rights shall be afforded the Licensee at the expiration of this License consistent with the then applicable state and federal law.

2.9 Removal or Abandonment. Upon termination of this License by passage of time or otherwise, and unless the Licensee renews its license for another term or the Licensee transfers its license to a transferee approved by the Issuing Authority, the Licensee shall remove its supporting structures, poles, transmission and distributions systems and all other appurtenances, but, at the discretion of the Issuing Authority, not its underground cable and/or conduit, from the Public Ways and places and shall restore all areas to the condition they were in immediately preceding removal, unless pursuant to Section 2.10 of this License, the Issuing Authority effects a transfer of the property. If such removal is not completed within six (6) months after such termination, weather permitting, the Issuing Authority may deem any property not removed as having been abandoned, and the Issuing Authority may dispose of the same in any way or manner it deems appropriate without liability of any type or nature to the Licensee.

2.10 Proceedings Upon Expiration or Revocation of License. In the event that this License is revoked, and all appeals have been exhausted, or that it expires, and that the Issuing Authority determines not to renew this License and all appeals have been exhausted, the Issuing Authority and the Licensee may implement the provisions of Section 627 of the Cable Act by transferring the Cable System to the City or a subsequent licensee in accordance with Section 627.

ARTICLE 3
DESIGN, SERVICES, AND CAPABILITIES

3.1 Cable System Design. The Licensee shall offer Cable Service that meets the current and future Cable Service related needs of the City. The Licensee shall furnish the Issuing Authority, commensurate with the execution of this License, a description of the Licensee's Cable System including the general design and capabilities of the Cable System to identify how the Cable System will meet the current and future cable needs of the City and may be

periodically updated to include changing design and video capabilities and any planned schedule for commencement and completion of construction. Licensee shall have responsibility for the design and maintenance of the Cable System, including subscriber premises equipment, unless the equipment is owned by the Subscriber. Licensee will provide notices regarding the use and operation of any equipment to be operated by Subscribers, including warnings relating to the hazards associated with the use or operation of any of its equipment.

3.2 System Description and Maps. Licensee shall throughout the term of this License provide the City a full description of proposed construction and shall submit a report to the City indicating work completed. Upon request of the City, Licensee shall, at such times and upon such prior notice as are mutually agreeable, make available System “as-built” and “strand” maps for viewing, not photocopying, by designated City officials at Licensee’s local office. Licensee shall cooperate fully with the City or its designee in the pre-planning and execution of construction projects, and shall provide the City or its designee a full description of Licensee’s Cable System within the limits of any particular construction project.

3.3 License Area, Installation and General Line Extension Policy.

(a) Licensee shall serve all areas of the License Area with populations of at least seven (7) dwelling units per one fourth (1/4) cable mile, including areas added subsequent to the grant of the License, unless otherwise provided by an existing License.

(b) Subscribers who request installation or maintenance or repairs shall be given the schedule option of morning, afternoon, evening, or Saturday appointments. Persons requesting installation of residential cable service shall be afforded a right of rescission between the time cable service is requested and the time service is actually installed. All Standard Installations, reconnects, service upgrades or downgrades shall be performed within seven (7) working days of the date the order was placed by the Subscriber, except upon agreement of the Subscriber or unless a line extension is required, in which event service shall be extended in accordance with Section 3.3(d). “Standard Installations” are those that are located up to one hundred twenty-five (125’) feet from the existing distribution system or the distribution system to be built in compliance with Section 3.3(d).

(c) Licensee shall extend the Cable System to any residence(s) in an unserved area upon the written request of one (1) or more residents who shall reside within the requested extension area and who shall agree to subscribe to Licensee’s cable service where the number of occupied homes, and homes for which certificates of occupancy have been issued, which would be served by the requested extension equals seven (7) homes per one-quarter (1/4) cable mile or more with the measurement starting from the closest existing usable point of connection to the System. Unless additional time has been agreed to by the Issuing Authority, such extensions shall be completed within one hundred eighty (180) days of submittal of a request where the above density standard is met and all additional utility permits or other right-of-way permits have been obtained. The City and Licensee may agree to a different time for extension in particular instances.

(d) If the number of homes per one-quarter (1/4) cable mile is less than seven (7), the requesting subscriber(s) may obtain service by paying a share of the incremental cost of the extension as follows:

i. No Subscriber shall be refused service arbitrarily. However, if an area does not meet the density requirements of Section 3.3(c) above, the Franchisee shall extend service to subscribers who are willing to contribute to the cost of construction in accordance with the formula $C/LE - CA=SC$ where C equals the cost of construction of new plant; CA equals the average cost of construction per mile in the primary service area; LE equals the number of dwelling units requesting service in the line extension area; SC equals subscriber contribution-in-aid of construction. During a three (3) year period commencing with the initiation of service to a particular line extension, a pro-rated refund may be paid to previous subscribers of said extension as new subscribers are added to the extension. The amount of such refund, if any, shall be determined by application of the SC formula each time a new subscriber is added. The refunds shall be paid annually to subscribers, or former subscribers entitled to receive them.

ii. When Licensee receives a request for an extension, the company shall, within thirty (30) days, respond in writing with its calculation of the density and such other terms as may be needed to fully inform the requesting subscriber(s), including cost sharing and reimbursement procedures. If the density is less than seven (7) homes per one-quarter (1/4) mile, Licensee shall also provide a firm price good for ninety (90) days reflecting the proportional share which requesting subscriber(s) must pay on a cost sharing basis to obtain cable service. Within ninety (90) days from payment of the cost share by prospective subscriber(s) and receipt of all necessary utility permits or other right-of-way permits, Licensee shall complete the extension of service.

(e) Nothing in this Section 3.3 shall prohibit the City, the Licensee, or real estate developers from entering into an agreement whereby entire new housing developments in the city may be pre-wired for efficient future expansion of cable television service.

3.4 Interconnection.

(a) The Cable System shall be designed to be interconnected with other Cable Systems outside the License Area. At a minimum, the system shall be capable of interconnecting the PEG channel programming to other systems.

(b) The City may request Licensee to negotiate the interconnecting of the Institutional Cable System Access Channels with the Access Channels of one or more cable systems served by the Licensee upon the joint request of the Issuing Authorities of the other cable system(s). Licensee shall use its best efforts to negotiate such interconnection and shall keep the City informed of the progress of any negotiations. Licensee shall not be required to interconnect its System if a substantial expenditure of capital is required to complete the interconnection and it is demonstrated to the issuing authorities' satisfaction that no reasonable alternative is identified. The cost of interconnection shall be considered as an external cost for the purposes of rate

regulation and may be passed on to the subscribers and identified as a separate line item on the subscriber's monthly statement to the extent allowed by applicable law and regulation.

3.5 Multiple Dwelling Access. Licensee shall comply with the provisions of M.G.L. c. 166A § 22.

3.6 Emergency Alert System.

(a) The Licensee shall maintain an Emergency Alert System in compliance with applicable State and federal laws. Requests to trigger the EAS System should, unless otherwise provided by applicable law, regulation or procedures, be addressed to:

STATE EAS CALLS:
Communications Section
Massachusetts Emergency
Management Agency
400 Worcester Road
Framingham, MA 01702
Tel. (508) 820-2023

FEDERAL EAS CALLS:
Communications Section
Massachusetts Emergency
Management Agency
400 Worcester Road
Framingham, MA 01702
Tel. (508) 820-2023

(b) In addition, Licensee agrees to maintain the current emergency override capability that allows the Issuing Authority or the Issuing Authority's designee to access the emergency system by using any touch-tone telephone to override analog channels with the emergency telephone message, unless such capability becomes unfeasible. Technology allowing, in lieu of the foregoing Licensee will afford the Issuing Authority or the Issuing Authority's designee the capability to remotely trigger an emergency override text message.

3.7 Institutional Network.

(a) Subject to Section 3.7(j) and 3.7(k), the Licensee shall continue to operate and maintain the 450 MHz bi-directional Institutional Network used by the City, its designees and the Licensee. The Licensee shall continue to make the I-Net available to all public buildings and to those non-profit organizations already designated in writing by the Issuing Authority ("I-Net Buildings") as of the effective date of this License. The City shall have the exclusive right to use, for non-commercial purposes, nine (9) Upstream ("reverse") and six (6) Downstream ("forward") I-Net Channels on frequencies assigned by Licensee.

(b) The I-Net shall be technically capable of transmitting between buildings and other locations identified by the City, among other things, i) electronic mail, ii) interactive teaching, iii) energy management monitoring, iv) security monitoring of municipal buildings, v) fire detection, and vi) municipal training. Designated users shall be able to transmit to other institutions using a modulator and/or other necessary equipment. The City shall have the right to the continued use of modulators currently installed and available to the City.

(c) The I-Net shall link the I-Net Buildings along the I-Net route as it exists on the effective date of this License. Licensee shall provide free aerial drops to all I-Net Buildings,

existing or new, passed within 250' of the existing I-Net. Additional or increased conduit costs (e.g., blocked conduit, new conduit installation, new conduit rental) incurred as a result of linking new locations to the I-Net shall be charged to the City, in an amount equal to the amount by which the cost of making such new connection to the I-Net shall exceed the cost of providing an aerial drop to such location.

(d) The Licensee shall not be required to attach to the I-Net any of the City's peripherals or pay for any Headend equipment or software which may be necessary for switching the City's telephone or data traffic or for any interface equipment. In making installations of I-Net Outlets, the Licensee shall not be required to come into contact with asbestos building materials, and the City shall designate alternate routing to avoid asbestos building materials.

(e) Subject to Section 3.7(k), the I-Net shall continue to be interconnected with the Subscriber Network. All remote I-Net Signals to be interconnected to a Downstream Access Channel shall be sent on an Upstream Channel to the Headend. The Licensee, at its sole cost, shall be responsible for interconnecting the I-Net PEG Access Signals to the appropriate Downstream Access Channels on the Subscriber Network. Said Signal interconnection(s) shall be performed by the Licensee at no cost to the City and/or other I-Net Users; provided, however, that any additional interconnection shall be done at cost and paid for by the City and/or other I-Net User.

(f) The Licensee shall have the sole responsibility, at its sole cost and expense, for normal maintenance of the I-Net, I-Net modulators, and I-Net processors for the term of this Renewal License, except for equipment not directly under its control, but including all necessary inspections and performance tests. The City shall be responsible, at its sole cost and expense, for procuring and maintaining all interface equipment necessitated by its use of the I-Net. Whenever the Licensee is to conduct any In-Band Testing of the I-NET system, Licensee shall provide prior notice to a City network representative, who may be present when such testing is conducted.

(g) The preventative maintenance of the I-NET channels which the City uses for data transmissions shall be performed at minimum of once each year. This maintenance will be to check for cable operational specification conformance to the data network equipment requirements by utilizing the In-Band Testing procedure provided to the Licensee by the City. Furthermore, this maintenance is understood to be interruptive and will be scheduled by, and agreed upon, by both the Licensee and the City network representative. This maintenance will be considered complete when the issues, if any, identified in the In-Band Testing Results Document provided to the City by the Licensee are resolved.

(h) Bi-annual maintenance of the I-NET cable data channels shall be conducted to check for cable operational specification conformance to the data network equipment requirements by utilizing Adjacent Test Channels to verify City channel level conformance. This maintenance is understood to be non-interruptive and may be scheduled at the Licensee's discretion and may be performed without prior notification to the City network representative.

(i) Any operational Cable System maintenance which will impact availability of the City data channels on the I-NET, and is understood to be interruptive must only be done after

notifying the City network representative. This notification may be telephonic or in writing, but must provide a minimum of twenty-four (24) hours prior notice. In cases of emergency maintenance, where a twenty-four (24) hour notice of required work is not possible, the City network representative must still be notified as soon as possible and prior to the outage. Provided further, that in cases of emergency maintenance, the Licensee's Operations Manager shall provide an explanation of the nature and cause of the emergency, either written or verbal, to the City network representative.

(j) During the term of this Renewal License, the City intends to discontinue, in whole or in part, its use of the I-Net for voice and data transmissions. The City intends to own and/or lease a separate fiber optic network to replace its use of the I-Net. The City shall not provide commercial services on its fiber optic network. The City shall provide Licensee with not less than sixty (60) days notice of the date it will discontinue use of one or more I-Net Channels, on a continuing basis, as the City migrates off the I-Net and onto a substitute voice and data network. Notwithstanding anything to the contrary in this Section 3.7, the number of I-Net Channels (upstream and downstream) that Licensee must provide the City shall decrease commensurate with each I-Net Channel abandoned by the City.

i. The City anticipates its use of the I-Net will cease no later than December 31, 2009. Once the City begins to discontinue the I-Net Channels used for non-public school purposes, it shall completely cease its use of the I-Net within eight months thereof, or such longer term as may be mutually agreed upon by the parties.

ii. The City and Licensee recognize and understand that the I-Net is antiquated and may become unstable and incapable of repair and maintenance due to the inability to obtain replacement equipment and parts. Notwithstanding any other provision of this Section 3.7 to the contrary, should the I-Net become unusable because of such obsolescence before the City vacates it, or at any time during the term of this License, Licensee shall bear no further obligation for and shall be held harmless in regards to its maintenance or repair beyond such reasonable, technologically feasible and commercially practicable efforts, if any, that Licensee shall undertake to return the I-Net to service.

(k) Notwithstanding the provisions of Section 3.7(a) to the contrary, the Licensee may cease its operation and maintenance of the I-Net upon the following conditions:

i. the City has abandoned its use of all six Upstream and six Downstream I-Net Channels used for the City's data network; and

ii. the Licensee, subject to the City's prior written approval, operates and maintains a substitute technology to interconnect the I-Net PEG Access Signals to the appropriate Downstream Access Channels on the Subscriber Network, including any Public Building that has I-Net origination capabilities. The City's approval shall not be withheld upon proof that the substitute technology provides a quality of service that equals or exceeds the Signal quality of the I-Net. The Licensee shall continue to be responsible for the maintenance requirements set forth in this Section 3.7, or their equivalent, for such substitute technology.

ARTICLE 4
CONDITIONS FOR USE OF PUBLIC WAY AND CONSTRUCTION IN THE CITY

4.1 Construction. Licensee shall comply with all applicable codes and ordinances with respect to construction within Public Ways, and shall obtain all necessary permits and licenses required by federal, state and local law, ordinances and rules as required of other like users of the Public Way before commencing construction in the City.

4.2 Compliance with Laws. At a minimum, and without limitation, Licensee shall adhere to all State laws, special acts and City ordinances relating to Public Way construction, use, safety standards, and all building and zoning codes currently or hereafter in force in the City. The construction, installation, and maintenance of the Cable System shall be effectuated by Licensee in a manner that is consistent with the laws, ordinances and construction standards of the Commonwealth of Massachusetts, the Occupational Safety and Health Administration, the National Electrical Safety Code, FCC, and the Standards of Good Engineering Practices for Measurement of Cable Systems of the National Cable Television Association to the extent applicable, as well as all other valid applicable laws, rules, regulations and ordinances, federal, state and local, as the same may be modified or amended from time to time, pursuant to the City's legitimate exercise of its police powers.

4.3 Minimum Interference. Licensee shall construct and maintain its Cable System so as to minimize any adverse impact on public improvements or facilities of others in a Public Way and which will not unnecessarily interfere with the usual and customary uses in the Public Way. Except as may otherwise be provided, Licensee shall reasonably notify all businesses and residents that may be affected by excavation or Licensee's vehicles or machinery blocking fifty percent (50%) or more of the traffic lanes in a Public Way or private way, prior to commencement of such work. The notice shall be given by mail, flyers, doorhangers, or placards, one (1) week before construction commences. The notice shall clearly include a full description of the work (i.e., vaults or pedestals, etc., on property), estimated time for commencement of the work, the time estimated for completion, and a company name and a telephone number that will be answered by the Licensee seven (7) days a week, twenty-four (24) hours a day by which an inquirer can obtain authoritative information on the nature and progress of the project. All construction and maintenance by Licensee or its subcontractors shall be performed in accordance with industry standards and the requirements of this License.

4.4 Erection of Poles Prohibited.

(a) Licensee shall not erect, for any reason, any pole on or along any Public Way or in an existing aerial utility System without the prior approval of the City or owner of facilities proposed to be attached to. However, before erecting its own poles, Licensee shall exercise its best efforts to co-locate on existing poles.

(b) Above-ground location of Cable System and related facilities shall generally be located where reasonable and safe and in a manner that will not adversely affect the City or other public or private property and shall be screened from public view, upon request of the City if

such requirements are made of like users of the Public Way. Pedestals, vaults, boxes, and other structures placed above-ground shall be of a size, and appearance conforming to requirements of the City. Unless otherwise provided by the ordinances of the City, or approved after review by the City of a request by Licensee, the number of above-ground structures in any yard shall be limited to three (3). Where a yard has existing above-ground structures, Licensee shall make a reasonable effort to limit the number of structures, and install its structures in a similar size and color to existing structures. To minimize the number of structures in any yard, Licensee shall make every effort possible to locate its above-ground structures in yards that do not have existing above-ground structures of other utilities or a minimal number of such structures.

4.5 Reservations of Public Way. Nothing herein shall be construed to prevent the City from constructing sewers, grading, paving, repairing or altering any Public Way, or laying down, repairing or removing water mains or constructing or establishing any other public work. All such work shall be done, insofar as practicable, in such manner as not to obstruct, injure or prevent the free use and operation of poles, wires, conduits, conductors, pipes or appurtenances of Licensee. If any such facilities of Licensee shall interfere with the construction or repair of any Public Way or public improvement, then all such property of the Licensee shall be removed or replaced in such manner as shall be directed by the City so that the same shall not interfere with the public works of the City. Such removal or replacement shall be at the expense of Licensee. The Licensee shall at all times have the right to abandon its property. However, any such abandonment shall be in accordance with applicable city, state and federal law.

4.6 Underground Installation. In those areas within the City where Cable System facilities are currently placed underground, all Cable System facilities shall remain or be placed underground at the discretion of the Issuing Authority. In areas where telephone and electric utility facilities are above ground at the time of a Licensee's installation, Licensee may install its Cable System facilities above ground, provided that at such time as both electric and telephone utility facilities are placed underground, Licensee shall likewise place its Cable System facilities underground without cost to the City. In no event shall Licensee be authorized to place above ground any facility that has previously been underground without prior approval from the City. Nothing contained in this Section shall require Licensee to construct, operate and maintain underground any ground-mounted appurtenances. Notwithstanding anything herein to the contrary, Licensee shall at all times comply with the provisions of Chapter 372 of the Acts of 1902.

4.7 New Subdivision. In cases of new construction or property development where utilities are to be placed underground, the City shall make every reasonable effort to require the developer or property owner to give Licensee at least thirty (30) days prior notice of such construction or development, and of the particular dates on which open trenching may be available for Licensee's installation of conduit, pedestals and/or vaults, and laterals, provided Licensee obtains the right to access such private property.

4.8 Advertising, Signs, or Extraneous Markings. Unless otherwise authorized by valid applicable law, Licensee shall not place or cause to be placed any sort of signs, advertisements, or other extraneous markings on a Public Way, whether relating to the Licensee or any other Person or entity, except such necessary minimal markings as approved by the City

as are reasonably necessary to identify the Cable System for service, repair, maintenance, or emergency purposes, or as may be otherwise required to be affixed by valid applicable law or regulation.

4.9 Clearing Poles and Cables. Licensee shall comply with all applicable State and City laws with respect to the removal, trimming and cutting of trees and keeping its cables, underground conduits and related equipment clear of trees in and along Public Ways.

4.10 Temporary Disconnections. Licensee shall be required, at its expense, to protect, support, temporarily disconnect, relocate in, or remove from, Public Ways, lands or places, any property of Licensee whenever required by City upon two-week written notice, except under emergency circumstances, by reason of traffic conditions, public safety, Public Way construction or any other reasonable public purpose.

4.11 Moving Facilities.

(a) The Licensee shall, on the request of any person holding a lawful permit issued by the Issuing Authority, protect, support, raise, lower, temporarily disconnect, relocate in or remove from the Street as necessary any property of the Licensee, provided that the expense of such is paid by any such person benefiting from the relocation and the Licensee is give reasonable advance written notice to prepare for such changes. The Licensee may require such payment in advance. For purposes of this subsection, “reasonable advance written notice” shall be no less than ten (10) business day in the event of a temporary relocation and no less than one hundred twenty days (120) for a permanent relocation.

(b) If funds are available to any person using the Streets for the purpose of defraying the cost of any of the foregoing, the Issuing Authority shall reimburse the Licensee in the same manner in which other persons affected by the requirement are reimbursed. If the funds are controlled by another governmental entity, the Issuing Authority shall make application for such funds on behalf of the Licensee.

4.12 Joint Trench Coordination; Planned Infrastructure.

(a) Prior to trenching and/or constructing any new or additional underground conduit within a Public Way, Licensee shall notify the City, Cable System Providers or Telecommunications Operators and other entities possessing a right to occupy the Public Way of its trenching and/or construction plans and has determined that no such trenching and/or conduit is available or planned by the City or any other entity on the time schedule reasonably needed by the Licensee.

(b) Whenever it is possible and reasonably practicable to joint trench or share bores or cuts or joint share conduit, Licensee shall work with the City and such other entities possessing a right to occupy the Public Way so as to reduce, as far as possible, the number of street cuts within the City.

(c) If required of other facilities based users of the Public Way, when Licensee installs any new trench and/or conduit, the Licensee shall, at the request of the City or its designee install sufficient additional space and/or conduit to meet the City's planned public improvement and infrastructure needs. Licensee shall make such trench space and/or conduit available to the City at no cost. The City shall also have the option to lay its own conduit or place other public improvements that do not cause significant cost, delay or redesign, including without limitation, wiring for traffic signals, street lights, etc., in Licensee's open trenches during the initial construction and during any future rebuilds or repairs. Licensee shall provide written notice of the proposed construction to the City and the City will then have ten (10) days after receipt to indicate in writing to the Licensee as to its construction needs and request for additional space and/or conduit.

(d) Licensee agrees to comply with all applicable City trench requirements, including but not limited to how long a trench shall remain open and unfilled as well as any requirements related to signs or other markings that shall be utilized by Licensee to ensure safety to others. For purposes of this Section, "open" shall mean and include any degree of refilling and/or restoration of the trench short of the final restoration of the pavement or the ground to its original grade.

(e) Licensee shall comply with M.G.L. c. 82, §40A and local regulations to insure that damage and/or interference with other underground facilities occupants is minimized, and shall be registered with "DIG SAFE."

4.13 Property Damage and Repair.

(a) Licensee shall protect the Public Way and all public and private property from damage. If damage occurs, Licensee shall make best efforts to promptly notify the property owner within twenty-four (24) hours. Whenever the Licensee disturbs or damages any Public Way, other public property or any private property, the Licensee shall promptly restore the property to at least its prior condition, normal wear and tear excepted, at its own expense. In addition, if Licensee is restoring a Public Way, it shall do so in accordance with all applicable requirements. Licensee shall warrant any restoration work performed by or for the Licensee in the Public Way. If restoration is not satisfactorily performed by the Licensee within a reasonable time, the City may, after prior notice to the Licensee, or without notice where the disturbance or damage may create a risk to public health or safety, cause the repairs to be made and recover the costs of those repairs from Licensee. Within thirty (30) days of receipt of an itemized list of those costs, including the cost of labor, materials and equipment, the Licensee shall pay the City.

(b) Upon completion of work which caused any disturbance or damage to private property, Licensee shall promptly commence restoration and will use its best efforts to complete the restoration within three (3) business days, considering the nature of the work that must be performed. Licensee shall also perform such restoration in accordance with any customer service standards required by the License.

(c) When Licensee excavates the surface of any Public Way, Licensee shall be responsible for restoration of such excavation in accordance with all City ordinances, rules, regulations and standards. Throughout the term of its License, Licensee's Cable System and

related facilities including above-ground pedestals, vaults, boxes, generators, power supplies or structures of any kind, shall be maintained in proper order and repair. Licensee shall, on an as-needed basis as part of routine maintenance, or upon request of the City promptly straighten and maintain pedestals and other structures and cover boxes as required for safety and the appearance of Cable System and Public Way and other property. If such work is not satisfactorily performed by the Licensee within a reasonable time, the City may, after prior notice to the Licensee, or without notice where the disturbance or damage may create a risk to public health or safety, cause the repairs to be made and recover the costs of those repairs from Licensee. Within thirty (30) days of receipt of an itemized list of those costs, including the cost of labor, materials and equipment, the Licensee shall pay the City.

4.14 Permit Requirements.

(a) This License establishes the general rules and scope of authority for Licensee to construct and maintain and operate its Cable System within the Public Ways of the City. Licensee shall designate a responsible contact person including a telephone number available seven (7) days a week, twenty-four (24) hours a day, with whom representatives of the City can communicate with on all matters relating to Cable System installation, construction, operation, and maintenance.

(b) Prior to any excavation within a Public Way, Licensee shall obtain a permit, pay all applicable fees, and perform such work in accordance with applicable provisions of such permit, and/or other applicable statutes, ordinances or regulations with respect to excavation work.

(c) Licensee must be current with all requirements of this License, including payment of required fees and charges and insurance before a permit is issued by the City.

4.15 Procedure for Enforcement and Administration Relating to Construction.

(a) The City has the responsibility to manage and control use of the Public Ways within the City's jurisdictional boundaries, and has the authority to administer and enforce Public Way construction standards for Licensee's Cable System on a non-discriminatory basis, including the authority to collect fees, review plans, and enforce the provisions of this License, and, may utilize the assistance of qualified independent third parties.

(b) The City has the right to inspect, during normal business hours, all construction or installation work performed subject to the provisions of this License and applicable ordinances of the City; and to make such tests as it shall find necessary to ensure compliance with the terms of this License and applicable requirements of the City. Provided, however, a representative of Licensee may be present for all such testing, which shall occur at time of minimum inconvenience to Subscribers (generally between the hours of midnight and 6:00 a.m.) and it being understood that only Licensee's employees shall manipulate Licensee's plant.

4.16 Work Performed by Others. Licensee shall make available to the City, upon request, the names and addresses of any Person, other than the Licensee, which performs

services pursuant to this License; provided however, that all provisions of this License remain the responsibility of the Licensee.

ARTICLE 5 SERVICES AND PROGRAMMING

5.1 Up-To-Date and Favorable Cable Service. Licensee will provide up-to-date Cable Service through this License Term and will be continually responsive to Subscriber needs.

5.2 Surveys. Licensee will periodically conduct surveys of its Subscribers for its use in identifying programming or services desired by Subscribers. Upon reasonable written request, Licensee will make such surveys available to the Issuing Authority.

5.3 Free Connections and Basic Service to Public Buildings.

(a) Upon written request of the Issuing Authority, Licensee shall provide, install and maintain one (1) Subscriber Network drop, Outlet, and the lowest Basic Service Tier, plus the next tier of non-premium satellite delivered channels, without charge, to all municipal schools, police and fire stations, municipal libraries, and other Public Buildings listed in Exhibit 1, attached hereto, and as may be specifically designated in writing by the Issuing Authority. Provided, however, if any additional Public Building designated by the Issuing Authority cannot be connected by a Standard Installation, as defined in section 3.3(b), the costs incurred as a result of making such connection shall be charged to the City, at cost, in an amount by which the cost of making such new connection exceeds the cost of a Standard Installation. Payments made by the City for a line extension under this paragraph shall be entitled to a refund in accordance with the provisions of section 3.3(d)(i).

(b) Licensee shall coordinate the location of each drop and Outlet with the proper officials in each of the buildings and/or institutions entitled to such drop and/or Outlet prior to any new installation. Licensee may place signage indicating free service provided by Licensee, provided, however, that the placement, size and appearance of such signage be approved by the proper official in charge of the building.

5.4 Leased Channels for Commercial Use. Pursuant to Section 612(b)(1)(B) of the 1984 Act, codified at 47 U.S.C. § 532(b)(1)(B), Licensee shall make available channel capacity for commercial use by Persons unaffiliated with Licensee (“Leased Access Channel”).

5.5 Programming.

(a) The Licensee intends, subject to commercial impracticality, to continue locally originated news programming equivalent to what is currently provided, and will, in its sole discretion, consider the expansion of such programming on the basis of financial and business considerations.

(b) Licensee shall provide the Issuing Authority and all Subscribers with thirty (30) days advance notice of its intent to alter the programming line-up or to transpose the television Signal

from the channel in which it was originally broadcast so that it is received on a different channel on the receiving sets of Subscribers, or as otherwise provide by applicable law or regulation.

(c) Pursuant to Section 624 of the Cable Act, Licensee shall maintain the mix, quality and broad categories of programming in at least as representative a capacity as is currently provided on Licensee's Subscriber Network. A list of the broad categories of programming provided by Licensee as of the effective date of this License is attached hereto and made a part hereof as Exhibit 2.

(d) At such time as Licensee has implemented its Simultran architecture, but in no event later than December 31, 2008, Licensee, upon request of the Issuing Authority, shall provide a channel on its digital service tier for non-commercial use by the Issuing Authority or its designee(s).

5.6 Continuity of Service.

(a) It shall be the right of all Subscribers to receive Service insofar as their financial and other obligations to the Licensee are honored. The Licensee shall ensure that all Subscribers in good standing receive continuous, uninterrupted service, except for necessary or unforeseen Service interruptions.

(b) Licensee may disconnect service to a Subscriber if, after providing notice of signal leakage, Subscriber does not permit Licensee to enter property and correct a signal leakage problem, in conformance with FCC technical specifications and requirements.

ARTICLE 6 PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS, FACILITIES AND SUPPORT

6.1 PEG Access Channels.

(a) The Licensee shall make bandwidth available for up to three Subscriber Network downstream channels for noncommercial public, educational and governmental ("PEG") access programming use. As of the effective date of this Renewal License the Licensee shall provide one channel, each, for public access, educational access, and government access. Licensee shall offer to each of its Subscribers who receive all or any part of the Cable Services offered on the System, reception of the PEG Access Channels. No charges shall be made for Channel time or playback of prerecorded programming. Management of the access channels shall be the responsibility of the City, and not the responsibility of the Licensee. A list of those locations that currently have Origination Capability is attached as Exhibit 3; provided, however, that additional Origination Capability locations may be established by mutual agreement between the parties.

(b) In order that PEG Access Programming can be cablecast over the three (3) Downstream Subscriber Network Channels, all PEG Access Programming shall be modulated, then transmitted from any location with Origination Capability to the Headend on one of the I-Net Upstream Channels made available to the City, or such substitute technology that Licensee may employ to interconnect the I-Net PEG Access Signals to the appropriate Downstream Subscriber Network

Channels pursuant to Section 3.7(k). At the Headend, said Access Programming shall be retransmitted in the downstream direction on one of the three (3) Downstream Subscriber PEG Channels.

(c) Licensee shall provide and maintain its System so as to transmit high quality signals on PEG Access Channels and in no event shall there be any degradation in the picture and sound quality of the PEG Access Channels' Signals in the upstream or downstream transmission of such Signals. It shall be the Licensee's sole responsibility to ensure that the Access Programming is properly connected, either manually or electronically, to the appropriate Downstream Subscriber Network Channel in an efficient and timely manner. The Licensee shall not charge the City for such connections. The Licensee and the Issuing Authority shall negotiate in good faith any difficulties that arise regarding cablecasting of PEG Access Programming.

(d) The Licensee shall not move or otherwise relocate the Subscriber Network Channel locations of the PEG Access Channels unless authorized by law and necessitated by reasonable commercial considerations, and further, without at least sixty (60) days advance, written notice to the Issuing Authority. Provided, further, that in the event of an Access Channel relocation, the Licensee shall, at least sixty (60) days prior to such relocation, cablecast a notice of such action, at no charge, on its channel line-up card, local origination channel and any other appropriate channel. Additionally, Licensee shall include notice of the impending relocation on Subscriber's bills and in its cable programming guide. Notwithstanding anything contained herein to the contrary, Licensee shall not move the PEG Access Channels off the analog tier of the Cable System until the signals of the local broadcast stations retransmitted over the Cable System are moved to the digital tier. Provided further, the PEG Access Channels shall be moved to the digital tier concomitantly with the signals of the local broadcast stations transmitted over the Cable System.

6.2 Public, Educational and Governmental Access Equipment/Facilities Funding..

(a) Within sixty (60) days of the Effective Date of this License, the Licensee shall provide a cash payment to the City for PEG Access equipment and facilities purposes in the amount of Four Hundred Thousand Dollars (\$400,000), which shall be paid into a special revenue account and not the general fund.

(b) On the fourth anniversary of the Effective Date, the Licensee shall provide an additional cash payment to the City for PEG Access equipment and facilities purposes in the amount of One Hundred Thousand Dollars (\$100,000), which shall be paid into a special account and not the general fund.

(c) The payments made by Licensee under this Section 6.2 are in addition to, and shall not be charged against, the Franchise Fee established under Section 7.3.

(d) The Licensee may externalize, line-item and/or pass-through the payments made under this Section 6.2 to Subscribers, including, but not limited to, the computation, collection, interest paid on and/or allocation of any such costs, but only to the extent allowed and strictly in compliance with applicable state and federal laws and regulations.

6.3 Equipment Ownership and Maintenance. The City shall own and maintain all equipment purchased with PEG Access equipment funding pursuant to Section 6.2, hereof.

6.4 Content. The Licensee shall not engage in any editorial control of the content of the access programming on the Cable System, except as otherwise required or permitted by law. The City shall be solely responsible for the use of the access channels and shall indemnify and hold harmless the Licensee from any and all claims, demands, actions and damages (including attorney's fees) arising from the use or operation of the access channels.

6.5 PEG Access Programming and Advertisement. PEG Access Channels shall be for non-commercial use, except for programming sponsorship acknowledgements of the type that appear on Public Broadcast Stations, or for-credit courses offered by Massachusetts accredited educational institutions located in the city of Worcester.

6.6 Additional Requirements Regarding Access Channels.

(a) Licensee shall ensure that all PEG Access Channels meet the technical standards of the FCC; provided, however, Licensee shall not be responsible for defects, flaws or other impairments in the PEG access programming delivered to Licensee and shall only be responsible for maintenance up to the Demarcation Point.

(b) If Licensee makes changes to its Cable System that necessitate modifications to PEG Access signal transmission facilities and equipment (including but not limited to the upstream paths), Licensee shall provide reasonable advance notice of such changes to the Issuing Authority and shall provide, at Licensee's expense, any additional or modified headend facilities necessary to implement such modifications within a reasonable period of time prior to the date that the System changes are to be made.

ARTICLE 7 LICENSE AND FRANCHISE FEES

7.1 I-NET Channels Credit.

(a) Commencing with the first year of this Renewal License but subject to the provisions of Section 7.1(b), the Licensee shall receive a credit (hereinafter, "I-Net Credit") beginning at Four Hundred Seventy-Seven Thousand Dollars (\$477,000) to be applied against the annual limit on "franchise fees" as defined under Section 622 of the Cable Act. The I-Net Credit reflects the agreed upon value to Licensee of nine I-Net Channels dedicated to the City's use under the 1997 Renewal Cable Television License and continuing under the terms of this Renewal License. The Licensee agrees that the I-Net Credit shall not be an External Cost for purposes of rate regulation, line item or other pass-through itemization to Subscribers.

(b) During any year of this Renewal License, including the first year if applicable, whenever the City abandons the use of one or more I-Net Channels, the I-Net Credit shall be reduced by Fifty-Three Thousand Dollars (\$53,000.00) per channel until the I-Net Credit balance equals zero ("I-Net Credit Reduction"). In each year, as applicable, a pro rata payment shall be

made to the City based on the decrease in the I-Net Credit and the remainder of the calendar year. The Licensee shall make the payment within ninety (90) days from the date the City ceases use of a channel or channels. For example, if the City abandons one channel effective July 1, the Licensee shall supplement the Franchise Fee payment by twenty-six thousand, five hundred dollars.

7.2 Statutory License Fees. Pursuant to G.L. c. 166A, §9, on or before March 15th of each year, License shall submit a license fee to the Issuing Authority and the Commission based upon a per subscriber assessment as set forth in said statute (hereinafter, "City's Statutory Fee" and "State's Statutory Fee," respectively). The number of subscribers, for purposes of this section, shall be calculated on the last day of the immediately preceding calendar year.

7.3 Franchise Fee.

(a) The Licensee shall make an annual Franchise Fee payment to a special revenue account, not the general fund, for PEG Access operations and other cable-related purposes, including the City's use of the replacement network for the I-Net. The foregoing special revenue account shall be established pursuant to, or substantially similar to, the account framework of G.L. c. 44, 553A. Payment of the Franchise Fee shall be made on or before March 15th of each year.

(b) The Issuing Authority shall have the sole discretion for the allocation of the Franchise Fee payment.

(c) The Franchise Fee shall be equal to the balance of five percent (5%) of the Licensee's Gross Annual Revenues for the prior fiscal year (as of the effective date of this Renewal License, Licensee maintains a January 1st to December 31st fiscal calendar), less the value of the I-Net Credit (as may be adjusted by the I-Net Credit Reduction), the State's Statutory Fee, and the City's Statutory Fee. The Licensee shall annually, on or before November 1, provide the Issuing Authority with an estimate of the Franchise Fee that will be payable on or before the succeeding March 15th.

7.4 Discounted Rates. Should Licensee market its video and non-cable services in a single bundle for a single price, said bundling shall not be utilized for purposes of avoiding proper franchise fee payments. The video component of the bundle price shall not be other than incidentally disproportionate to the proportional relationship between the prices for the bundled services when sold separately.

7.5 Not Franchise Fees.

(a) Licensee acknowledges and agrees that the Franchise Fees payable by Licensee to City pursuant to this section shall take precedence over all other payments, contributions, services, equipment, facilities, support, resources or other activities to be provided or performed by Licensee pursuant to this License and that the Franchise Fees provided for in this section of this License shall not be deemed to be in the nature of a tax, and shall be in addition to any and all taxes of general applicability and other fees and charges which Licensee shall be required to pay to City and/or to

any other governmental authority, all of which shall be separate and distinct obligations of Licensee.

(b) Licensee shall not apply or seek to apply or make any claim that all or any part of the Franchise Fees or other payments or contributions to be made by Licensee to City pursuant to this License shall be deducted from or credited or offset against any taxes, fees or assessments of general applicability levied or imposed by City or any other governmental authority, including any such tax, fee or assessment imposed on both utilities and cable operators or their services.

(c) Licensee shall not apply or seek to apply all or any part of any taxes, fees or assessments of general applicability levied or imposed by the City or any other governmental authority (including any such tax, fee or assessment imposed on both utilities and cable operators or their services) as a deduction or other credit from or against any of the Franchise Fees or other payments or contributions to be paid or made by Licensee to City pursuant to this License which shall be deemed to be separate and distinct obligations of Licensee.

7.6 Late Payment. In the event that the Franchise Fee required herein is not tendered on or before the date fixed in Section 7.3 above, interest due on such fee shall accrue from the date due at the then applicable Prime Rate. Any payments to the City pursuant to this Section 7.6 shall not be deemed to be part of the Franchise Fee to be paid to the City pursuant to this Article 7 and shall be within the exclusion to the term "franchise fee" for requirements incidental to enforcing the Renewal License pursuant to Section 622(g)(2)(D) of the Cable Act.

7.7 Recomputation.

(a) Tender or acceptance of any payment shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the City may have for additional sums including interest payable and recomputation by the City, which shall occur in no event later than one (1) year after the Franchise Fee is tendered.

(b) If the City has reason to believe that any such payment(s) are incorrect, the Licensee shall have fourteen (14) days to provide the City with additional information documenting and verifying the accuracy of any such payment(s). In the event that the City does not believe that such documentation supports the accuracy of such payment(s), the City shall conduct an audit of such payment(s) pursuant to Section 9.1.

7.8 Affiliates Use of System. The Licensee shall not permit the use or operation of the Cable System by Affiliates on terms which result in a diversion of revenues from operation of the Cable System to the detriment of the City under this Renewal License. If requested by the City, the Licensee shall be required to demonstrate that use or operation of the Cable System by an Affiliate is fair and competitive compared to such use by other third-parties. Should the City subsequently determine otherwise, the Licensee shall enter into good faith negotiations to resolve any dispute(s) regarding gross revenue discrepancies on account of such a relationship.

ARTICLE 8 RATES AND CHARGES

8.1 Rate Regulation. The City reserves the right to regulate the Licensee's rates and charges to the extent allowable under state and federal laws. Licensee shall maintain on file with the Issuing Authority at all times a current schedule of rates and charges.

8.2 Notification of Rates and Charges. The Licensee shall inform the Issuing Authority of all rates and charges to Subscriber, and all terms or conditions relating thereto, and shall inform the Issuing Authority, in writing, thirty (30) days in advance of all increases in rates and charges. The Licensee shall also notify all Subscribers of any impending rate increases at such time and in manner as necessary to comply with applicable law.

8.3 Publication and Non-Discrimination. All rates for residential service shall be published and non-discriminatory. A written schedule of all rates shall be available upon request during business hours at the Licensee's business office. Nothing in this License shall be construed to prohibit the reduction or waiver of charges in conjunction with promotional campaigns for the purpose of attracting Subscribers or to offer value-added to customers through purchasing channel packages or bundled services.

8.4 Credit for Service Interruption.

(a) Licensee shall grant a pro rata credit or rebate to any Subscriber whose entire Cable Service is interrupted for twenty-four (24) or more consecutive hours, if the interruption was not caused by the Subscriber and the Licensee knew or should have known of the service interruption.

(b) If an entire tier of a Subscriber's Cable Service is interrupted for more than twenty-four (24) consecutive hours, the Licensee shall provide, upon customer request, a pro rata credit or rebate for such service interruption.

8.5 Discounts.

(a) Current Subscribers receiving a Senior Citizen or Handicapped Citizen Discount as of the Execution Date of this Renewal License shall continue, throughout the term of this License, to receive an equivalent discount to that set forth in subsection (b), the following notwithstanding.

(b) For the term of this License only, for those eligible pursuant to the provisions below, the Senior Citizen or Handicapped Citizen Discount shall be ten percent (10%) off of the price of the Basic Service tier of service, and shall not apply to any other channels or tiers and shall not apply to packages or bundles.

(c) To be eligible, a resident must meet the following criteria: sixty-five (65) years of age or older or handicapped and head of household in each case receiving one of the following: (i) Supplemental Security Income (SSI); (ii) Medicaid; (iii) Veterans' Services Benefits; (iv) the

City's income-based senior citizen real estate tax abatement, if any, pursuant to applicable law; or (v) any other suitable criteria that the Licensee and the Issuing Authority mutually agree upon.

(d) To establish eligibility, a resident shall bring or mail a photocopy of a valid driver's license, birth certificate or other document definitively establishing age, plus a photocopy of documentation definitively establishing receipt by the resident at time of application for this discount of any one of the criteria listed in (i)-(v) of Section 8.5(c). A resident need establish eligibility for this discount only once to continue receiving it so long as they remain a Subscriber.

(e) In no event shall the Licensee externalize, line-item and/or otherwise pass-through to Worcester Subscribers any costs associated with the senior citizen and handicapped residents discounts pursuant to this Section 8.5.

(f) Nothing in this License shall be constructed to prohibit the reduction or waiver of charges in conjunction with promotional campaigns for the purpose of attracting Subscribers.

ARTICLE 9 OPERATION AND REPORTING PROVISIONS

9.1 Open Books and Records.

(a) The City shall have the right to inspect, upon reasonable advance written notice and during Normal Business Hours and on a non-disruptive basis, copies of any records maintained by Licensee which relate to System operations including, specifically, Licensee's accounting and financial records that are reasonably necessary to ensure Licensee's compliance with this Agreement. Such notice shall specifically reference the subsection of the License that is under review so that the Licensee may organize the necessary books and records for easy access by the Issuing Authority. The Licensee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act. The City shall have the right to audit and to recompute any amounts determined to be due and payable to the City under this Agreement whether the books or records are held by the Licensee, an Affiliate, or any other entity that collects or receives funds related to the Licensee's operations in the City, including by way of illustration and not limitation, any entity that sells advertising on the Licensee's behalf. The Licensee shall be responsible for making available for viewing by the City, the books and records, regardless of which entity possesses or has control of the books or records, and shall produce such books and records for City's inspection at Licensee's local office within the Service Area or at such other mutually agreed upon location within the City. To the extent it is necessary for City to send representatives to a location outside of the City to inspect Licensee's books and records, Licensee shall be responsible for all travel costs incurred by City representatives. The City's audit expenses shall be borne by the City unless the audit discloses an underpayment to the City in excess of three percent (3%) of the amount due, in which case the costs of the audit shall be borne by the Licensee. If, after such audit an additional fee is owed to the City such fee shall be paid within forty-five (45) days following written notice to the Licensee by the City of the underpayment, which notice shall include a copy of the audit report. The interest on such additional fee shall be charged from the due date at the Prime Rate during the period that such

additional amount is owed. The parties agree that any audit expense payments made by the Licensee hereunder are not a License fee and fall within one or more of the exceptions to 47 USC § 542.

(b) The Licensee shall maintain its fiscal and financial records and have all relevant fiscal and financial records maintained by others on its behalf in such a manner as to enable the City to determine the cost of assets of the Licensee which are used in providing services within the City and to determine Gross Revenues. The books and records shall be maintained for at least three years beyond the duration of the License. Unless a longer timeframe is required by law, the Licensee shall not be required to maintain non-fiscal and non-financial records for more than one (1) year.

(c) City acknowledges that some of the records which may be provided by Licensee may be classified as confidential and therefore may subject Licensee to competitive disadvantage if made public. City shall therefore maintain the confidentiality of any and all records provided to it by Licensee which are not required to be made public pursuant to Applicable Laws. If the City believes it must release any such confidential books or records in the course of enforcing this Licensee, or for any other reason, it shall advise Licensee in advance so that Licensee may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of competent jurisdiction, the City agrees that, to the extent permitted by state and federal law, it shall deny access to any of Licensee's books and records marked confidential to any Person.

9.2 Communications with Regulatory Agencies. Notice of all petitions, applications, communications and reports submitted by Licensee or on behalf of or relating to Licensee to the FCC, Securities and Exchange Commission or any other federal or state regulatory commission or agency having jurisdiction in respect to any matters affecting the System authorized pursuant to this License shall also be submitted simultaneously to the City. Notice of responses from the regulatory agencies to Licensee shall likewise be furnished to the City within fifteen (15) days of receipt of the response. The City may request a copy of any such filing and/or response, and Licensee shall furnish it within fifteen (15) days of receipt of the City's request.

9.3 Annual Report.

(a) The Licensee's schedule of charges, contract or application forms for regular Subscriber service, policy regarding the processing of Subscriber complaints, delinquent Subscriber disconnect and reconnect procedures and any other terms and conditions adopted as the Licensee's policy in connection with its Subscribers shall be filed with the Issuing Authority no later than April 1 of each year.

(b) The Licensee shall furnish the Issuing Authority or its designee(s) no later than one hundred twenty (120) days after the end of Licensee's Fiscal Year, Cable Television Division forms 200 and 400, prepared in accordance with Generally Accepted Accounting Principles, including statements of significant assumptions and definitions as needed, or if such forms are not in use, similar forms and any other financial filings request by state or Federal Law.

(c) In accordance with the regulations of the Cable Division, the Licensee shall submit annually a completed copy of Cable Division Form 500 to the Issuing Authority, or its designee, no later than thirty (30) days after submission of the Form to the Division.

9.4 Additional Reports. Licensee shall prepare and furnish to the City, at the times and in the form prescribed, such additional reports with respect to its operation, affairs, transactions or property, which are reasonably necessary for the administration and enforcement of this License.

9.5 Periodic Evaluation and Review. The Issuing Authority may hold a public hearing on technological developments every second anniversary of the Effective Date of this Renewal License. The purpose of this hearing is for the Licensee and the Issuing Authority to meet to discuss technological developments in the cable television industry. The Licensee undertakes to give reasonable consideration to proposals initiated by the Issuing Authority following such review session.

ARTICLE 10 CONSUMER PROTECTION PROVISIONS

10.1 Change of Service. Upon notification by a Subscriber to disconnect or downgrade the Subscriber's service, Licensee shall cease and/or adjust said Subscriber's monthly service charges promptly, but in no event more than seven (7) days from the date of Licensee's receipt of the Subscriber's request, or as of the Subscriber's specified disconnect or downgrade date, whichever is longer.

10.2 Charges for Disconnection or Downgrading of Service.

(a) A Licensee may impose a charge reasonably related to a Licensee's actual cost incurred for a downgrade of service, except that no such charge may be imposed when:

(i) A Subscriber requests total disconnection from the Cable System; or

(ii) A Subscriber requests the downgrade within a thirty (30) day period following any rate increase or a substantial change in the number or type of programming services relative to the service in question.

(b) If a Subscriber requests disconnection from service prior to the effective date of an increase in rates, the Subscriber shall not be charged the increased rate if a Licensee fails to disconnect service prior to the effective date. Any Subscriber who has paid in advance for the next billing period and who requests disconnection from service shall receive a prorated refund of any amounts paid in advance.

10.3 Subscriber Complaint Practices. At all times, Licensee shall meet the requirements of the Federal Communications Commission regulations on Consumer Complaints and Protection. However, at a minimum, Licensee shall comply with the following:

(a) The Licensee shall maintain a local office within the general service area which shall be open during normal business hours. This office shall accept payments, handle adjustments to subscriber bills, respond to installation, repair, and/or maintenance requests and other service calls. Licensee shall have a local published telephone number available at all times (an access line which will be available to Subscribers twenty-four (24) hours-a-day, seven (7) days-a-week). Trained company representatives shall be available to respond to customer telephone inquiries during normal business hours. Dispatchers shall be available to respond to customer telephone inquiries 8:00 a.m. to 10:00 p.m. seven (7) days a week. Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made, and the customer will receive a busy signal less than three percent (3%) of the time. 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 under normal operating conditions, measured on a quarterly basis. Licensee shall report its compliance with these standards, to the Issuing Authority on a quarterly basis. After 10:00 p.m. and before 8:00 a.m., the access line may be answered by a service or an automated response system.

(b) Within Licensee's local office, monitors of reasonably recent vintage shall display programming available on the Cable System allowing subscribers to view a properly received cable picture.

(c) Licensee shall render efficient service, make repairs promptly and interrupt service only for good cause and for the shortest time possible.

(d) Licensee shall maintain adequate telephone lines and personnel to respond in a timely manner to schedule service calls and answer Subscriber Complaints or inquiries as required by this Section 10.3.

(e) When Subscriber requests for repairs of service interruption are received prior to 12:00 p.m., Monday through Friday Licensee shall use its best efforts to begin working on service interruptions the same day.

(f) Subscriber requests for repairs of service interruptions received after 12:00 p.m., Monday through Friday, shall be responded to by a trained customer service representative on the next business day. Licensee shall use best efforts to begin working on service interruptions promptly and in no event later than twenty-four (24) hours after the interruption becomes known. Licensee shall begin actions to correct other service problems the next business day after notification of the service problem.

(g) Subscriber requests for maintenance or repairs received on Saturdays or Sundays shall be responded to by a customer service representative on the next business day. Licensee shall use best efforts to begin working on System Outages promptly and in no event later than twenty-four (24) hours after the interruption becomes known. Licensee shall begin actions to correct other service problems the next business day after notification of the service problem.

(h) Service calls for maintenance or repair shall be performed in accordance with the standards established by the FCC.

(i) Licensee shall maintain an "appointment window" alternative for installations, service calls, and other installation activities that will be either a specific time or, at maximum, a four (4) hour time block during normal business hours. Licensee shall not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment. If a customer service representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer shall be contacted. The appointment shall be rescheduled, as necessary, at a time which is convenient for the customer.

10.4 Installation.

(a) Licensee shall make service available to all City residents based on the terms and conditions outlined in Section 3.3.

(b) The Licensee may make cable services available to any commercial establishments in the City, which are located on the residential Subscriber Network, subject to the Licensee and each commercial establishment reaching a reasonable agreement regarding the terms and costs of initial installation and service which may or may not differ from the terms and costs that apply to residential Subscribers. It is herein acknowledged that certain programming services may not be available to commercial establishments, or may be available only upon certain terms and conditions, pursuant to Law or the Licensee's agreements with its program suppliers.

10.5 Employee and Agent Identification Cards. All of Licensee's employees and agents entering upon private property in connection with the construction, installation, maintenance and/or operation of the Cable System, including repair and sales personnel, shall carry an employee identification card issued by Licensee.

10.6 Subscriber Information.

(a) The Licensee shall provide to the Issuing Authority and all new Subscribers and, at least once a year, to existing Subscribers, and upon request of a Subscriber, written Subscriber service information which shall include, but not be limited to, the following:

- (i) The procedure for investigation and resolution of Subscriber service Complaints.
- (ii) Programming services, including channel positioning, rates, and charges for all Services, including pass-through charges.
- (iii) Billing practices as required by Section 10.7 hereof.
- (iv) A/B switch.

- (v) Installation policy and service maintenance and termination procedures.
- (vi) Change in service procedures.
- (vii) Refund policy.
- (viii) Office hours.
- (ix) Converter/VCR/Digital Video Recorder hookup information and use instructions.
- (x) Pay-per-view and Video-on-demand.
- (xi) Parental control devices.

(b) Licensee shall notify Subscribers thirty (30) days in advance of any significant changes in the information required by this section.

10.7 Subscriber Billing Practices.

(a) The Licensee shall inform all prospective Subscribers of complete information respecting billing and collection procedures, procedures for ordering changes in or termination of service, and refund policies, upon solicitation of service and prior to the consummation of any agreement for installation of service.

(b) All billing practices and procedures will be governed by the procedures set forth in 207 CMR §10.00, et seq., as may be amended from time to time.

10.8 Dispute Resolution.

(a) In compliance with law, the Licensee shall establish a procedure for resolution of billing disputes and other complaints by Subscribers. The Licensee shall provide, on an annual basis, a written description of said procedures, including telephone numbers to call for complaints and other services, to all Subscribers.

(b) If the Issuing Authority determines it to be in the public interest, the Issuing Authority or its designee may investigate any multiple complaints or disputes that are both specific and similar, brought by Subscribers arising from the operations of the Licensee, provided said Subscribers have made good faith effort to comply with the procedures specified in Section 10.8(a) above for the resolution of complaints.

(c) In the event that the Issuing Authority finds a pattern of multiple specific and similar unresolved subscriber complaints, the Issuing Authority may request appropriate and reasonable amendments to the Licensee's procedures for the resolution of complaints.

10.9 Parental Control Option. Licensee shall provide parental control devices to all Subscribers who wish to be able to delete any objectionable programming from the cable service entering the Subscriber's home.

ARTICLE 11
GENERAL ENFORCEMENT, FINANCIAL, BONDING, INDEMNIFICATION, AND
INSURANCE PROVISIONS

11.1 Payment to City.

(a) All payments made to the City shall be accompanied by a report showing the basis for the computation and such other relevant facts as may be required by the Issuing Authority, including the completion of a License Fee Payment Worksheet attached hereto as Exhibit 2. At the request of Issuing Authority, payments will be made electronically.

(b) No acceptance of any payment shall be construed as an accord that the amount paid is in fact the correct amount, nor shall such acceptance of payment be construed as a release of any claim the City may have for further or additional sums payable under the provisions of this License. All amounts paid shall be subject to audit and recomputation by the Issuing Authority.

(c) In the event any payment is not made on the due date, interest on the amount due shall accrue from such date at the Prime Rate.

11.2 Not License Fees. Payments or costs incurred by a Licensee for compliance with the terms of this License are not License Fees or compensation as required by Section 11.1 of this License

11.3 Performance Bond.

(a) At the time this License is accepted, Licensee shall furnish and file with the Issuing Authority a performance bond, or a performance bond together with such other security as is approved by the Issuing Authority. The bond shall run to the City in the sum of one hundred thousand (\$100,000.00) dollars. The bond shall be conditioned upon the faithful performance of Licensee of all terms and conditions of this License. The rights reserved to the City with respect to the bond or other security are in addition to all other rights the City may have under the License or any other law. The company providing such bond must be licensed to do business in the Commonwealth of Massachusetts.

(b) The rights reserved by the City with respect to the bond are in addition to all other rights the City may have under this License or any other law.

11.4 Determination Of Breach.

(a) In the event that the Issuing Authority has reason to believe that the Licensee has defaulted in the performance of any material provision of this License, except as excused by

force majeure, the Issuing Authority shall notify the Licensee in writing, by certified mail, of the provision or provisions of which the Issuing Authority believes Licensee to be in default and the details relating thereto. The Licensee shall have thirty (30) days from the receipt of such notice to:

(i) respond to the Issuing Authority in writing, contesting the Issuing Authority's assertion of default and providing such information or documentation as may be necessary to support the Licensee's position; or

(ii) cure any such default within thirty (30) days of notice thereof, or, in the event that by nature of the default, such default cannot be cured within such thirty (30) day period, to take reasonable steps to cure said default and diligently continue such efforts until said default is cured.

(b) In the event that the Licensee fails to respond to such notice of default, to cure the default or to take reasonable steps to cure the default within the required thirty (30) day period, the Issuing Authority, or its designee, shall promptly hold a public hearing no sooner than fourteen (14) days after a determination has been made by the Issuing Authority that Licensee has not appropriately responded, cured, nor taken appropriate measures to attempt to cure the default, and written notice, by certified mail, of such has been delivered to the Licensee. The Licensee shall be provided reasonable opportunity to offer evidence and be heard at such public hearing. If the Issuing Authority determines after public hearing that a continuing state of default exists, and that its cure is unlikely or untimely, Issuing Authority shall prepare a written statement of findings and may thereafter pursue any of the following remedies:

(i) seek specific performance of any provision in this License which reasonably lends itself to such remedy;

(ii) declare the License to be revoked subject to Section 11.7, below; or

(iii) invoke any other remedy available to the City under law.

11.5 Indemnification. Subject to the provisions of Sections 3.6 and 6.4, the Licensee shall, at its sole cost and expense, indemnify and hold harmless the City, its officials, boards, commissions, committees, agents and/or employees (hereinafter "City Indemnitees") against all claims for damage due to the actions of the Licensee, its employees, officers or agents arising out of the construction, installation, maintenance, operation and/or removal of the Cable Television System under this License, including without limitation, damage to persons or property, both real and personal caused by the construction, installation, operation, maintenance and/or removal of any structure, equipment, wire or cable installed. Licensee shall not be required to indemnify the City for negligence or willful misconduct on the part of the City Indemnitees. This Section is intended to afford protection against claims initiated against the City caused by acts or omissions of the Licensee. If the City receives any such claim, it will give Licensee notice of the claim within ten (10) days of its receipt. The City will cooperate with the Licensee in defending any such claim but will not be required to incur any financial liability in doing so.

11.6 Liability Insurance.

(a) Licensee shall maintain, throughout the term of this License, liability insurance with a company licensed to do business in the Commonwealth of Massachusetts, in the minimum amounts of:

- (i) One million dollars (\$1,000,000.00) for bodily injury or death to any one (1) Person.
- (ii) One million dollars (\$1,000,000.00) for bodily injury or death resulting from any one (1) accident.
- (iii) One million, five hundred thousand dollars (\$1,500,000.00) for employer liability.
- (iv) Two million dollars (\$2,000,000.00) for all other types of liability.

(b) If Licensee sells or transfers the Cable System, or in the event of termination or revocation of this License, the Licensee shall purchase an insurance tail that is reasonably acceptable to and filed with the Issuing Authority for the then applicable amounts, providing coverage for the time periods according to applicable statutes of limitation, insurance for any issues attributable to the period Licensee held this License.

(c) At the time of acceptance of this License, Licensee shall furnish to the Issuing Authority a certificate evidencing that a satisfactory insurance policy has been obtained. The City shall be notified thirty (30) days prior to any expiration or cancellation. In addition, it shall be the obligation of Licensee to promptly notify the Issuing Authority within thirty (30) days of any pending or threatened litigation that would be likely to affect its insurance coverage.

11.7 City's Right to Revoke. In addition to all other rights which the City has pursuant to law or equity, the City reserves the right to revoke this License, and all rights and privileges pertaining thereto, in the event that:

(a) Licensee substantially and materially violates any material provision of this License, or state or federal law, applicable to Licensee's operation within City.

(b) Licensee attempts to evade any of the material provisions of the License or provision of valid applicable state or federal law and refuses to cure it.

(c) Licensee practices any fraud or deceit upon the City or Subscriber.

(d) Licensee materially misrepresents a fact in the application for or negotiation of, or renegotiation of, or renewal of, the License.

11.8 Revocation Procedures. Pursuant to M.G.L. c. 166A, §11, and Section 11.4, supra, the Issuing Authority may revoke the License granted herein, subject to applicable

appellate rights. The Licensee may continue to operate the Cable System until all legal appeals procedures have been exhausted.

ARTICLE 12 FORECLOSURE, RECEIVERSHIP, AND ABANDONMENT

12.1 Foreclosure. Upon the foreclosure or other judicial sale of the System, Licensee shall notify the Issuing Authority of such fact and, subject to applicable federal and state law, such notification shall be treated as a notification that a change in control of Licensee has taken place, and the provisions of this License governing the consent to transfer or change in ownership shall apply without regard to how such transfer or change in ownership occurred.

12.2 Receivership.

(a) The Issuing Authority shall have the right to revoke this License subject to the Bankruptcy Act and any applicable provisions of federal and state law, one hundred and twenty (120) days after the appointment of a receiver or trustee to take over and conduct the business of Licensee, whether in receivership, reorganization, bankruptcy or other action or proceeding.

(b) Consistent with applicable state and federal law, the filing of a bankruptcy petition alone shall not constitute a material default of this License, provided, however, and subject to applicable federal and state law, in the event of a bankruptcy or other judicial proceeding related thereto, the Issuing Authority retains all existing rights and enforcement authority under this License and its police powers.

(c) Subject to applicable federal and state law, any trustee or receiver of Licensee shall be required to assume responsibility for, and remedy all existing defaults and provide adequate assurance of future performance under this License during the pendency of such bankruptcy or judicial proceeding related thereto.

12.3 Abandonment. Licensee may not abandon any portion of the Cable System thereof without having first given three (3) months written notice to the Issuing Authority.

ARTICLE 13 RIGHTS OF INDIVIDUALS PROTECTED

13.1 Discriminatory Practices Prohibited. In the performance of this License, Licensee shall not discriminate against any person on the ground of or because of race, creed, color, national origin or ancestry, sex, religion or political opinion or affiliation, income of residents in any area of the City or age. Licensee shall comply at all times with all other valid applicable federal, state and City laws, and all executive and administrative orders relating to non-discrimination.

13.2 Subscriber Privacy.

(a) No Signal of a Channel may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. The request for such permission shall be contained in a separate document with a prominent statement that the Subscriber is authorizing the permission in full knowledge of its provisions. Such written permission shall be for a limited period of time not to exceed one (1) year which shall be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever. Such permission shall be required for each type or classification of cable communications activity planned for the purpose of monitoring individual viewing patterns or practices.

(b) Except as permitted by §631 of the Cable Act or pursuant to an order by a court, neither the Licensee nor its agents nor its employees shall make available to any third party, including the City, information concerning the viewing habits or subscription package decisions of any individual Subscriber.

(c) Written permission from the Subscriber shall not be required for the conducting of the Cable System wide or individually addressed electronic sweeps for the purpose of verifying the Cable System integrity or monitoring for the purpose of billing. Confidentiality of such information shall be subject to the provision set forth in paragraph (b) of this Section.

(d) Compliance with Section 631 of the Cable Act shall be deemed compliance with this Section.

ARTICLE 14 MISCELLANEOUS PROVISIONS

14.1 Compliance with Laws. By executing the Renewal License, the Licensee acknowledges that its rights are subject to the powers of the City to adopt and enforce general by-laws necessary to the safety and welfare of the public. The Licensee shall comply with all applicable State and City laws, by-laws, rules, and regulations governing construction within a Public Way. In the event of any conflict between this Franchise and any Issuing Authority ordinance or regulation, this Franchise will prevail. This Franchise is a contract and except as to those changes, which are the result of the Issuing Authority's exercise of its general police power, the Issuing Authority may not take any unilateral action, which materially changes the explicit mutual promises in this contract. Nor may the Franchisee take any unilateral action, which materially changes the explicit mutual promises in this contract. Any changes to this Franchise must be made in writing signed by the Licensee and the Issuing Authority.

14.2 Continuity of Service Mandatory. Upon expiration or the termination of License, the Issuing Authority may require a Licensee to continue to operate the Cable System for an extended period of time not to exceed six (6) months. Licensee shall, as trustee for its successor in interest, continue to operate the Cable System under the terms and conditions of License. In

the event Licensee does not so operate the Cable System, the Issuing Authority may take such steps as it, in its sole discretion, deems necessary to assure continued service to Subscribers.

14.3 Compliance with Federal, State and Local Laws/Severability.

(a) If any federal, state or local law or regulation requires or permits Licensee or the City to perform any service or act or shall prohibit Licensee or the City from performing any service or act which may be in conflict with the terms of this License, then as soon as possible following knowledge thereof, both parties shall notify the other of the point of conflict believed to exist between such law or regulation. The Issuing Authority may review such conflict and determine its effect in the same manner described in paragraph (c) and the City shall retain the same rights as outlined in paragraph (c).

(b) If any term, condition or provision of this License or the application thereof to any Person or circumstance shall, to any extent, be rendered invalid or unenforceable as in conflict with any law, rule or regulation of a superior governmental body, the remainder hereof and the application of such term, condition or provision to Persons or circumstances other than those as to whom it shall be held invalid or unenforceable shall not be affected thereby, and this License shall, in all other respects, continue to be effective and to be complied with. In the event that such law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision which had been held invalid or modified is no longer in conflict with the law, rules and regulations then in effect, said provision shall thereupon return to full force and effect and shall thereafter be binding on Licensee and the City.

(c) In the event that any court or other authority of competent jurisdiction (i) declares any section of this License invalid, in whole or in part, or (ii) requires Licensee either to (a) perform any act which is inconsistent with any of the said Sections or (b) cease performing any act required by said Sections, Licensee shall immediately notify the City. Such notice shall state whether Licensee intends to exercise its rights pursuant to such declaration or requirement. If the Issuing Authority determines within six (6) months of receiving such notice that said declaration or requirement has a material and adverse effect on this License after considering the needs of the community, the Issuing Authority shall notify Licensee, and Issuing Authority and Licensee will negotiate in good faith the required changes to this License. Nothing contained in this Section shall change or modify the rights of City or Licensee except as may otherwise be agreed to by negotiation as herein provided.

(d) In the event that any court or other authority of competent jurisdiction declares any section, sentence, clause, phrase, or portion of this License, for any reason, invalid or unconstitutional, and if the remaining provisions can be executed in a manner that continues to meet the goals of the parties as reflected in this License, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this License.

14.4 Non-enforcement by City or Issuing Authority. Licensee shall not be relieved of its obligation to comply with any of the provisions of this License by reason of any failure of the City to enforce prompt compliance.

14.5 Administration of the License.

(a) The Issuing Authority or its designee shall have continuing regulatory jurisdiction and supervision over the Cable System and Licensee's operation under this License. The Issuing Authority, or its designee, may issue reasonable rules and regulations under its general police powers concerning the use of the Public Ways insofar as they do not change the material provisions of this License.

(b) Licensee shall construct, operate and maintain the Cable System subject to the supervision of all the authorities of the City who have jurisdiction in such matters and in strict compliance with all laws, ordinances, departmental rules and regulations affecting the Cable System.

14.6 Miscellaneous Violations.

(a) Except as otherwise permitted by valid applicable law, from and after the acceptance of the License, it shall be unlawful for any Person to establish, operate or to carry on the business of distributing to any Persons in the City any video signals or radio signals by means of a Cable System using Public Ways unless a license therefore has first been obtained and unless such License is in full force and effect.

(b) Unless permitted by law, from and after the acceptance of this License, it shall be unlawful for any Person to construct, install or maintain within any Public Way in the City, or within any other public property of the City, or within any privately owned area within the City which has not yet become a Public Way but is designated or delineated as a proposed Public Way on any tentative subdivision map approved by the City, or the City's Official Map, any Cable System, unless a license authorizing such use of such Public Ways or property or areas has first been obtained.

(c) Notwithstanding any other provision of City ordinance or this License to the contrary, any person, public or private, wireless or wire service, who delivers for compensation any type of service similar in nature to Cable Service as defined hereunder, and who does not possess a license issued to it by the City, shall pay to the City a sum equal to five percent (5%) of gross revenues as a fee.

14.7 Controlling Law and Jurisdiction. All provisions in this License shall apply to the City, the Licensee and their successors and assigns. Jurisdiction and venue over any dispute, action or suit arising from this Renewal License shall be in any court of appropriate venue and subject matter jurisdiction located in the Commonwealth of Massachusetts and the parties by the instrument subject themselves to the personal jurisdiction of said court for the entry of any such judgment and for the resolution of any dispute, action, or suit.

14.8 Captions. The paragraph captions and headings in this License are for convenience and reference purposes only and shall not affect in any way the meaning of interpretation of this License.

14.9 Calculation of Time. Where the performance or doing of any act, duty, matter, payment or thing is required hereunder and the period of time or duration for the performance or during thereof is prescribed and fixed herein, the time shall be computed so as to exclude the first and include the last day of the prescribed or fixed period or duration of time. When the last day of the period falls on Saturday, Sunday or a legal holiday, that day shall be omitted from the computation.

14.10 Force Majeure. If by reason of *force majeure* either party is unable in whole or in part to carry out its obligations hereunder, said party shall not be deemed in violation or default during the continuance of such inability. The term "*force majeure*" as used herein shall mean the following: Acts of God; acts of public enemies; orders of any kind of the government of the United States of America or of the Commonwealth of Massachusetts or any of their departments, agencies, political subdivision, or officials, or any civil or military authority, whether legal or illegal; insurrections; riots; epidemics; landslides; lightening; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; civil disturbances; explosions; strikes; labor work actions and unavailability of essential equipment, personnel, services and/or materials beyond the reasonable control of the Licensee; and the inability of Licensee to obtain, on customary and reasonable terms, easements, permits or licenses for the attachment or placement of the System, or parts thereof, to any pole or underground conduit not owned by Licensee, or any other cause or event not reasonably within the control of the disabled party.

ARTICLE 15 EFFECTIVE DATE, PUBLICATION, AND TIME OF ACCEPTANCE

15.1 Effective Date. The Effective Date is the date both parties have signed this License and is set forth on the signature page.

15.2 Time of Acceptance; Incorporation of Proposal; Exhibits.

(a) Upon the Effective Date, Licensee shall be bound by all the terms and conditions contained herein. Licensee shall provide all services and offerings specifically set forth herein to provide Cable Services within the City.

(b) With its acceptance, this Licensee shall also deliver insurance certificates, and performance bonds.

(c) This License and every question arising hereunder shall be construed or determined according to the laws of the Commonwealth of Massachusetts and applicable federal law.

15.3 Applicability. All of the provisions in this License shall apply to the Issuing Authority, the City, the Licensee, and their respective successors and assignees.

15.4 Notices and Requests. Every notice and/or request to be served upon the Issuing Authority shall be delivered by hand or sent by Federal Express or other express receipted delivery service or certified mail (postage prepaid) to:

City Manager
City of Worcester
455 Main Street
Worcester, MA 01608

With a copy to:

City Solicitor
City of Worcester
455 Main Street
Worcester, MA 01608

Or to such other persons or such other addresses as the Issuing Authority may specify in writing to the Licensee.

Every notice and/or request to be served upon the Licensee shall be delivered by hand or sent by Federal Express or other express receipted delivery service or certified mail (postage prepaid) to:

Vice President/General Manager
Charter Communications Entertainment I, DST
l/k/a Charter Communications
95 Higgins Street
Worcester, MA 01606

With copies to:

Vice President Government Relations
East Division
Charter Communications
11 Commerce Street
Newtown, CT 06470

Joshua L. Jamison
President, East Division
Charter Communications
11 Commerce Street
Newtown, CT 06470

Charter Communications
Attn: Vice President of Government Relations
12405 Powerscourt Drive

St. Louis, MO 63131

Or to such other persons or such other addresses as the Licensee may specify in writing to the Issuing Authority.

Such delivery shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of receipt of such notice.

15.5 Preemption. Should any conflict arise between the terms herein and any federal or state law governing cable television, then the applicable federal or state law shall control.

15.6 Entire Agreement. This Franchise sets forth the entire agreement between the parties respecting the subject matter hereof. All agreements, covenants, representations and warranties, express and implied, oral and written, of the parties with regard to the subject matter hereof are contained herein. No other agreements, covenants, representations or warranties, express or implied, oral or written, have been made by any party to another with respect to the matter of this Franchise. All prior and contemporaneous conversations, negotiations, possible and alleged agreements, representations, covenants and warranties with respect to the subject matter hereof are waived, merged herein and therein and superseded hereby and thereby.

In WITNESS WHEREOF, this License is hereby issued by the City of Worcester, acting by and through its City Manager, as Issuing Authority, and all terms and conditions are hereby agreed to by Licensee, this ____ day of _____, 2008.

RECOMMENDED:

LICENSEE:

LAW DEPARTMENT

CHARTER COMMUNICATIONS
ENTERTAINMENT I, DST
a/k/a CHARTER COMMUNICATIONS

Michael E. Traynor
Deputy City Solicitor

By *Gregory A. Garabedian*
Gregory A. Garabedian
Vice President/GM NE/NY

APPROVED AS TO LEGAL FORM:

ISSUING AUTHORITY FOR THE CITY
OF WORCESTER, MASSACHUSETTS

David M. Moore
City Solicitor

By _____
Michael V. O'Brien
City Manager

On this 19th day of February, 2008, before me, the undersigned notary public, personally appeared *Gregory A. Garabedian*, provided to me through satisfactory evidence of identity, which was personally known by the notary, to be the person whose name is signed on this document and acknowledged to me that he signed it voluntarily for its stated purpose.

Jean Elizabeth Repole
Official signature of notary

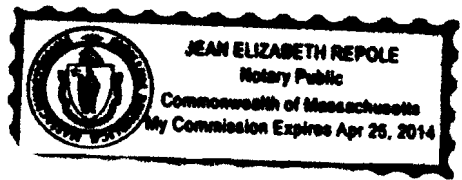


EXHIBIT 1

PUBLIC BUILDINGS

Heard School 200 Heard Street	Millbury School 832 Millbury Street	Norrback School 44 Malden Street
Tatnuck School 1083 Pleasant Street	Chandler School 525 Chandler Street	Mercy Center 25 West Chester St.
Burncoat Street 526 Burncoat Street	Greendale School 130 Leeds Street	Fire Station 19 Burncoat Street
St Nicholas School Saint Nicholas Ave	Downing School 92 Downing Street	Canterbury School 129 Canterbury St.
Tatnuck School 300 Mower Street	Greendale Fire Station 438 West Boylston Street	Flagg School 115 Flagg Street
Goddard School 14 Richards Street	Southwest Mill School 337 Mill Street	Lake School 133 Coburn Ave
Park Ave Fire Station 424 Park Ave	Nelson School 35 Nelson Place	Freeland School 12 Freeland Street
Administration School 20 Irving Street	North Ludlow School 1407 Main Street	Woodland Comm. School 93 Woodland Street
Forest School 495 Grove Street	Woodland Fire Station 36 Woodland Street	Public Works & Parks Dept. 20 E. Worcester St.
Thorndyke School 26 Thorndyke Rd.	Fire Station 100 Providence St.	Midland School 18 Midland Street
Harlow School 15 Harlow Street	Fire Station 267 Plantation St.	Fire Station 141 Grove Street
Fire Station 180 Southbridge St.	May Street School 265 May Street	Rice Square School 76 Massasoit Road
Columbus Park 75 Lovell Street	Fire Station t 40 Webster Street	Police/Fire Station 375 Airport Drive
Grafton St School 31 1 Grafton Street	Library 166 Tacoma Street	Technical High School One Skyline Drive
Lincoln School 549 Lincoln Street	Hope Cemetery 119 Webster Street	Public Works & Parks Dept. 18 E. Worcester St.

Francis Perkins Home 16 Cottage Street	Training Division 141 Grove Street	Belmont School 170 Belmont Street
Gage School 51 Gage Street	Union Hill School 1 Chapin Street	McGrath School 51 Chadwick Street
Wawecus School 20 Wawecus Road	Fire Station 70 Central Street	Chandler School 114 Chandler Street
Library 3 Salem Square	Public Works & Parks Dept. 26 Albany Street	Civil Defense 9- 11 Lincoln Square
Clark School 280 Clark Street	Granite School 120 Granite Street	Vernon Hill School 211 Providence St.
Millbury School 389 Millbury Street	Public Works & Parks Dept.. 29 Albany Street	South High School 170 Apricot Street
Beth Shalom Building 475 Chandler Street	Memorial Auditorium 1 Highland Street	School Department 24 Chatham Street
Inspectional Services/Health 25 Meade Street	Police Hdqtrs 9 – 11 Lincoln Square	Barkin Mgmt 11 Marble Street
Elm Park School 23 North Ashland	Roosevelt School 1006 Grafton Street	Burncoat St. School 179 Burncoat Street
Doherty School 299 Highland Street	East Middle School 420 Grafton Street	Seabury Heights 240 Belmont Street
Fire Station Soc. 1067 Pleasant Street	Public Works & Parks Dept. 50 Skyline Drive	Amer. Antiquarian 190 Salisbury Street
Court House Main Street	North High School Harrington Way	Alternative School 22 Waverly Street
Lifhouse 50 Franklin Street	Fire Station 745 Grafton Street	Central MA. Shelter 69 Grove Street
Sheriffs Office 455 Pleasant Street	Civil Defense 50 Skyline Drive	Fire Station 80 McKeon Road
St. Mary's School 50 Richland Street	Friendly House 87 Elm Street	Burncoat Middle School 135 Burncoat Street
The Audio Channel	Data Processing	Jacob Hiatt Magnet School

172 Lincoln Street

Salvation Army
640 Main Street

City Hall
455 Main Street

Library
470 West Boylston Street

9- 11 Lincoln Street

Diocese of Worcester
15 Ripley Street

Water Filtration Plant
Stone Hill Rd. Holden

Senior Center
128 Providence Street

772 Main Street

Mass Highway
403 Belmont Street

Moy Ranch
50 Moy Ranch Rd, Holden

**EXHIBIT 2
FRANCHISE FEE PAYMENT WORKSHEET**

SUMMARY OF GROSS REVENUES SUBJECT TO FRANCHISE FEE

FOR: WORCESTER, MASSACHUSETTS FOR YEAR: _____

REVENUE SOURCE	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	TOTAL
Basic Cable Service					
Installation Charge					
Expanded Basic Service					
Premium Services					
Pay Service					
Pay Per View					
Guide Revenue					
Net Advertising Revenue					
Home Shopping Commissions					
On Demand					
Digital Video					
Digital Video Recorder					
Other Revenue					
Equipment Rental					
Bad Debt Recovered					
REVENUE					
Fee Calculated					
FEE					

This Exhibit shall be annually changed to reflect current services subject to Franchise Fees and as permitted to the maximum extent permissible by valid applicable law and the License.

EXHIBIT 3

BROAD CATEGORIES OF PROGRAMING

- News
- Sports
- Local Broadcast
- Foreign Language
- Health
- Science
- History
- Religion
- Government
- Local Origination
- Fitness
- Decorating
- Food
- Children

EXHIBIT 4

ORIGINATION CAPABILITY LOCATIONS

City Hall, 4 th Floor	Insp. Services/Health Dept.
City Hall, Basement	Union Station
City Hall, Common-Plaza	DCU Center
City Hall, Franklin Street side	Foley Stadium
DPWP Customer Service Center	Public Library @ Salem Square
Emerg. Operations Ctr @ Skyline Drive	Emerg. Operations Ctr. @ Grove St
Emerg. Operations Training Ctr. @ Grove St	Shrewsbury Street
Park Ave Fire Station	Worcester Memorial Auditorium
Durkin Admin Bldg	North High School
Worcester Technical High School	South High School
Doherty High School	Claremont Academy
Burncoat High School	WCCA, Inc., 415 Main Street