CABLE TELEVISION FRANCHISE AGREEMENT BETWEEN THE TOWN OF BETHEL, MAINE AND FRONTIERVISION OPERATING PARTNERS, L.P., D/B/A ADELPHIA CABLE COMMUNICATIONS

THE TOWN OF BETHEL, MAINE, BY THIS FRANCHISE AGREEMENT GRANTS A FRANCHISE TO FRONTIERVISION OPERATING PARTNERS, L.P., D/B/A/ ADELPHIA CABLE COMMUNICATIONS (THE "GRANTEE") TO CONSTRUCT, OPERATE, AND MAINTAIN A CABLE SYSTEM IN THE TOWN OF BETHEL, MAINE (THE "GRANTOR" OR THE "TOWN").

SECTION 1. STATEMENT OF INTENT AND PURPOSE.

The Grantor intends, by the execution of this Franchise Agreement, to continue the development and operation of a Cable System. This development can contribute significantly to the communications needs and desires of many individuals, associations and institutions.

SECTION 2. SHORT TITLE.

This Agreement shall be known and cited as the "Bethel Franchise Agreement". Within this document it shall also be referred to as "this Franchise" or "the Franchise" or "the Agreement."

SECTION 3. DEFINITIONS.

For the purpose of this Franchise, the following terms, phrases, words, and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number. The words "shall" and "will" are mandatory and "may" is permissive. Words not defined shall be given their common and ordinary meaning.

1. "Basic Service" means a service tier which includes the retransmission of local television broadcast signals.


3. "Cable Service" means: (i) the one-way transmission to subscribers of 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.
4. "Cable System" or "System" shall mean a facility consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within a community and as defined in the Cable Act.

5. "FCC" means the Federal Communications Commission, its designee, or any successor thereto.

6. "Gross Revenues" shall mean all revenues from the provision of cable service over the System within the franchise area received by Grantee from Subscribers. Gross Revenues shall include revenues from the basic service tier of programming and for any optional tier of programming service (including premium and pay-per-view services), customer equipment and installation charges, disconnection and reconnection charges, revenues from advertising sales less agency fees and home shopping revenues. Gross revenues shall not include deposits, refunds and credits made to subscribers, bad debt, non-subscriber revenues, or any taxes imposed on the services furnished by Grantee herein which are imposed directly on the Subscriber or user by the local or any governmental unit and collected by Grantee on behalf of that governmental unit.

7. "Person" means any natural person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for-profit.

8. "Signal" means any transmission of radio frequency energy or of optical information.

9. "Street" means the surface of and the space above and below any public street, public road, public highway, public freeway, public lane, public path, public way, public alley, public court, public sidewalk, public boulevard, public parkway, public drive and any public easement or right-of-way now or hereafter held by the Grantor which shall entitle Grantee to the use thereof for the purpose of installing or transmitting over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments and other property as may be ordinarily necessary and pertinent to a System.

10. "Subscriber" means any person or entity who lawfully subscribes to any Cable Service whether or not a fee is paid for such Cable Service.
SECTION 4. GRANT OF AUTHORITY AND GENERAL PROVISIONS.

1. Grant of Franchise. The Grantor hereby grants to Grantee the non-exclusive right to construct, operate and maintain in, on, along, across, above, over and under the streets, alleys, lanes and public places of the Grantor, the poles, wires, cables, underground conduits, manholes and other facilities necessary for the maintenance and operation of a Cable System throughout the entire territorial area of the Town to provide Cable Service and other communications and information services.

2. Additional Franchises. The Grantor agrees that any grant of additional franchises or other authorizations including OVS authorizations by the Grantor to any other entity to provide video or other services similar to those provided by Grantee pursuant to this agreement and over which the Grantor has regulatory authority shall require that Cable Service be provided for the same territorial area of the Town of Bethel as required by this Agreement and shall not be on terms and conditions (including, without limitation, the franchise fee obligations) more favorable or less burdensome to the grantee of any such additional franchise than those which are set forth herein.

In any renewal of this Franchise, the Grantor, should it seek to impose increased obligations upon Grantee, must take into account any additional franchise(s) or authorizations previously granted and find that the proposed increase obligations in the renewal are not more burdensome and/or less favorable than those contained in the additional franchise(s) or authorizations.

3. Acceptance; Effective Date; Franchise Term. The Franchise granted herein will take effect and be in full force from such date of acceptance by Grantee recorded on the signature page of this Agreement. The Franchise shall continue in full force and effect for a period of ten (10) years from such effective date.

4. Area Covered. This Franchise is granted for the entire territorial limits of the Town of Bethel ("Franchise Area"). Upon completion of the upgrade, Grantee, upon request, will make service available to all residences and businesses within the territorial limits of the Town of Bethel and any annexed territory in the event that 1) such existing or annexed territory has a density of at least fifteen (15) homes per linear strand mile of cable as measured from existing Cable System plant (excluding homes subscribing to direct satellite); 2) any such residence or business requesting service can be provided with service by a standard installation which will be no more than two hundred (200) feet from the existing distribution system ("Standard Installation") and 3) such existing or annexed territory is not being served by a cable television system operator other than Grantee or its affiliates, an open video system or a satellite master antenna television system.
5. Installation Charges. Subscribers will be assessed no charge for extension of service other than the customary charges for any Standard Installation as defined herein. In the event a Subscriber requests a non-standard installation, Grantee shall charge the Standard Installation charge plus the incremental costs for such non-standard installation.

SECTION 5. CABLE SYSTEM

1. System Maintenance or Upgrade. Grantee agrees to comply with the terms set forth in this Franchise governing construction and technical requirements for maintenance of the Cable System, and any generally applicable laws governing the Grantor's rights of way.

2. Technical Standards. The System shall be designed, constructed and operated so as to meet those technical standards relating to Cable Systems contained in subpart K of part 76 of the FCC's rules and regulations as may, from time to time, be amended.

3. Emergency Alert System. Grantee will comply with the FCC's Emergency Alert System requirements throughout the Term of this Franchise.

SECTION 6. CONSTRUCTION PROVISIONS.

1. Construction Standards.
   a. All installation of electronic equipment shall be durable and installed in accordance with the provisions of the National Electrical and Safety Code and National Electrical Code as amended.

   b. Antennas and their supporting structures (tower) shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other generally applicable state or local laws, codes and regulations.

   c. Grantee's plant and equipment, including, but not limited to, the antenna site, headend and distribution system shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained and operated in accordance with good engineering practices.

   d. Grantee shall employ ordinary care and shall install and maintain in use commonly accepted methods and devices preventing failures and accidents which are likely to cause damage, injury or nuisance to the public.

2. Construction Codes and Permits. Grantee shall obtain all legally required permits
before commencing any work requiring a permit, including the opening or disturbance of any street, or public property or public easement within the community. Grantee shall strictly adhere to all building and zoning codes currently or hereafter applicable to construction, operation or maintenance of the system in the community, provided such codes apply to all other similarly situated entities.

3. **Repair of Streets and Property.** Any and all streets or public property or private property, which are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance or reconstruction of the system shall be repaired by Grantee, at its expense, to a condition as good as that prevailing prior to Grantee's construction.

4. **Use of Existing Poles.** Grantee shall not erect, for any reason, any pole on or along any street in an existing aerial utility system without the advance written approval of the Grantor, which approval shall not be unreasonably withheld. Grantee shall exercise its best efforts to negotiate the lease of pole space and facilities from the existing pole owners for all aerial construction.

5. **Undergrounding of Cable.** Cable plant shall be installed underground at Grantee's expense where all existing telephone and electrical utilities are already underground. Grantee shall place cable underground in newly platted areas in concert with both the telephone and electrical utilities, to the extent Grantee is notified of such placement. In the event that any telephone or electric utilities are reimbursed by the Grantor or any agency thereof for the placement of cable underground or the movement of cable, Grantee shall be reimbursed upon the same terms and conditions as any telephone, electric or other utilities.

6. **Reservation of Street Rights.**

   a. Nothing in this Franchise shall be construed to prevent the Grantor from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any street; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or other public work.

   b. All such work shall be done, insofar as practicable, in such a manner as not to obstruct, injure or prevent the free use and operation of the poles, wires, conduits, conductors, pipes or appurtenances of Grantee.

   c. If any such property of Grantee shall interfere with the construction or relocation, maintenance or repair of any street or public improvement, whether it be construction, repair, maintenance, removal or relocation of a sewer, public
sidewalk, or water main, street or any other public improvement, thirty (30) days notice shall be given to Grantee by the Grantor and all such poles, wires, conduits or other appliances and facilities shall be removed or replaced by Grantee so that the same shall not interfere with the said public work of the Grantor, and such removal or replacement shall be at the expense of Grantee herein. Should, however, any utility company or other entity be reimbursed for relocation of its facilities as part of the same work that requires Grantee to remove its facilities, Grantee shall be reimbursed upon the same terms and conditions as such utilities or other entities.

7. **Reasonable Care.** Nothing contained in this Franchise shall relieve any person from liability arising out of the failure to exercise reasonable care to avoid injuring Grantee's facilities while performing any work connected with grading, regrading, or changing the line of any street or public place or with the construction or reconstruction of any sewer or water system.

8. **Trimming of Trees.** Grantee shall have the authority to trim trees upon and hanging over streets, alleys, sidewalks, and public places of the Grantor so as to prevent the branches of such trees from coming in contact with the wires and cables of Grantee; provided, however, all trimming shall be done at the expense of Grantee.

9. **Movement of Facilities.** In the event it is necessary temporarily to move or remove any of Grantee's wires, cables, poles, or other facilities placed pursuant to this Franchise, in order to lawfully move a large object, vehicle, building or other structure over the streets of the Grantor, upon two (2) weeks notice by the Grantor to Grantee, Grantee shall move, at the expense of the person requesting the temporary removal, such of his facilities as may be required to facilitate such movements. Grantee reserves its right to request that such expenses be paid in advance. Any service disruption provisions of this Franchise shall not apply in the event that the removal of Grantee's wires, cables, poles or other facilities results in temporary service disruptions.

10. **Maps.** Upon request, Grantee shall provide the Town with a copy of its most current strand map.
SECTION 7. SERVICE PROVISIONS.

1. **Programming Decisions.** Grantee shall provide broad categories of programming services in accordance with the Cable Act.

2. **Cable and Cable Modem Service Connections to Schools and Grantor Facilities.**

   **Cable Service:** Grantee, upon written request of the Grantor, will provide and maintain one connection for Basic Service to each elementary and secondary public school, library, and Grantor administration facility, within the geographical limits of the Grantor which is located within two hundred (200) feet of Grantee’s distribution plant and listed in Exhibit A. Grantee will bring its connection to a specified exterior demarcation point mutually agreed upon by Grantee and such institution.

   **Cable Modem Service:** In the event that Grantee is providing internet access throughout the Town, and internet access is deemed to be a cable service under federal law, Grantee, upon written request of the Town, will provide use of one cable modem and maintain one connection for internet access to one computer terminal in each public school (elementary, middle and high school), and public library within the corporate limits of the Town and within two hundred (200) feet of the cable system’s distribution plant and listed on Exhibit A. Grantee will not be required to bear any expense in excess of the cost of the standard installation of a 200-foot service drop. Any additional costs will be borne by the requesting school or library on a time-and-material basis. All such public schools and libraries receiving such service will enter into Grantee’s standard installation agreement. The Town agrees that such institutions will not internally network Grantee’s connection to other computer terminals, but in the event such schools and libraries wish to create an internal network, the institutions will contact Grantee for a proposal to provide such networking.

3. **System Upgrade.** Subject to provisions of Force Majeure, within twenty-four (24) months of the execution of this Agreement, Grantee will upgrade its Cable System in the Town to a minimum bandwidth of 750 MHz including digital capacity with return capabilities for delivery of a combination of analog and digital services in accordance with the Upgrade Project Schedule set forth in Exhibit C. Grantee may rebuild the System using a combination of coaxial and fiber optic cable and in a manner which will ensure that the System will be flexible and adaptable to future technological development. Grantee may modify the design of the System and its use of transmission technology as the upgrade progresses. Grantee’s performance of its obligation to begin and complete such system upgrade will be extended or modified as necessary to secure materials, or any
permits, approvals, licenses or permissions or to perform required make ready work ("permits") in the event of any delay in obtaining such permits resulting from the failure or delay by the Grantor, any other regulatory authority, any railroad or common carrier, any electric utility, or any telecommunications carrier or local exchange carrier, to issue such permits upon a timely request submitted by Grantee or its contractor representative accompanied by the tender of any required permit fee.

4. **Standby Power.** Subsequent to completion of the Upgrade, Grantee will provide stand-by power at the headend facility. Such stand-by power shall become activated automatically upon the failure of normal power supply and will be capable of providing at least four (4) hours of stand-by powering at the headend.

5. **PEG Access.**
   
   a. Grantee agrees to continue to provide to the Town throughout the Term of this Franchise the one (1) PEG access channel currently in use by the Town. Upon completion of the System upgrade Grantee will provide the Town with an additional one (1) channel for a total of two (2) PEG access channels. Grantee will be entitled to use any PEG access channel capacity for the provision of other services at any time such channel capacity is not being used for the designated PEG access purposes.

   b. Grantee shall permit the insertion of flyers in Grantee’s subscriber bills up to a maximum of three (3) times per year. The access providers are to be responsible for costs of producing the materials plus any incremental costs to Grantee, including but not limited to postage and printing. The access providers shall provide Grantee with the materials in a time frame and form to be established by Grantee.

   c. Within sixty (60) days following the effective date of this Franchise Agreement, the Town may request and the Grantee agrees to pay the Town Twenty Thousand Dollars ($20,000) for facilities for PEG access use.

   The Town acknowledges that, under FCC rules, certain external costs including the PEG access grant referred to above, are eligible for “pass through” and itemization on the bill to subscribers or as basic service tier rate increases. The Town agrees that it will not challenge either the method or length of amortization for any such capital costs or expenditures that Grantee seeks to pass through and itemize consistent with FCC rate regulations.

   d. An access channel is a channel made available to the Town by the Grantee for
the purpose of cablecasting non-commercial programming by Town residents, Town administration and educational institutions. The Town agrees not to use the access channels to provide commercial or revenue generating services or services that may compete, directly or indirectly, with services provided by Grantee, provided, however, that the Town may cablecast acknowledgements of funding sources and the underwriting of programming costs. Grantee agrees that it will comply with federal law regarding the exercise of editorial control over the PEG access programming undertaken in the Town pursuant to this Franchise agreement.

e. Access Origination Points. For purposes of this agreement, “access origination points” refer to facilities originating access programming which is transmitted upstream on the Subscriber Network to the Cable System Headend for immediate retransmission downstream to Subscribers. The Grantee shall provide without charge signal input points at the Access Origination points set forth in Exhibit B. Grantee will only be required to provide the signal input point at the Bethel Town Hall upon completion of the rebuild. Grantee shall provide all equipment necessary at its headend to transmit and/or receive PEG Access signals from Grantor’s access origination points. Grantor shall be responsible for all equipment necessary to transmit and/or receive PEG Access signals at the access origination point at the Bethel Town Hall and any new and/or replacement equipment at the access origination point at Telstar High School.

f. Grantee will provide technical assistance to the Town to assist in the purchase, installation and use of access equipment, provided, however, that such assistance will be on an as needed basis not to exceed a cost to Grantee of $500 per month. Grantee’s obligation to provide such support shall cease eighteen (18) months after the Effective Date of this agreement.

In the event that within 18 months of the Effective Date of this Franchise, Grantor exercises its option pursuant to Section 10 of this Franchise to increase the franchise fee up to a maximum of five percent (5%), Grantee’s obligation to provide such technical assistance will terminate.

SECTION 8. REPORTS AND RECORDS

1. Grantee shall maintain complete and accurate books of accounts and records of its business and operations in accordance with Generally Accepted Accounting Principles (GAAP). Upon request, Grantee shall allow the Town to inspect and/or audit records of gross annual revenues and to inspect all other records
necessary to verify compliance with this Agreement.

2. Grantee shall provide to the Town copies of all pleadings, applications, reports, communications and documents, except tax returns, submitted to any state, federal and local courts and regulatory agencies relating to this Franchise.

3. Upon request and ninety (90) days written notice from Grantor, Grantee shall submit an annual report to the Town for the prior calendar year, which report shall include:

   a. Total number of subscribers in the Town, including a breakdown of subscribers taking basic service, cable programming service and premium services as of December 31 of the prior calendar year.

   b. The increase or decrease in the number of subscribers over the prior calendar year for the Town.

   c. Total miles of cable plant in the Town, including length of any fiber optic cable and miles of cable plant added in the prior calendar year.

   d. Total homes passed in the Town and density measured in miles of plant divided by homes passed as of December 31 of the prior year.

   e. A brief description of any technological upgrades or enhancements in cable service over the past year.

   f. A description of local origination programming services provided on the cable system by Grantee in the prior year, including any community events, meetings, or other local events or programming.

   g. A listing of any system outages in the Town over the prior year in excess of one hour, including the affected locations, the date, time, duration, cause of the outage, and steps taken to address the outage.

   h. A summary of customer complaint records for the prior year, including an identification of any significant customer service issues raised in the Town in the prior year and any resolution or changes in service resulting.

   i. Any new programming or changes in programming in the prior year.

   j. Any new or different services offered or made available in the Town in the prior year.
k. Any price changes in the prior year.
l. The Grantee's general outlook for the cable system for the coming year.

SECTION 9. CONSUMER PROTECTION AND RIGHTS OF INDIVIDUALS.

1. Customer Service Standards. Grantee will comply with the customer service standards promulgated by the FCC for as long as such standards are in effect.

   a. Grantee shall maintain on file with the Grantor at all times a current schedule of all rates and charges.

   b. Grantee shall provide written notice of changes in rates and charges as required by state and federal regulations.

2. Subscriber Complaint Practices.

   a. Grantee shall maintain an office which shall be open during normal business hours and shall maintain a publicly listed toll-free telephone number. Grantee shall maintain adequate telephone lines and personnel to respond in a timely manner to schedule service calls and answer Subscriber complaints or inquiries. Grantee shall follow all applicable federal and state regulations in responding to complaints by customers. A complaint as used in this Franchise will mean notice by a Subscriber of a billing dispute or problem with picture quality which is not resolved during the initial telephone or service call.

   b. Grantee shall render efficient service, make repairs promptly and interrupt service only for good cause and for the shortest time possible.

3. Parental Control Option. Grantee shall provide parental control devices, at reasonable cost, to Subscribers who wish to be able to prevent certain Cable Services from entering the Subscriber's home.

4. Rights of Individuals Protected.

   a. Discriminatory Practices Prohibited. Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers on the basis of race, color, religion, national origin, sex, or age. Grantee shall comply at all times with all other applicable federal and state laws relating to nondiscrimination.

   b. Subscriber Privacy. Grantee shall comply with all privacy provisions of the Cable Act, as amended.
SECTION 10.  FRANCHISE FEE.

1. Grantee shall pay to the Grantor a franchise fee equal to two and one-half percent (2 1/2 %) of the Grantee’s Gross Revenues, as herein defined.

2. Payments due the Grantor under this provision shall be computed quarterly and shall be due and payable quarterly. Each payment shall be accompanied by a report showing the basis for the computation.

3. Upon ninety (90) days notice by Grantor, Grantee shall increase the franchise fee up to a maximum of five percent (5%) of Grantee’s Gross Revenues, as defined herein.

SECTION 11.  INSURANCE.

1. Grantee will maintain in full force and effect for the Term of the Franchise, at Grantee’s expense, a comprehensive liability insurance policy with the Grantor as an additional insured, written by a company authorized to do business in the State of Maine, or will provide self-insurance reasonably satisfactory to the Grantor protecting the Grantor against liability for loss, personal injury and property damage occasioned by the operation of the Cable System by Grantee. Such insurance will be maintained in an amount not less than $1,000,000. Grantee will also maintain Worker’s Compensation coverage throughout the term of this franchise as required by law. Evidence in the form of a certificate of insurance or such self-insurance will be provided to the Grantor upon request. Grantee will provide Grantor with thirty (30) days notice of any cancellation, modification or non-renewal of any insurance policy.

2. At the end of the fifth (5th) year of the term of this agreement, the Grantor may request in writing that Grantee reasonably increase the amount of liability coverage to reflect inflation. Grantee will agree to such an increase in the event that such increased coverage is available at a reasonable cost.

SECTION 12.  INDEMNIFICATION.

1. Grantee will indemnify the Grantor and will pay all damages and penalties which the Grantor may legally be required to pay which result from any claim arising out of the award of the agreement, or the installation, operation, or maintenance of the Cable System throughout the Town of Bethel. The Grantor shall give Grantee timely written notice of the making of any claim or of the commencement of any action, suit or other proceeding covered by the indemnity in this Section. In the event any such claim arises, the Grantor shall tender the defense thereof to Grantee and Grantee shall have the right to defend, settle or compromise any claims arising hereunder and the Grantor shall
cooperate fully herein. If Grantor determines in good faith that its interests cannot be represented by Grantee, Grantee shall be excused from any obligation to represent Grantor.

2. Grantee will not be required to indemnify the Grantor for the negligent acts of the Grantor or its officials, boards, commissions, agents or employees. Further, the Grantor will indemnify and hold Grantee harmless from any claims or causes of action arising from any negligent acts by the Grantor, its officials, boards, commissions, agents or employees.

SECTION 13. VIOLATIONS AND REVOCATION.

1. Franchise Violations: Whenever the Grantor believes that Grantee has allegedly violated one (1) or more terms, conditions or provisions of this Franchise, a written notice shall be given to Grantee. The written notice shall describe in reasonable detail the alleged violation so as to afford Grantee an opportunity to remedy the violation. Grantee shall have thirty (30) days subsequent to receipt of the notice in which to either correct the violation or, if the violation cannot be corrected within the thirty (30) day period, to have commenced and be diligently pursuing corrective action. Grantee may, within ten (10) business days of receipt of notice, notify the Grantor that there is a dispute as to whether a violation or failure has, in fact, occurred. Such notice by Grantee to the Grantor shall specify with particularity the matters disputed by Grantee and shall stay the running of the above-described time.

a. The Grantor shall hear Grantee’s dispute at a regularly or specially scheduled meeting. Grantee shall have the right to subpoena and cross-examine witnesses. The Grantor shall determine if Grantee has committed a violation and shall make written findings relative to its determination. If a violation is found, Grantee may petition for reconsideration.

b. If after hearing the dispute the claim is upheld by the Grantor, Grantee shall have thirty (30) business days from such a determination to remedy the violation or failure.

The time for Grantee to correct any alleged violation shall be extended by the Grantor if the necessary action to correct the alleged violation is of such a nature or character to require more than thirty (30) days within which to perform, provided Grantee commences the corrective action within the thirty (30) day period and thereafter uses reasonable diligence to correct the violation. Notwithstanding the above provisions, Grantee does not waive any of its rights under federal law.
2. **Franchise Revocation:** The Grantor reserves the right to revoke, terminate or cancel this Franchise, and all rights and privileges pertaining thereto in accordance with the following procedures and applicable federal law, in the event that:

a. Grantee becomes insolvent, unable or unwilling to pay its debts, or is adjudged as bankrupt and Grantee’s creditors or Trustee in Bankruptcy do not agree to fulfill and be bound by all requirements of this Franchise; or

b. Grantee repeatedly and continually violates a material provision or provisions of this Franchise after being notified of such violations and being given time to cure the alleged violations in accordance with the procedures set forth in this Section.

c. Grantee is adjudicated guilty by a court of competent jurisdiction of practicing fraud or deceit upon the Town or any Subscriber;

3. **Revocation Procedures.** In the event that the Grantor determines as set forth above that Grantee has violated any material provision of the Franchise, the Grantor may make a written demand on Grantee that it remedy such violation and that continued violation may be cause for revocation. If the violation, breach, failure, refusal, or neglect is not remedied within thirty (30) days following such demand or such other period as is reasonable, the Grantor shall determine whether or not such violation, breach, failure, refusal or neglect by Grantee is due to acts of God or other causes which result from circumstances beyond Grantee’s control. Such determination shall be reasonable.

a. A public hearing shall be held and Grantee shall be provided with an opportunity to be heard upon fourteen (14) days written notice to Grantee of the time and the place of the hearing. The causes for pending revocation and the reasons alleged to constitute such cause shall be recited in the notice.

b. If notice is given and, at Grantee’s option, after a full public proceeding is held, the Grantor determines there is a violation, breach, failure, refusal or neglect by Grantee which is not excused by an event of force majeure, the Grantor shall direct Grantee to correct or remedy the same within such reasonable additional time, in such manner and upon such reasonable terms and conditions as Grantor may direct.

c. If after a public hearing it is determined that Grantee’s performance of any of the terms, conditions, obligations, or requirements of Franchise was prevented or impaired due to any cause beyond its reasonable control or not reasonably foreseeable, such inability to perform shall be deemed to be excused and no penalties or sanctions shall be imposed as a result thereof. Such causes beyond Grantee’s reasonable control or not reasonably
foreseeable shall include, but shall not be limited to, acts of God, civil emergencies and labor strikes.

d. If, after notice is given and, at Grantee’s option, a full public proceeding is held, the Grantor determines there was a violation, breach, failure, refusal or neglect which is not an event of force majeure, then the Grantor may declare, by resolution, the Franchise revoked and canceled and of no further force and effect unless there is compliance within such period as Grantor may fix, such period not to be less than thirty (30) days.

e. If the Grantor, after notice is given and, at Grantee’s option, a full public proceeding is held and appeal is exhausted, declares the Franchise breached, the parties may pursue their remedies pursuant to Franchise or any other remedy, legal or equitable. Grantee may continue to operate the system until all legal appeals procedures have been exhausted.

f. Notwithstanding the above provisions, Grantee does not waive any of its rights under federal law or regulation.

4. Performance Bond. Within sixty (60) days of the effective date of this franchise Agreement, Grantee will furnish and file with the Town a performance bond ("Performance Bond") in an amount no less than Two Hundred Fifty Thousand Dollars ($250,000). The Performance bond shall be conditioned upon and insure the faithful performance by Grantee of all material terms and conditions of this Agreement including Grantee’s rebuild obligations set forth in this Agreement. The company providing such bond must be licensed to do business in the State of Maine. Upon completion of the upgrade, Grantee may reduce the amount of the Performance Bond to Twenty Five Thousand Dollars ($25,000). Such reduced Bond will remain in effect throughout the remainder of the term of this franchise and will continue to insure the faithful performance of Grantee’s material obligations contained herein. Grantor agrees to execute the appropriate documents necessary for the decrease in the amount of the Performance Bond.

5. Liquidated Damages. Because Grantee’s failure to comply with certain material provisions of this Franchise Agreement will result in injury to the Town or to Subscribers, and because it will be difficult to estimate the extent of such injury, the Grantor and the Grantee hereby agree that the liquidated damages stated herein represent both parties’ best estimate of the damages resulting from the specified injury.

If after having followed the procedures described in Section 13 herein, if an alleged violation is proven to exist, and no cure or plan has been received by the Grantor within ninety (90) days, such liquidated damages shall be chargeable to the
Performance Bond if such liquidated damages are not tendered by Grantee. Liquidated damages may be imposed as follows commencing from the day of receipt of such notice from the Grantor:

a. For failure to maintain insurance as required herein, repeated failure to make timely payment of the franchise fee, failure to maintain FCC customer service standards, failure to comply with the subscriber privacy provisions of the Agreement, failure to complete required construction on a timely basis, failure to obtain and maintain the Performance Bond, failure to serve unserved areas subject to density requirements within the time required herein, failure to remove, relocate or protect Grantee's system at the direction of the Town as set forth herein, failure to maintain FCC technical standards, and failure to provide required reports: $200 per day for each day the violation continues.

b. For failure to provide channel capacity and upstream channels as required, failure to provide required PEG channels or required PEG facilities and equipment funding, until compliance: $100.00 per day for each day the violation continues.

SECTION 14. FORECLOSURE, RECEIVERSHIP AND ABANDONMENT.

1. Foreclosure. Upon the foreclosure or other judicial sale of the system, Grantee shall notify the Grantor of such fact and such notification shall be treated as a notification that a change in control of Grantee has taken place.

2. Receivership. The Grantor shall have the right to cancel this Franchise subject to any applicable provisions of state law, including the Bankruptcy Act, one hundred and twenty (120) days after the appointment of a receiver or trustee to take over and conduct the business of Grantee, whether in receivership, reorganization, bankruptcy or other action or proceeding, unless such receivership or trusteeship shall have been vacated prior to the expiration of said one hundred and twenty (120) days, or unless:

   a. Within one hundred and twenty (120) days after his election or appointment, such receiver or trustee shall have complied with all the material provisions of this Franchise and remedied all defaults thereunder; and,

   b. Such receiver or trustee, within said one hundred and twenty (120) days, shall have executed an agreement, duly approved by the Court having jurisdiction in the premises, whereby such receiver or trustee assumes and agrees to be bound by each and every provision of this Franchise.

3. Abandonment. In the event Grantee abandons the Cable System for a period of thirty (30) days and such abandonment is not due to an event of force majeure, and Grantor
has given Grantee reasonable notice and opportunity to cure, Grantee shall forfeit the entire amount of the performance bond.

SECTION 15. REMOVAL, TRANSFER AND PURCHASE.

1. Removal After Revocation.
   a. Upon revocation or termination of the Franchise, as provided for herein, the Grantee shall proceed to remove, at Grantee’s expense, all or any portion of the System from all streets and public property within the Town of Bethel. In so removing the System, Grantee shall be responsible for any repairs or damages caused by its removal and shall maintain insurance during the term of removal.
   
b. If Grantee has failed to commence removal of the System, or such part thereof as was designated within thirty (30) days after written notice of the Grantor’s demand for removal is given, or if Grantee has failed to complete such removal within one (1) year after written notice of the Grantor’s demand for removal is given, the Grantee shall be deemed to have abandoned the System to the Grantor.

2. Grantor’s Right to Purchase. Once all revocation procedures detailed in Section 13 have been exhausted, Grantor shall have the right to purchase the franchise pursuant to Section 627 of the Cable Act.

3. Franchise Binding. This Franchise shall be binding on successors, assigns, and transferees.

4. Transfer. Grantee agrees that this Franchise or the Cable System will not be sold, assigned or transferred effecting or which result in a change in control of the Franchise or the Cable System without the prior written consent of the Grantor which consent will not be unreasonably withheld.

A change in control will include actual working control, the power to direct the management and policies of Grantee directly or indirectly whether through the ownership of voting securities, by contract or otherwise in whatever manner exercised.

A rebuttable presumption that there has been a “change of control” will occur in the event of any acquisition of the Franchise or the Franchisee’s parent’s voting stock by a person or group of persons acting in concert which results in that person or group of persons owning more than fifty (50%) of the voting stock of the Franchise or Franchisee’s parent.
No transfer of control will be deemed to have taken place if the transfer is to an entity under common control with Grantee.

Further, no consent will be required for a transfer in trust, mortgage, or other hypothecation as a whole or in part to secure an indebtedness.

In the event that during the Term this Franchise is transferred and the Grantor has the right to consent to such transfer, Grantee agrees to reimburse the Town's reasonable incidental costs such as the cost of notices and publication up to a maximum of One Thousand Dollars ($1,000), but not including the cost of any consultants hired by the Grantor. The Grantor agrees that it will not challenge either the method or length of amortization for any such costs that Grantee seeks to pass through consistent with FCC rate regulations.

SECTION 16. MISCELLANEOUS PROVISIONS.

1. **Compliance with Laws.** Grantee and the Grantor shall conform to all applicable state and federal laws and rules regarding cable television, unless otherwise stated. Grantee shall also conform during the entire term of the Franchise with all generally applicable ordinances, resolutions, rules and regulations heretofore or hereafter adopted pursuant to the Grantor's lawful police powers that do not materially impair or abrogate any of the Grantee's contractual rights under this Franchise and that are not preempted by state or federal law.

2. **Compliance with Federal, State and Local Laws.** If any term, condition or provision of this Franchise or the application thereof to any person or circumstance shall, to any extent, be held to be invalid or unenforceable, 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 Franchise and all the terms, provisions and conditions hereof shall, in all other respects, continue to be effective and to be complied with.

3. **Administration of Franchise.** This Franchise is a contract and except as to those changes which are the result of the Grantor's exercise of its police power in managing its rights of way and in its generally applicable regulation of commerce, neither party may make any unilateral action which materially changes the explicit mutual promises in this contract. Any changes to the Franchise must be made in writing, signed by Grantee and Grantor.

4. **Franchise Requirement.** In accordance with applicable law, from and after the acceptance of the Franchise, the Grantor shall not allow and it shall be unlawful for any person to construct, install or maintain within any street within the territorial boundaries of the Grantor, or within any other public property of the Grantor, or within any privately
owned area within the territorial limits of the Grantor which has not yet become a public street but is designated or delineated as a proposed public street on any tentative subdivision map approved by the Grantor, or the Grantor’s official map or the Grantor’s major thoroughfare plan, any equipment or facilities for distributing any television signals or radio signals through a system, unless a Franchise authorizing such use of such street or property or areas has first been obtained.

5. **Reservation of Rights.** Acceptance of the terms and conditions of this franchise will not constitute, or be deemed to constitute, a waiver, either expressly or impliedly, by Grantee of any constitutional or legal right which it may have or may be determined to have, either by subsequent legislation or court decisions. The Grantor hereby acknowledges that Grantee reserves all of its rights under applicable Federal and State Constitution laws and regulations.

6. **Force Majeure.** With respect to any provision of this Franchise Agreement Grantee will be excused where such violation or noncompliance is the result of an Act of God, war, civil disturbance, strike or other labor unrest, the inability to secure materials, or any event beyond Grantee’s reasonable control or not reasonably foreseeable.

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

8. **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 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.

9. **Written Notice.** All notices, reports or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to the person designated below, or when five (5) days have elapsed after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, or on the next business day if sent by express mail or overnight air courier addressed to the party to which notice is being given, as follows:

If to Grantor: Town of Bethel
P.O. Box 1660
19 Main Street
Bethel, ME 04217

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If to Grantee: Adelphia Communications Corporation
      Attn: Legal Department
      One North Main Street
      Coudersport, PA 16915

With a copy to: FrontierVision Operating Partners, L.P.
      Attn: General Manager
      444 Perry Road
      Bangor ME 04401

Such addresses and phone numbers may be changed by either party upon notice to
the other party given as provided in this section.

10. **Entire Agreement.** This Franchise contains the entire understanding between the
parties with respect to the subject matter hereof and supersedes all other prior
understandings and agreements oral or written. This agreement may not be modified
except in writing signed by both parties.

**SECTION 17. PUBLICATION.**

This Franchise shall be signed by the Board of Selectmen of the Town of Bethel, Maine and
attested by the Town Clerk. The Franchise shall be maintained as a public document in
accordance with the requirements of Grantor and state law and shall take effect upon
execution by Grantor and Grantee as set forth in Section 4 thereof.
SECTION 18. **ACCEPTANCE.**

Grantor by virtue of the signatures on said Agreement and Grantee by virtue of the signatures set forth below, agree to be legally bound by all provisions and conditions set forth in this Agreement, together forming a mutually binding contractual agreement which cannot be amended without a writing executed by both parties.

Executed this _4_ day of September, 2001.

THE TOWN OF BETHEL, MAINE

By its Municipal Officers

Selectman

Selectman

Selectman

Selectman

ATTEST:

Town Clerk

Accepted by FrontierVision Operating Partners, L.P., d/b/a Adelphia Cable Communications

By:  _Randall D. Fisher_

Its:  _Vice President of Finance; Partner, General Partner, General Partner's Sole Owner_

Date:  _9/11/01_