

CABLE FRANCHISE AGREEMENT

BETWEEN

THE TOWNSHIP OF MOON, PENNSYLVANIA

AND

COMCAST OF PENNSYLVANIA II, INC.

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CABLE FRANCHISE AGREEMENT

This Cable Franchise Agreement (“Agreement”) is executed as January 1, 2003 (“Effective Date”) by and between the Township of Moon, a Pennsylvania municipality located in Allegheny County, Pennsylvania (hereinafter referred to as the “Township”) and Comcast of Pennsylvania II, Inc., a Pennsylvania corporation (hereinafter referred to as “Franchisee”).

WHEREAS, pursuant to the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, the Telecommunications Act of 1996 (“Cable Act”), the regulations of the Federal Communications Commission (“FCC”) and Pennsylvania law, the Township is authorized to grant or renew franchises to construct, operate and maintain a Cable System utilizing public rights-of-way and properties within the Township’s jurisdiction; and

WHEREAS, Franchisee currently holds a franchise from the Township by virtue of a cable franchise agreement dated August 1, 1982 and that such cable franchise agreement expires on December 31, 2002; and

WHEREAS, Franchisee has requested a renewal of its franchise to maintain, construct, operate and upgrade its Cable System over, under and along the aforesaid rights-of-way for use by the Township’s residents; and

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

WHEREAS, the Township desires to protect and manage the aforesaid rights-of-way, establish a process to obtain new Cable Services in a timely fashion, require high standards of customer service, maintain and enhance its Public, Educational and Governmental Channel, receive financial compensation for Franchisee’s use of the Township’s rights-of-way as provided by federal law, obtain Cable Services for its public buildings and provide for the current and future cable-related needs of its residents; and

WHEREAS, the Township held a public hearing on May 15, 2002, on the subject of cable franchise renewal, including reviewing the cable operator’s past performance and identifying the Township’s future cable-related community needs; and

WHEREAS, the Township has determined that Franchisee has the financial, legal and technical ability to provide Cable Services to Subscribers located in the Township; and

WHEREAS, the Township, after affording the public notice and opportunity for comment, has determined that the public interest would be served by renewing Franchisee's franchise according to the terms and conditions contained herein;

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

SECTION 1 **GRANT OF FRANCHISE**

1.1 GRANT OF AUTHORITY

Pursuant to the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, the Telecommunications Act of 1996, the regulations of the FCC and Pennsylvania law, the Township hereby grants a non-exclusive and revocable franchise to Franchisee, authorizing and permitting Franchisee to construct, operate, and maintain a Cable System in the Township's public rights-of-way.

Subject to the terms and conditions contained herein, the Township hereby grants to Franchisee the right to construct, extend, install, operate, maintain, upgrade and rebuild a Cable System, including such wires, cables, fiber, conductors, ducts, conduits, amplifiers, pedestals, attachments and other property and equipment as are necessary and appropriate to the operation of the Cable System in, under, over, along, across and upon the streets, lanes, avenues, alleys, sidewalks, bridges, highways and other public places and rights-of-way under the jurisdiction of the Township, including property over which the Township has a sufficient easement or right-of-way, for the purpose of reception, transmission, amplification, origination, distribution or redistribution of video, audio, text, data and other electronic signals and impulses as permitted by applicable law.

Notwithstanding this authority, Franchisee shall obtain all necessary government permits for occupying or disturbing any public places and/or rights-of-way. Prior to obtaining such permits, Franchisee shall provide the Township with all

reasonable information and documentation which it requires. Franchisee shall comply with all other government regulations and requirements thereto.

1.2 TERM OF FRANCHISE

The term of this Agreement shall be for a period of eight (8) years commencing on the Effective Date and expiring at midnight on December 31, 2010, unless the franchise is terminated prior to the expiration date in accordance with the terms and conditions of this Agreement.

1.3 NON-EXCLUSIVITY

This franchise granted to Franchisee shall be non-exclusive. Nothing in this Agreement shall affect the right of the Township to grant another franchise to construct, operate or maintain a Cable System or for any other purpose. In the event the Township enters into a franchise, permit, license, authorization or other agreement of any kind with any other entity other than Franchisee to enter the public rights-of-way for the purpose of constructing or operating a Cable System or providing Cable Services to any part of the Township and such franchise, permit, license, authorization, or agreement contains terms which are materially more favorable than this Agreement, Franchisee may request that the Township amend this Agreement, so as to give Franchisee the reasonably comparable benefit of any such terms. The Township is under no obligation to rule affirmatively on said request. The Township shall not unreasonably delay its response to such request.

1.4 POLICE POWERS

Franchisee's rights under this Agreement are subject to the police powers of the Township to adopt and enforce general laws and regulations necessary for the safety and welfare of the public. Such laws and regulations are separate and distinct from the terms and conditions contained in this Agreement.

1.5 NO WAIVER OF RIGHTS

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

SECTION 2

COMPENSATION TO THE TOWNSHIP

2.1 FRANCHISE FEES

Franchisee shall pay to the Township an amount equal to five percent (5%) of the Gross Revenues derived from the operation of its Cable System in the Township. The term "Gross Revenues" is defined in Section 14 "Definitions" below. Franchisee shall not deduct or otherwise credit against the franchise fee any tax, fee or assessment of general applicability. The Township may increase or decrease the franchise fee upon sixty (60) days written notice to Franchisee provided that the franchise fee may not exceed five percent (5%). In the event that federal law is amended to authorize a franchise fee higher than five percent (5%), the Township may, at its discretion, direct Franchisee to pay a higher franchise fee. Such action shall be taken at a public meeting of the Township Board of Supervisors in which Franchisee is provided the opportunity to speak before such action is taken.

2.2 QUARTERLY PAYMENTS

Franchise fee payments to the Township under this provision shall be computed at the end of each calendar quarter and shall be due and payable within thirty (30) days after the end of each calendar quarter. Specifically, payments shall be due and payable on or before April 30 (for the first quarter), July 31 (for the second quarter), October 31 (for the third quarter) and January 31 (for the fourth quarter) of each year. No acceptance of any payment shall be construed as an accord that the amount paid is in fact the correct amount, nor shall acceptance of any payment be construed as a release of any claim the Township may have for additional sums payable under this Agreement.

2.3 QUARTERLY REPORTS

Each franchise fee payment shall be accompanied by a written report containing an accurate statement of Franchisee's Gross Revenues received for Cable Services for the quarter in connection with the operation of Franchisee's Cable System and a brief report showing the basis for computation of fees. The report shall contain a line item for every source of revenue received and the amount of revenue received from each source. The report shall be verified by a financial representative of Franchisee.

2.4 AUDITS

On an annual basis, upon thirty (30) days prior written notice, the Township shall have the right to conduct an independent audit of Franchisee's records reasonably related to the sources, amounts and computation of Gross Revenues in accordance with Generally Accepted Accounting Principles and the terms of the Agreement. Such records shall be kept or made available to the Township at the notice location for Franchisee specified in Section 13.3 below. Any reproduction of such records for purposes of inspection shall be performed at Franchisee's expense. If the audit shows that franchise fees have been underpaid, then Franchisee shall pay the underpaid amount and liquidated damages of ten percent (10%) of the underpayment. If franchise fees have been underpaid by five percent (5%) or more, then Franchisee shall also pay the total cost of the audit. The Township's right to audit and Franchisee's obligation to retain records related to a franchise fee audit shall expire four (4) years after each franchise fee payment has been made to the Township.

SECTION 3 SYSTEM CONSTRUCTION, OPERATION AND MAINTENANCE

3.1 TECHNICAL REQUIREMENT

(a) Franchisee shall operate, maintain, construct and extend the Cable System so as to provide high quality signals and reliable delivery of one-way and two-way Cable Services throughout all parts of the Township. The Cable System shall meet or exceed any and all technical performance standards of the FCC, the National Electrical Safety Code, the National Electric Code and any other applicable federal laws and the laws, ordinances and construction standards of the Commonwealth of Pennsylvania and the Township.

(b) Standby-by power at the headend(s) shall be provided for a minimum of twelve (12) hours in the event of an outage. The power supplies serving the nodes and distribution shall be capable of providing power for not less than four (4) hours in the event of an electrical outage.

3.2 AREA TO BE SERVED

(a) Service shall be provided to every dwelling occupied by a person requesting Cable Service provided that Franchisee is able to obtain from the property owners any necessary easements and/or permits in accordance with Section 621(a)(2) of the Cable Communications Policy Act of 1984 or other applicable law and federal regulations. Franchisee shall extend the Cable System into all areas within the Township where there is a minimum of twenty-five (25) dwelling units per linear plant mile of aerial cable, and fifty (50) dwelling units per underground mile of cable, calculated from the end of the nearest trunk line. If the Township receives a written request for Cable Service from fewer than twenty-five (25) but more than fifteen (15) dwelling unit owners located within a single mile without existing Cable System plant, then the Township may require AT&T to meet with appropriate Township officials within thirty (30) days of notification to discuss the feasibility of extending Cable Service to such dwelling units. Franchisee shall complete said extensions within three (3) months of notification to Franchisee by the Township that an area has met the minimum density standard set forth herein. Franchisee's obligation hereunder shall be subject to the timely performance of walk-out, make ready and location of all underground utilities.

(b) Any dwelling unit within one hundred twenty-five feet (125 ft.) aerial distance of the cable plant shall be entitled to a standard installation rate. For any dwelling unit in excess of one hundred twenty-five feet (125 ft.) aerial or that requires an underground installation of any length, Franchisee shall extend Cable Service at a rate not to exceed Franchisee's actual cost of installation from its main distribution system.

(c) All installations of wires and/or equipment by Franchisee shall be underground in those areas of the Township where the wires and/or equipment of telephone and electric utilities is underground. Franchisee shall not be required to construct, operate, and maintain underground any ground-mounted appurtenances, including but not limited to Subscriber taps, line extenders, system passive devices (splitters, direction couplers), amplifiers, power supplies and pedestals. Township reserves the right to review and approve the location of such ground-mounted appurtenances in the rights-of-way.

(d) Provided Franchisee has at least forty-five (45) days prior notice from the developer or property owner concerning the opening of residential subdivision trenching, or of the installation of conduit for the location of utilities, it shall install its cable in such trenching or conduits.

3.3 PERMITS

Franchisee shall apply to the Township for all required permits and shall not undertake any activities in the public rights-of-way subject to a permit without receipt of such permit, issuance of which shall not be unreasonably withheld by the Township. Franchisee shall pay any and all required permit fees.

3.4 REPAIRS AND RESTORATION

(a) Whenever Franchisee or any agent, including any subcontractor, takes up or disturbs any pavement, sidewalk or other improvement of any public or private way or place, the same shall be replaced and the surface restored in as good condition as before the disturbance in accordance with the Township's restoration requirements. Upon failure of Franchisee to comply within the time specified by such requirements, the Township may cause proper restoration and repairs to be made and the expense of such work shall be paid by Franchisee upon demand by the Township along with any liquidated damages applied by the Township in accordance with Section 9 "Franchise Violations, Damages and Revocation" below.

(b) Whenever Franchisee or any agent, including any subcontractor, shall install, operate or maintain equipment, cable, or wires, it shall avoid damage and injury to property, including structures, improvements and trees in and along the routes authorized by the Township, except as may be approved by the Township if required for the proper installation, operation and maintenance of such equipment, cable, or wires. Franchisee shall promptly repair and restore any private property which is damaged as a result of construction, installation, repair or maintenance of the Cable System within ten (10) business days of receiving notice of such damage, weather permitting.

(c) Franchisee's operating, construction, repair and maintenance personnel, including all agents and subcontractors, shall be thoroughly trained in the use of all equipment and the safe operation of vehicles. Franchisee's operating, construction, repair and maintenance personnel shall follow all safety procedures required by all applicable federal, state and local laws and regulations. All areas of the Cable System shall be routinely inspected and maintained so that conditions that could develop into safety hazards for the public and/or operating and maintenance personnel can be corrected before they become a hazard. Franchisee shall install and maintain its wire, cable, fixtures, and other equipment in such a manner as shall not interfere with any installations of the Township or any public utility serving the Township.

(d) Whenever Franchisee or any agent, including any subcontractor, shall engage in any construction activity in the rights-of-way, it shall obtain all required permits. Franchisee shall also comply with the Township's generally applicable public safety plan requirement to ensure that public safety hazards, including traffic hazards, are avoided.

(e) Whenever Franchisee or any agent, including any subcontractor, shall disturb any pavement, sidewalk or other public property in order to perform any underground activity, it shall utilize the Pennsylvania One Call System prior to any such disturbance. It shall notify the Pennsylvania One Call System no less than three (3) and no more than ten (10) working days in advance of any such disturbance or adhere to the time periods which the Commonwealth may establish in the future. Franchisee shall also adhere to all requirements of the Pennsylvania Underground Utility Line Protection Act.

(f) All structures and all lines, equipment and connections in, over, under, and upon streets, sidewalks, alleys, and public and private ways and places of the Township, wherever situated or located, shall at all times be kept and maintained in a safe and suitable condition and in good order and repair.

3.5 SYSTEM MONITORING

Upon completion of any construction, Franchisee shall conduct periodic signal monitoring in accordance with the requirements of the FCC. Franchisee shall monitor the signal quality of all channels delivered on the Cable System, including the Public, Educational and Governmental Channel.

3.6 SERVICE AREA MAPS

Franchisee shall provide to the Township for its exclusive use and shall maintain at its local offices a complete set of Franchisee strand maps of the Township, on which will be shown those areas in which its facilities exist and the location of all streets. Such maps shall be provided to the Township in GIS format if Franchisee's electronic version is compatible with that utilized by the Township. Upon request, updated maps shall be delivered to the Township within forty-five (45) days of such request. The Township recognizes that Franchisee considers this information confidential and proprietary. The Township shall keep this information confidential so long as it is permitted to do so under applicable law.

3.7 BUILDING MOVES

In accordance with applicable laws, Franchisee shall, upon the request of any person holding a building moving permit issued by the Township, temporarily raise or lower its wires to permit the moving of the building. Franchisee shall be given at least thirty (30) days advance notice to arrange for such temporary wire changes. If the building to be moved is owned or operated by the Township, Franchisee shall raise or lower its wires at no cost to the Township.

3.8 DISCONNECTION AND RELOCATION

(a) Franchisee shall, at no cost and expense to the Township, protect, support, temporarily disconnect, relocate in the same street, or other public way and place, or remove from any street or any other public way or place, any of its property as required by the Township or its designee by reason of traffic conditions, public safety, street construction, change or establishment of street grade, or the construction of any public improvement or structure.

(b) In requiring Franchisee to protect, support, temporarily disconnect, relocate or remove any portion of its property, the Township shall treat Franchisee the same as, and require no more of Franchisee than, any similarly situated entity.

3.9 EMERGENCY REMOVAL OF EQUIPMENT

(a) If, at any time, in case of fire or other disaster in the Township, it shall be necessary, in the reasonable judgment of the Township or its agent, to cut or move any of the wires, cable or equipment of the Cable System, the Township shall have the right to do so without cost or liability, provided that, wherever possible, the Township shall give Franchisee notice and the ability to relocate wires, cable or other equipment.

(b) In such case, Franchisee shall have the right to seek reimbursement, if any, under any applicable insurance or state or federal government programs for reimbursement.

3.10 TREE TRIMMING

Franchisee, or its agents, including subcontractors, shall have the authority to trim trees upon and overhanging public streets, alleys, sidewalks and the public rights-of-way so as to prevent the branches of such trees from coming in contact

with the wires, cables or other equipment of Franchisee, in accordance with applicable laws and regulations. Franchisee shall reasonably compensate the Township or other property owner for any damages caused by such tree trimming. If Franchisee or its agents, including subcontractors, wish to cut down and remove any tree or trees as may be necessary for the installation and maintenance of its equipment, it shall apply to the Township for permission and, if permission is granted, shall perform such cutting and removal in accordance with accepted arboreal standards and with the regulations of the Township. Franchisee shall notify adjacent property owners at least (7) days prior to any tree removal.

SECTION 4

SYSTEM SPECIFICATIONS AND NEW CABLE SERVICES

4.1 SYSTEM SPECIFICATIONS

Franchisee's Cable System covering the Township is constructed to utilize fiber optic backbone connections from headend to a hub, and hub to nodes. This Cable System is built and shall be maintained with at least a bandwidth no less than 750 MHz with the capacity to deliver at least 100 video programming services and with sufficient portion of said bandwidth allocated to deliver reliable two-way Cable Services. The Cable System includes nodes which service no more than 1200 dwellings. The Cable System is designed so that channel capacity may be expanded and additional programming delivered to Subscribers through digital video compression or similarly appropriate technologies without compromising the quality of the signal.

4.2 NEW CABLE SERVICES

(a) Franchisee's Cable System in the Township shall be capable of offering Cable Services that are comparable to cable systems owned or operated by Franchisee or an Affiliated Entity of Franchisee serving other municipalities in Allegheny County ("Comparable Systems") pursuant to the terms of this subsection. If the Township believes that there are Comparable Systems providing more advanced Cable Services than those offered in the Township, the Township may send a written request to Franchisee, not to exceed one notice every three (3) years, requesting information on the Cable Services offered by the Comparable Systems. Within sixty (60) days of receiving the request, Franchisee shall provide the Township with information on any Cable Services that are offered in the Comparable Systems, but not being offered in the Township, the percentage of total

subscribers in the Comparable Systems to whom such Cable Services are available and when Franchisee anticipates making such Cable Services available in the Township.

(b) If the identified Cable Services are being offered by Franchisee or its Affiliated Entities to at least fifty percent (50%) of the total subscribers in the Comparable Systems, the Township may require that Franchisee make available such Cable Services on the Cable System in the Township. Should the Township determine that Franchisee shall commence provision of such Cable Services, the Township and Franchisee shall negotiate a schedule for deployment that takes into consideration the benefits and costs to Subscribers of such Cable Services, the impact, if any, on Subscriber rates for existing Cable Services, the ability of Franchisee to recover the cost of such Cable Services from the incremental revenue derived from such additional Cable Services, the period of time in which Franchisee would recover such costs and the financial condition of Franchisee. The parties recognize that, as of the Effective Date, the Township is not permitted to require the provision of specific video programming services pursuant to this subsection.

SECTION 5

CUSTOMER SERVICE STANDARDS

5.1 OFFICE HOURS AND TELEPHONE AVAILABILITY

(a) Franchisee shall maintain a business office which is conveniently located and which shall be open during Normal Business Hours.

(b) Franchisee shall provide and maintain a toll free telephone access line which will be available to Subscribers twenty-four (24) hours a day, seven (7) days a week. Trained representatives shall be available to respond to customer telephone inquiries during Normal Business Hours. After Normal Business Hours, the access line may be answered by a service or an automated response system. Inquiries received after Normal Business Hours must be responded to by a trained company representative on the next business day.

(c) Under Normal Operating Conditions, telephone answering time by a customer representative, including wait time, shall not exceed thirty (30) seconds after the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under Normal Operating Conditions measured on a quarterly basis.

(d) Under Normal Operating Conditions, the customer shall receive a busy signal less than three (3) percent of the time.

(e) Franchisee shall not be required to acquire equipment or perform surveys to measure compliance with the telephone answering requirements above unless a historical record of complaints indicates a clear failure to comply. If the Township determines, after receiving complaints itself and/or receiving a record of complaints made to Franchisee in accordance with Section 8 below, that there is a clear failure to comply with the telephone answering requirements above, the Township shall notify Franchisee that it must measure its compliance with these requirements for the next ninety (90) days and report to the Township with its results.

5.2 INSTALLATIONS AND SERVICE CALLS

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

(b) Standard installations will be performed within seven (7) business days after an order has been placed. "Standard" installations are those aerial installations that are located up to one hundred twenty-five (125) feet from the existing distribution system.

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

(d) Upon scheduling of appointments with the customer for installations, service calls and other installation activities, Franchisee shall provide the customer with either a specific time or an "appointment window" of a maximum of four (4) hours during Normal Business Hours. Franchisee may schedule service calls and

installation activities outside of Normal Business Hours for the express convenience of the customer.

(e) Franchisee may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment. If, at any time, an installer or technician is running late, an attempt to contact the customer must be made prior to the time of the appointment. If the appointment must be rescheduled, it must be done so at a time which is convenient for the customer.

5.3 NOTICES

(a) Franchisee shall provide written notice to each Subscriber upon initial subscription, at intervals not more than one (1) year thereafter to each Subscriber, and at any time upon request, regarding each of the following areas:

- (1) Products and services offered;
- (2) Prices and options for programming services and conditions of subscription to programming and other services;
- (3) Channel positions and information regarding programming carried on the Cable System such that the programming information corresponds to the channel positions;
- (4) Installation and service maintenance policies;
- (5) Instructions on how to use the Cable Service and any converters;
- (6) Billing and customer complaint procedures;
- (7) Policy and procedures for disconnecting or terminating a Subscriber's service for cause;
- (8) Franchisee's address, telephone number and office hours;
- (9) The Subscriber's right to obtain a parental control device contained in Section 10.5; and
- (10) A notice of Subscriber privacy rights as required by federal law.

(b) Franchisee shall notify Subscribers in writing of any changes in rates, programming services or channel positions a minimum of thirty (30) days in advance of such changes. If such changes are not within Franchisee's control, then Franchisee shall notify Subscribers in writing within a reasonable time of receiving notice of such changes. Franchisee shall not be required to provide prior notice to Subscribers of any rate change that is the result of a regulatory fee, franchise fee or any other fee, tax, assessment or charge of any kind imposed by any federal agency, Commonwealth of Pennsylvania or the Township on the transaction between Franchisee and the Subscriber.

(c) Franchisee shall maintain a file available to the public containing all written notices provided to Subscribers pursuant to the requirements contained herein by Franchisee during the previous twenty-four (24) months.

5.4 BILLING

(a) Bills shall be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, Basic Service, Expanded Basic Service (or its equivalent) and individual programming services charges, and if applicable, equipment charges and any installation or repair charges. Bills shall state the billing period, including an effective due date, the amount of current billing and any relevant credits or past due balances.

(b) Franchisee shall not assess late fees for non-payment of a current bill unless and until at least thirty (30) days have elapsed since the last billing date of the current bill by the Subscriber.

5.5 CUSTOMER COMPLAINT PROCEDURES

Franchisee shall establish clear written procedures for resolving all customer complaints, which shall include at least the following:

(a) Franchisee shall provide the customer with a written response to a written complaint within thirty (30) days of its receipt. Such response shall include the results of its inquiry into the subject matter of the complaint, its conclusions based on the inquiry, and its decision in response to the complaint.

(b) If the Township is contacted directly about a customer complaint, it shall notify Franchisee in writing. When Franchisee receives such notification, the time period for Franchisee to respond as required above shall commence.

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

- (1) The Subscriber provides a written complaint to Franchisee in a timely fashion and includes identifying information;
- (2) The Subscriber pays all undisputed charges; and
- (3) The Subscriber cooperates in determining the appropriateness of the charges in dispute.

(d) Franchisee shall maintain customer complaint records, which shall contain the date each complaint is received, the name and address of the affected Subscriber, a description of the complaint, the date of resolution, and a description of the resolution.

5.6 DISCONNECTION

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

(a) If at least fifty-two (52) days have elapsed from the due date of the bill which Subscriber has failed to pay; and

(b) If Franchisee has provided at least ten (10) days written notice, which notice may be placed on the bill, to the affected Subscriber prior to disconnection, specifying the effective date after which Cable Services are subject to disconnection; and

(c) If there is no pending written dispute regarding the bill to which Franchisee has not issued a final decision in writing; or

(d) If at any time and without notice Franchisee determines in good faith that Subscriber has tampered with or abused Franchisee's equipment or is engaged in theft of Cable Service.

5.7 CREDIT FOR SERVICE INTERRUPTIONS

In the event that there is a Cable Service Interruption to any Subscriber for four (4) or more consecutive hours, it shall grant such Subscriber, if requested, a pro rata credit or rebate, on a daily basis, of that portion of the Cable Service charge during the next consecutive billing cycle, or, at its option, apply such credit to any outstanding balance that is currently due.

5.8 PRIVACY

(a) Franchisee shall protect and abide by the rights of privacy of every Subscriber and shall not violate such rights through the use of any device or signal associated with the Cable System. Franchisee shall at all times comply with the privacy provisions of Section 631 of the Cable Act and all other applicable federal and state privacy laws and regulations.

(b) Franchisee shall be responsible for carrying out and enforcing such privacy policy and shall at all times maintain adequate physical, technical and administrative security safeguards to ensure that personal Subscriber information is handled and protected strictly in accordance with this policy and all applicable laws and regulations.

(c) Neither Franchisee nor its designee shall tap, monitor, arrange for the tapping or monitoring, or permit any person to tap or monitor, any cable, line, signal, input device, or Subscriber outlet or receiver for any purpose, without the prior written authorization of the affected Subscriber or user, provided, however, that Franchisee may conduct system-wide or individually addressed "sweeps" solely for the purpose of verifying system integrity, checking for illegal taps, controlling return-path transmission, billing for pay services or monitoring channel usage in a manner not inconsistent with the federal law. Franchisee shall report to the affected parties any instances of monitoring or tapping of the Cable System, or any part thereof, of which it has knowledge, whether or not such activity has been authorized by Franchisee. Franchisee shall not record or retain any information transmitted between a Subscriber and any third party, except as required for lawful business purposes.

(d) Except as permitted by Section 631 of the Cable Act as amended, neither Franchisee nor its designee nor its employees shall make available to any third party, including the Township, information concerning the viewing habits or subscription package decisions of any individual Subscriber. If a court authorizes or orders such disclosure, Franchisee shall notify the Subscriber in conformance with

applicable law, unless such notification is otherwise prohibited by applicable law or the court.

(e) Upon a request by a Subscriber, Franchisee shall make available for inspection at a reasonable time and place all personal Subscriber information that Franchisee maintains regarding said Subscriber. Franchisee shall ensure that all information related to billing and service requests is accurate and up to date and shall promptly correct any errors upon discovery.

(f) Franchisee shall not make its Subscriber list or lists, or any portion thereof, available to any other person or entity, with or without remuneration, except in conformance with Section 631 of the Cable Act.

SECTION 6

SERVICES TO THE COMMUNITY

6.1 SERVICES TO COMMUNITY FACILITIES

Franchisee shall, at no charge to the Township, provide the following Cable Services to all present and future municipal facilities including, but not limited to, the Township building, police stations, fire companies, public works buildings, water treatment plants, community centers, and libraries:

(a) Within three (3) months of the Effective Date of this Agreement, one (1) cable drop, outlet and Basic and Expanded Basic Service (or its equivalent) to each building. No charge shall be made for standard installation or Cable Service, except that Franchisee may charge for non-standard installation and Cable Service for more than one (1) drop in each building.

(b) The buildings designated to receive the services described in (a) above are identified in Exhibit "A" below.

6.2 PUBLIC, EDUCATIONAL AND GOVERNMENTAL (PEG) CHANNEL

(a) The Franchisee shall continue to provide the Township with a separate Public, Educational and Governmental ("PEG") Channel in accordance with Section 611 of the Cable Act, 47 U.S.C. 531, for exclusive use by the Township and/or its designee. Such PEG channel shall be used for community programming related to public, governmental and/or educational activities. Its purpose is to contribute to an

informed citizenry by, among other things, providing public programming, showing local government at work, responding to local needs, and bringing education into the home. The Township shall have control over the administration, scheduling and other aspects of the PEG Channel and may delegate such functions to an appropriate designee. The Township hereby designates Moon Community Access Television ("MCATV") as its official designee. Franchisee shall not exercise any editorial control over PEG Channel programming.

(b) Franchisee shall continue to provide a dedicated return line connection between the Cable System and the existing MCATV facility. The return line shall consist of all cable, wires, lines and/or other necessary signal distribution equipment such that live or tape playback of cablecasts or other programming can originate from the existing MCATV facility and be distributed via the Cable System to Subscribers in the Township. Franchisee shall distribute the PEG Channel signal from MCATV in high quality in compliance with FCC Technical Standards and shall continue to cablecast the PEG Channel on Basic Service. Franchisee shall provide technical assistance to MCATV within 24 hours after receiving notice of a technical problem relating to the signal quality of the return line or the PEG Channel.

(c) The Township shall be responsible for providing any necessary production or playback equipment and shall be responsible for obtaining and supervising all of the trained/qualified personnel required to utilize the return line and conduct the operation of the PEG Channel. The entity administering the PEG Channel agrees to require all local producers and users of the PEG facilities or Channel to agree in writing to indemnify and hold harmless the Township, the entity administering the PEG Channel and Franchisee, from any and all liability or other injury (including the reasonable cost of defending claims or litigation) arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which claims result from the use of a PEG facility or Channel. Such indemnification by local producers and users shall not include the technical signal quality of the PEG Channel bandwidth itself.

(d) Franchisee agrees, if requested by the Township Board of Supervisors upon ninety (90) days written notice, to collect from Subscribers a PEG Capital Support fee in an amount not to exceed forty cents (\$.40) per month per individually billed residential Subscriber. Such fee will be paid quarterly within thirty (30) days of the close of the quarter, to the Township or its designee. In the event a Subscriber refuses to participate in the PEG Capital Support fee payment, the Franchisee will

not be required to discontinue service or make the payment on behalf of the Subscriber. Any payment made by a Subscriber will first be applied to the Subscriber's balance; any remaining amount will then be allocated to the PEG Capital Support fee. Franchisee retains the legal right to identify each Subscriber's PEG Capital Support fee payment as a line item on the billing statement. Any amount collected by the Franchisee under this section shall not be deemed Gross Revenues for purposes of calculating the Franchise Fee owed to the Township and shall not be deemed part of the Franchise Fee. Franchisee shall provide the Township a copy of any bill message regarding the PEG Capital Support fee at least thirty days prior to such message appearing on Subscriber bills.

(e) Township and Franchisee agree that any and all costs incurred by Franchisee for providing a PEG Channel and supporting such channel, including any and all equipment, maintenance and repair, may be designated as "costs of franchise requirements" or "external costs" as defined by the FCC.

SECTION 7

REGULATION BY TOWNSHIP

7.1 RIGHT TO INSPECT

(a) The Township shall have the right, upon ten (10) business days written notice and during Normal Business Hours, to inspect at a Franchisee location in Allegheny County all documents, records and other pertinent information maintained by Franchisee which relate to the terms of this Agreement.

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

7.2 RIGHT TO CONDUCT COMPLIANCE REVIEW

The Township or its representatives may conduct a full compliance review and hold public hearings with respect to whether Franchisee has complied with any material terms of this Agreement so long as it provides Franchisee with ten (10) days written notice in advance of the commencement of such reviews and public hearings.

7.3 RIGHT TO REGULATE RATES

(a) The Township has the right to regulate Cable Service rates to the extent authorized by applicable federal law.

(b) Franchisee shall file all required FCC forms and documentation for any increase in the rates or charges for any Cable Service or equipment subject to regulation with the Township on or before the notification period required by applicable federal law.

7.4 RESERVED AUTHORITY

The Township reserves the regulatory authority arising from the Cable Communications Policy Act of 1984, Cable Television Consumer Protection and Competition Act of 1992, the Telecommunications Act of 1996, any amendments thereto and any other relevant federal, state or local laws or regulations.

SECTION 8 **REPORTING REQUIREMENTS**

8.1 QUARTERLY FRANCHISE FEE REPORT

In accordance with Section 2.3 of this Agreement, Franchisee shall accompany each quarterly franchise fee payment with a written report containing an accurate statement of Franchisee's Gross Revenues received for the quarter in connection with the operation of Franchisee's Cable System and a brief report showing the basis for computation of fees. The report will contain a line item for every source of revenue received and the amount of revenue received from each source. The report shall be verified by a financial representative of Franchisee.

8.2 ANNUAL FINANCIAL REPORT

Franchisee shall submit to the Township a Corporate Annual Report of Franchisee or its ultimate parent corporation not later than ninety (90) days after it is published.

8.3 QUARTERLY CUSTOMER COMPLAINT REPORT

Franchisee shall submit to the Township on a quarterly basis, a report showing the number of Complaints received during the prior three months, the dates they were received, summary descriptions of the Complaints, the dates the Complaints were resolved and summary descriptions of the resolutions. The report shall also include resident complaints related to Franchisee's use of the public right-of-way and private property in the Township. Written comments from Subscribers concerning programming content shall not be deemed to be Complaints for purpose of this Section.

8.4 GOVERNMENT REPORTS

Franchisee shall provide to the Township, upon written request, copies of any and all communications, reports, documents, pleadings and notifications of any kind which Franchisee or any of its Affiliated Entities have submitted to any federal, state or local regulatory agencies, courts or other governmental bodies if such documents relate to Franchisee's Cable System within the Township. Franchisee shall provide copies of such documents no later than thirty (30) days after receipt of a written request from the Township. If Franchisee claims any such documents are confidential, privileged or proprietary, Franchisee shall state the basis for such claim.

SECTION 9

FRANCHISE VIOLATIONS, DAMAGES AND REVOCATION

9.1 VIOLATIONS

(a) If the Township has reason to believe that Franchisee violated any provision of this Agreement, it shall notify Franchisee in writing of the nature of such violation and the section of this Agreement which it believes has been violated. If the Township does not notify Franchisee of any violation of this Agreement, it shall not operate as a waiver of any rights of the Township hereunder or pursuant to applicable law.

(b) Franchisee shall have thirty (30) days to cure such violation after written notice is received by taking appropriate steps to comply with the terms of this Agreement. If the nature of the violation is such that, in the Township's reasonable judgment, it cannot be fully cured within thirty (30) days due to circumstances

outside of Franchisee's control, the period of time in which Franchisee must cure the violation may be extended by the Township in writing for such additional time necessary to complete the cure, provided that Franchisee shall have promptly commenced to cure and is diligently pursuing its efforts to cure in the reasonable judgment of the Township.

(c) If the violation has not been cured within the time allowed under Section 9.1(b) above, then Franchisee shall be liable for liquidated damages subsequent to that time period in accordance with Section 9.2 below.

9.2 LIQUIDATED DAMAGES

Because Franchisee's failure to comply with provisions of this Agreement will result in injury to the Township and because it will be difficult to measure the extent of such injury, the Township may assess liquidated damages against Franchisee in the following amounts provided Franchisee has had an opportunity to cure in accordance with Section 9.1(b). Such damages shall not be a substitute for specific performance by Franchisee, but shall be in addition to such performance.

- (a) For failure to submit franchise fee payments in a timely fashion as specified in Section 2: \$100 per day for each day the violation continues;
- (b) For failure to comply with the technical requirements specified in Section 3.1: \$100 per day for each day the violation continues;
- (c) For failure to provide and maintain Cable Service as specified in Section 3.2: \$100 per day for each day the violation continues;
- (d) For failure to make repairs and restorations as specified in Section 3.4: \$100 per day for each day the violation continues;
- (e) For failure to disconnect, relocate or remove equipment as specified in Section 3.8 and 3.9: \$100 per day for each day the violation continues;
- (f) For failure to obtain permission for removal of trees as specified in Section 3.10: \$100 per tree;
- (g) For failure to comply with the Cable System specifications or the New Cable Services requirements specified in Sections 4.1 and 4.2: \$100 per day for each day the violation continues;

- (h) For failure to comply with any customer service standard as specified in Section 5: \$100 per violation;
- (i) For failure to provide services to the community as specified in Section 6: \$100 per day for each day the violation continues;
- (j) For failure to permit the right of inspection as specified in Section 7.1: \$100 per day for each day the violation continues;
- (k) For failure to submit reports in a timely fashion as specified in Section 8: \$100 per day for each day the violation continues;
- (l) For failure to provide a performance bond as specified in Section 9.3: \$100 per day for each day the violation continues;
- (m) For failure to comply with requirements as specified in Section 10: \$100 per day for each day the violation continues;
- (n) For failure to comply with the indemnification requirements as specified in Section 11.1: \$100 per day for each day the violation continues;
- (o) For failure to carry all the insurance required in Section 11.2: \$100 per day for each day the violation continues;
- (p) For failure to comply with transfer or renewal provisions as specified in Section 12: \$100 per day for each day the violation continues;
- (q) For failure to comply with the removal of system requirements as specified in Section 13.2: \$100 per day for each day the violation continues.

9.3 PERFORMANCE BOND

(a) Franchisee shall obtain and maintain during the franchise term, at its sole cost and expense, a performance bond running to the Township with a company surety licensed to do business in the Commonwealth of Pennsylvania to ensure Franchisee's faithful performance of its obligations. The performance bond shall provide that the Township may recover from the principal and surety any and all liquidated damages and/or compensatory damages incurred by the Township for Franchisee's violations of this Agreement, after notice and opportunity to cure, in accordance with Sections 9.1 and 9.2 above.

(b) The performance bond shall be in the amount of Seventy-five Thousand Dollars (\$75,000). Franchisee shall not reduce, cancel or materially change said bond from the requirement contained herein without the express prior written permission of the Township.

9.4 REVOCATION

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

(1) Franchisee practices any fraud or deceit upon the Township in its operation of its Cable System or any other activities pursuant to this Agreement;

(2) Franchisee seeks, or an involuntary case is brought against Franchisee seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency or other similar law or seeking the appointment of a trustee, receiver, custodian or other similar official of a substantial part of Franchisee's property and such proceeding shall remain undismissed for a period of sixty (60) days;

(3) Franchisee transfers, assigns or changes the control of this franchise, the Cable System or any significant portion thereof, or more than twenty (20%) of the equitable ownership of the Cable System without the consent of the Township;

(4) Franchisee repeatedly fails, after notice and opportunity to cure, to maintain signal quality pursuant to the standards provided for by the FCC or the technical requirements set forth in Section 3.1 of this Agreement;

(5) Franchisee repeatedly violates, after notice and opportunity to cure, one or more of the material terms or conditions of this Agreement.

(b) The foregoing shall not constitute a violation of a material term or condition if the violation occurs without the fault of Franchisee or occurs as a result of circumstances beyond its control in the reasonable judgment of the Township. Subject to the provisions of Section 625 of the Cable Act, Franchisee shall not be excused from the performance of any of its obligations under this franchise by mere economic hardship or by the misfeasance or malfeasance of its directors, officers or employees.

(c) A revocation shall be declared only by a written decision of the Moon Township Board of Supervisors after an appropriate public hearing which shall

afford Franchisee due process and full opportunity to be heard and to respond to any notice of grounds to terminate. All notice requirements shall be met by providing Franchisee at least thirty (30) days prior written notice of any public hearing concerning the proposed revocation of this franchise. Such notice shall state the grounds for revocation. The Board, after a public hearing and upon finding the existence of grounds for revocation, may either declare this franchise terminated or excuse such grounds upon a showing by Franchisee of mitigating circumstances or good cause for the existence of such grounds.

SECTION 10 **PROGRAMMING**

10.1 CHANNEL CAPACITY

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

10.2 BROADCAST CHANNELS

To the extent required by federal law, Franchisee shall provide all residential Subscribers with Basic Service including, but not limited to: 1) all broadcast television signals carried in fulfillment of the requirements of Section 614 of the Cable Act; 2) qualified local non-commercial educational television signals; and 3) the PEG Channel. All such signals shall be delivered to Subscribers in high quality in accordance with FCC Regulations.

10.3 SIGNAL SCRAMBLING

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

10.4 CONTINUITY OF SERVICE

It shall be the right of all Subscribers to continue to receive service from Franchisee provided their financial and other obligations to Franchisee are honored. Subject to the force majeure provisions in Section 13 of this Agreement, Franchisee

shall ensure that all Subscribers receive continuous, uninterrupted service regardless of the circumstances. For the purpose of construction, routine repairing or testing of the Cable System, Franchisee shall use reasonable efforts to interrupt service only during periods of minimum use. When necessary service interruptions of more than twenty-four (24) hours can be anticipated, Franchisee shall notify Subscribers in advance of such service interruption.

10.5 PARENTAL CONTROL CAPABILITY

Upon request, and at no separate, additional charge, to the extent required by FCC Regulations, Franchisee shall provide Subscribers with the capability to control the reception of any video and/or audio channel on the Cable System providing sexually explicit adult programming.

SECTION 11 LIABILITY AND INDEMNIFICATION

11.1 INDEMNIFICATION

(a) Franchisee shall indemnify, defend, save and hold harmless the Township, its elected and appointed officials, officers, agents and employees, from any and all claims for injury, loss, liability, cost or expense caused by or connected with any act or omission of Franchisee, its officers, agents or employees, with respect to the construction, installation, upgrade, reconstruction, operation, maintenance or removal of all or part of the Cable System. The obligation to indemnify, defend, save and hold the Township harmless shall include, but not be limited to, the obligation to pay judgments, injuries, liabilities, damages, attorneys' fees, expert fees, court costs and all other costs of such indemnification.

(b) The Township shall not at any time be liable for any injury or damage to persons or property from any cause whatsoever arising from or in any way connected to the construction, installation, reconstruction, operation, maintenance or removal of the Cable System or any other equipment or facilities except those acts which result from the negligence, gross negligence, or intentional acts of the Township, or its agents or employees.

11.2 INSURANCE

(a) Franchisee shall maintain insurance throughout the term of this Agreement with the Township as an additional insured, with an insurance company which is authorized to conduct business in Pennsylvania and which has an A.M. Best rating (or equivalent) no less than "A", indemnifying the Township from and against any and all claims for injury or damage to persons or property, both real and personal, caused by the construction, installation, reconstruction, operation, maintenance or removal of the Cable System by Franchisee or any of its contractors, subcontractors, agents or employees in the following amounts:

(1) The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000) as to any one (1) occurrence.

(2) The amount of such insurance against liability for injury or death to any person shall be no less than One Million Dollars (\$1,000,000).

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

(4) The amount of such insurance against all claims arising out of the operation of motor vehicles and general tort or contract liability shall be One Million Dollars (\$1,000,000).

(b) All insurance coverage shall be maintained throughout the period of this Agreement. The Township shall receive thirty (30) days written notice prior to any changes or cancellation of the policy. All expenses incurred for said insurance shall be at no cost to the Township.

(c) A certificate evidencing the insurance coverage required herein shall be provided by Franchisee to the Township within forty-five (45) days of the Effective Date of this Agreement.

SECTION 12 FRANCHISE TRANSFER OR RENEWAL

12.1 TRANSFER, ASSIGNMENT OR CHANGE IN CONTROL

(a) Neither Franchisee nor its parent nor any Affiliated Entity shall transfer, assign or otherwise encumber, through its own action or by operation of law, its

right, title or interest in the Cable System or in this Agreement without the prior written consent of the Township.

(b) Neither Franchisee nor its parent nor any Affiliated Entity shall change, transfer or assign, through its own action or by operation of law, its control of the Cable System or of this Agreement without the prior written consent of the Township.

(c) Neither Franchisee nor its parent nor any Affiliated Entity shall sell, convey, transfer, exchange or release more than twenty percent (20%) of its equitable ownership in the Cable System without the prior written consent of the Township.

(d) Franchisee shall make written application to the Township of any transfer, change in control or assignment as described above and shall provide all information required by FCC Form 394 and any other applicable federal, regulations regarding transfer or assignment. The Township shall have one hundred twenty (120) days from the receipt of such written application consistent with applicable federal law to take action on the transfer or assignment.

(e) Any consent by the Township for any transfer or assignment described above shall not be effective until the proposed transferee or assignee shall have executed a legally binding document stating that it shall be bound by all the terms and conditions contained in this Agreement.

12.2 RENEWAL

The Township and Franchisee agree that any proceedings or activities that relate to the renewal of Franchisee's franchise shall be governed by applicable federal, state and local law.

SECTION 13 MISCELLANEOUS

13.1 FORCE MAJEURE

If for any reason of force majeure, Franchisee is unable in whole or in part to carry out its obligations hereunder, Franchisee shall not be deemed in violation of this Agreement during the continuance of such inability. The term "force majeure"

as used herein shall have the following meaning: 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 Pennsylvania or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections, riots, epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; explosions; labor strikes; and partial or entire failure of utilities.

13.2 REMOVAL OF SYSTEM

(a) Upon termination or expiration of this Agreement, Franchisee shall, commencing thirty (30) days after such termination or expiration, remove its supporting structures, poles, transmissions and distribution systems and other appurtenances from the streets, ways, lanes, alleys, parkways, bridges, highways, and other public and private places in, over, under, or along which they are installed and shall restore the areas to their original condition. If such removal is not completed within six (6) months after its commencement, the Township or property owner may deem any property not removed as having been abandoned and the Township may remove it at Franchisee's cost.

(b) During the term of the Agreement, if Franchisee decides to abandon or no longer use all or part of its Cable System, it shall give the Township written notice of its intent at least thirty (30) days prior to such decision, which notice shall describe the property and its location. The Township shall have the right to require Franchisee to remove the property, remove the property itself and charge Franchisee with the costs related thereto, or transfer ownership of the property to Township's designee.

13.3 NOTICES

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

Township Manager
Township of Moon
1000 Beaver Grade Road
Moon Township, PA 15108

The Township may specify any change of address in writing to Franchisee.

Every notice served upon Franchisee shall be sent to:

General Manager
Comcast
300 Corliss Street
Pittsburgh, PA 15220

Franchisee may specify any changes of address in writing to the Township.

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

13.4 EQUAL EMPLOYMENT OPPORTUNITY

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

13.5 CAPTIONS

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

13.6 GOVERNING LAW

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

13.7 ENTIRE AGREEMENT

This written instrument contains the entire agreement between the parties, supersedes all prior agreements or proposals except as specifically incorporated herein, and cannot be changed without written amendment approved by both the Township and Franchisee.

13.8 SEVERABILITY

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

13.9 CHANGE OF LAW

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

13.10 APPLICABILITY OF AGREEMENT

All of the provisions in this Agreement shall bind Franchisee, the Township and their respective successors and assigns. This Agreement is authorized by Resolution No. _____ dated _____, 2002, of the Moon Township Board of Supervisors.

SECTION 14 **DEFINITIONS**

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

(a) Affiliated Entity - Any corporation, partnership or other business entity that owns or controls, is owned or controlled by, or is under common ownership or control with Franchisee.

(b) Basic Service - That service tier which shall include at least the retransmission of local broadcast television signals and the Public, Educational and Governmental ("PEG") channel.

(c) Board of Supervisors – The local governing body of Moon Township empowered by federal and state law to grant, renew and enforce cable franchises.

(d) Broadcast - Over-the-air transmission by a television or radio station.

(e) Cable Service - The one-way transmission to Subscribers of video programming or other programming service, and Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.

(f) Cable System - A facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple subscribers within the Township, but such term does not include (A) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (B) a facility that serves Subscribers without using any public right-of-way; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Cable Communications Act, except that such facility shall be considered a Cable System (other than for purposes of Section 521 of the Cable Communications Act) to the extent that facility is used in the transmission of video programming directly to Subscribers unless the extent of that use is solely to provide interactive on-demand services; (D) an open video system that complies with Section 653 of the Cable Communications Act; or (E) any facilities of any electric utility used solely for operating its electric utility systems.

(g) Complaint - Any written communication by a Subscriber or electronic mail by a Subscriber expressing dissatisfaction with any aspect of Franchisee's business or the operation of its Cable System.

(h) Drop - The coaxial or fiber optic or other cable that connects a home or building to the Subscriber Network.

(i) FCC - Federal Communications Commission.

(j) Gross Revenues - All revenue received or derived directly or indirectly by Franchisee or by any Affiliated Entity that is a cable operator from the operation of Franchisee's Cable System in the Township to provide Cable Services. Gross Revenues shall include, but are not limited to, the following:

- (1) Basic Service fees;
- (2) fees charged to Subscribers for any type of Cable Service in addition to Basic Service;

- (3) fees charged to Subscribers for any optional, premium, per-channel or per-program Cable Services;
- (4) revenue from the provision of any other Cable Services;
- (5) charges for installation, additional outlets, relocation, disconnection, reconnection and change-in-service fees for Cable Services;
- (6) fees for "trouble calls" related to Cable Services;
- (7) fees for downgrading any level of Cable Service;
- (8) fees for leasing of channels;
- (9) charges based on the sale or lease of any portion of the Cable System or fiber capacity for Cable Services;
- (10) rental or sales of any and all Cable Service equipment, including converters and remote control devices;
- (11) any and all advertising revenues;
- (12) fees charged for use of any equipment, including Cable System transmission wires, by any other entity (to the extent such use is considered a Cable Service under applicable law);
- (13) sale or rental of Subscriber lists (subject to privacy restrictions);
- (14) revenues or commissions from home shopping channels;
- (15) revenue from interactive television services (to the extent such services are considered Cable Services under applicable law);
- (16) bank-at-home services and other revenue sharing arrangements provided through the Cable System (to the extent such services are considered Cable Services under applicable law);
- (17) fees for any and all music services;
- (18) fees for video-on-demand;
- (19) sales of program guides;
- (20) late payment fees;
- (21) NSF check charges; and
- (22) franchise fees.

Gross Revenues shall not include bad debts or any taxes on services furnished by Franchisee and imposed directly upon any Subscriber or user by the Township, state, federal or other governmental unit.

(j) Local Franchising Authority – The Township of Moon.

(k) Normal Business Hours - Those hours during which most similar businesses in the community are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week and/or some weekend hours.

(l) Normal Operating Conditions - Business conditions within Franchisee's service department which are within the control of Franchisee. Those conditions which are not within the control of Franchisee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages and severe or unusual weather conditions.

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

(n) Programming - Any video, audio, text or data coded signal carried over the Cable System as a Cable Service.

(o) Service Interruption - The loss of picture or sound on one (1) or more channels.

(p) Subscriber - A person or entity who contracts with Franchisee for, and lawfully receives, the Cable Services distributed by the Cable System.

(q) Subscriber Network - The signal distribution network over which video, audio, text, digital and data signals are transmitted as a Cable Service to or from Subscriber.

WITNESS our hands and official seals, this ___ day of _____, 2002.

ATTEST

TOWNSHIP OF MOON

BY: _____
Title

WITNESS:

COMCAST OF PENNSYLVANIA II, INC.

By: _____
Title

EXHIBIT A

LIST OF DESIGNATED LOCATIONS FOR SERVICES TO COMMUNITY FACILITIES

Carnot Fire Station
565 Carnot Road

Carriage House
949 Thorn Run Road

Community Service Center
1700 Beaver Grade Road

Municipal Building
1000 Beaver Grade Road

Public Safety Building
1000 Beaver Grade Road

Township Garage
548 Carnot Road

Boggs Run Fire Station
1321 Spring Run Road

Downes Fire Station
1900 Beaver Grade Road

Public Works Garage *
1100 Stevenson Mill Road

Mooncrest Community Center Unit
306-312 Hemlock Drive

* The Township shall provide all trench work necessary for an underground installation.