

FRANCHISE AGREEMENT

BETWEEN

TOWN OF ROCKY MOUNT,
VIRGINIA

AND

SHENANDOAH CABLE TELEVISION, LLC

January 9, 2017

CABLE TELEVISION

FRANCHISE AGREEMENT

THIS AGREEMENT is made and entered into as of this 9th day of January 2017, by and between the Town of Rocky Mount, Virginia, hereinafter referred to as "Town" and Shenandoah Cable Television, LLC, locally known as Shentel, hereinafter referred to as "Franchisee."

WHEREAS, the Town is authorized to grant one or more nonexclusive, revocable, franchises to construct, operate and maintain a cable television system within the Town;

WHEREAS, Franchisee's franchise will be renewed and Franchisee will continue to operate and maintain a cable television system as set forth herein;

WHEREAS, the Town, after due evaluation, has determined that it is in the best interest of the Town and its residents to grant a Franchise to Franchisee for a ten (10) year term.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants contained herein, the parties do mutually agree as follows:

I. GRANTED TO SHENANDOAH CABLE TELEVISION, LLC
LOCALLY KNOWN AS SHENTEL

A. Purpose. The purpose of this section is to award a Franchise to Franchisee for a cable television system to provide cable television services to residents of the Town. Franchisee shall use its best efforts to provide a cable television system and offer cable television services that meet industry standards.

B. Enactment. Franchisee is hereby granted a nonexclusive Franchise to operate a cable television system to provide cable services within the Town in accordance with the Town's Cable Television Ordinance ("Cable Ordinance") as specified in Section V, this Franchise, the rules and regulations adopted by the Town Council, all ordinances of the Town and all generally applicable rules and regulations of the Federal Communications Commission. The Town may from time to time amend the Cable Ordinance.

C. Effective Date. This Franchise Agreement shall become effective on March 13, 2017; provided, however, that the Franchisee has signed the Agreement prior to that time. Immediately upon the taking effect of this Franchise Agreement, the prior Franchise and any franchise agreement extensions granted to Franchisee shall be superseded and of no further force and effect; except for vested rights and issues relating to billings and the Town's rights to franchise fees or other taxes, fees, bonds or insurance.

D. Public Right of Way. For the purpose of operating and maintaining a cable television system in the Town, Franchisee may erect, in, over, under, or upon, across, and along the public right of way within the Town such wires, cables, fiber optics, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, pedestals, attachments, and other equipment as are necessary and appurtenant to the operation of the cable television system in the Town and in accordance with this Franchise Agreement and the Cable Ordinance.

II. RIGHT OF TOWN TO ISSUE FRANCHISE

Franchisee acknowledges and accepts the legal right of the Town to issue this Franchise Agreement.

III. TERM

The term of this Franchise Agreement shall be for a period of ten (10) years from the effective date, unless sooner revoked as provided for in the Cable Ordinance, at which time it shall expire and be of no further force and effect.

IV. FRANCHISE NONEXCLUSIVE

This Franchise Agreement shall not be construed as any limitation upon the right of the Town to grant to other persons rights, privileges, or authorities similar to the rights, privileges, and authorities herein set forth, in the same or other streets, alleys, or other public ways or public places. The Town specifically reserves the right to grant at any time during the term of this Franchise Agreement or extension thereof, if any, such additional Franchises for a cable television system as it deems appropriate.

V. INCORPORATION OF THE CABLE ORDINANCE BY REFERENCE AND RESOLUTION OF CONFLICTS

All terms, conditions and provisions of the Cable Ordinance shall be deemed to be embodied in this Franchise Agreement, and the express terms of said Cable Ordinance shall prevail over conflicting or inconsistent provisions of this Franchise Agreement. The Town and Franchisee warrant upon execution of the Ordinance and Franchise Agreement that no conflicting or inconsistent provisions exist between the Franchise Agreement and Ordinance as it exists on the effective date of the Franchise Agreement and that all provisions of the Franchise Agreement are consistent and enforceable. The Cable Ordinance may be amended by the Town, provided, however, that any amendment to the Cable Ordinance binding on the Franchisee shall be confined to changes which do not materially alter the rights and obligations of the Franchisee under this Franchise Agreement and the Cable Ordinance as it exists on the date of this Franchise Agreement, unless Franchisee agrees in writing to be bound by such amendment.

VI. DEFINITIONS

A. All definitions set forth in the Cable Ordinance pertain to this Franchise Agreement and shall be relevant to the purposes and meaning of this Franchise Agreement. All terms used in this Franchise, unless otherwise defined, shall have the same meaning as set forth in Virginia Code § 15.2 Chapter 21. Franchises; Sale and Lease of Certain Municipal Public Property; Public Utilities and Title VI of the Communications Act of 1934, 47 U.S.C. § 521 et seq. Such references to state and federal code shall include amendments thereto as are enacted from time-to-time

B. Subscriber Network – shall mean that portion of the cable system that is distributed from the Franchisee’s headend serving subscribers located within the Town of Rocky Mount, Virginia.

VII. SERVICE AREA

A. Service Area. The service area of Franchisee shall be the entire corporate boundaries of the Town and include any areas annexed to the Town in the future. The Town shall provide Franchisee with at least ninety (90) days notice prior to an annexation.

B. Service to Residents. Franchisee shall make cable television service available to all residents of the Town as it exists on the effective date of this Agreement. Additional areas will be constructed as specified below.

Franchisee shall extend service within thirty (30) days of a request to all new dwelling units that are passed by the existing cable system and require a standard one hundred and fifty foot (150') drop. New dwelling units requesting service that are passed by the existing cable system and requiring a non-standard drop will be served within fourteen (14) days of a request; provided, however, that all non-wired dwelling units which require plant extensions in areas annexed after the effective date of their Agreement will be served within thirty (30) days, weather permitting, following the later of: 1) a request for services by a subscriber; or 2) completion of any necessary pole or trench permitting process and following procurement of all necessary easements and/or access from developer. Franchisee shall use its best efforts to provide service as soon as possible and Franchisee shall request all permits, easements, and/or access in a timely manner. Franchisee shall construct the cable system, at its cost, to all areas annexed after the effective date of this agreement that have thirty (30) dwelling units per mile.

C. Subscriber Drops. Franchisee agrees to provide subscribers with a standard drop of one hundred and fifty feet (150'). Service in excess of one hundred fifty feet (150') shall be charged to the customer only for the costs which exceed the normal cost of a standard drop. Upon request, Cable Service shall be made available to new residents within thirty (30) days after occupancy. Town shall use reasonable efforts to notify Franchisee of new developments. Franchisee shall use its best efforts to construct in new developments at the same time as the utilities.

D. Commercial Service. Franchisee shall, upon request by commercial/industrial establishment, make service available to all commercial/industrial establishments that are located within one hundred and fifty feet (150') of the system at Franchisee's standard aerial installation rate expense. For commercial/industrial establishments served underground or for aerial extensions beyond one hundred and fifty feet (150'), Franchisee shall, upon request of a commercial/industrial establishment, make service available on the basis of a capital contribution in aid of construction from the requesting establishment, including cost of material, labor, and easements.

E. House Moving. Franchisee shall, upon the request of the Town, move and replace its facilities to accommodate house moves conducted on behalf of the Town, free of charge to the Town. Franchisee, within fourteen (14) business days of receipt of the written request of a Town permit holder or property owner, shall move and replace its facilities to accommodate house moves or other structural changes at a reasonable cost to the property owner or permit holder.

VIII. SYSTEM AND CAPACITY

A. System. Franchisee shall operate its cable system with a bandwidth capacity of at least 860 MHz, utilizing a fiber to the node design. New materials shall be utilized in the cable television system where existing cable does not meet manufacturers' specifications. The interconnections from the headend to the hubs and from the hubs to the nodes shall use fiber optics. Any loose lashings shall be repaired when identified and unused plant shall be removed in a timely manner, but in no event later than six (6) months after such section of the facilities is unused. The Franchisee's cable television system shall only be placed in public right-of-way or be placed on private or public property where a duly authorized easement has been obtained or is allowed by law prior to construction on the property.

B. Construction Oversight. During any future upgrade or rebuild, Franchisee or its agents shall inspect one hundred percent (100%) of all fiber and coaxial cable to insure it meets specifications

of the Cable Ordinance, this Franchise Agreement, and the rules and regulations of the FCC. During any construction, upgrade or rebuild Franchisee shall designate an employee to act as a company representative by responding to complaints on a daily basis and provide the Town with the person's name and telephone number. Franchisee shall use its best efforts to minimize traffic disruption during any construction, upgrade or rebuild and coordinate scheduling the Town.

C. Construction Schedule and Subscriber Notification. The Franchisee shall provide the Town with a timetable for any upgrade or rebuild three months prior to initiating construction. After the initiation of construction, the Franchisee shall provide monthly updated of the timetable to the Town. Franchisee shall notify subscribers of construction affecting them through appropriate media and door hangers.

D. Compliance with Applicable Law. In constructing, operating and maintaining the system, Franchisee shall at all times comply with this Franchise, the Cable Ordinance, the rules and regulations of the FCC and all applicable laws and regulations.

E. Drop Audit. All Franchise's drops shall meet National Electric Code and the National Electric Safety Code. Drops not meeting such standards shall be replaced when found to be substandard. Franchisee shall check subscriber drops for compliance with this section during repair calls. Upon request, Franchisee shall check to ensure that a subscriber's tap meets the appropriate signal strength level.

F. Equipment Quality. Equipment used for the distribution system, headend and reception facilities shall be of good and durable quality and be serviced and repaired on a regular basis and shall at all times be of equal or better quality than the equipment in place upon the effective date of this Franchise.

G. Emergency Alert. Franchisee shall comply with the requirements of the Federal emergency alert system as specified by the FCC (47 CFR Part 11.1, et seq.). Franchisee will provide a telephone contact list whereby the Town may call Franchisee to

activate a local Emergency Alert to be initiated by the Town and activated by Franchisee within ten minutes. The person(s) responsible for activating the alert on behalf of the Town shall be provided to Franchisee in writing, which may be changed by written notice from time to time by Town.

H. Parental Control Devices. Franchisee shall provide to subscribers, upon request, parental control devices that allow any channel or channels to be locked out. Such devices shall block both the video and the audio portion of such channels to the extent that both are unintelligible. In accordance with the Cable Act [47 U.S. C. Section 569], Franchisee agrees to block the video and audio portions of all primarily adult programming services.

I. Performance Testing.

1. Franchisee shall perform all system tests and maintenance procedures as required by and in accordance with the FCC Technical Standards, applicable law and Franchisee's standards of good operating practice. Upon request by the Town in advance of any test(s), Franchisee shall notify the Town, at least three (3) working days prior to the date of the test(s), of the time and place of the test(s) so that the Town may arrange for the presence of consultant at the test(s). Franchisee shall provide the results of all such tests to the Town no later than sixty (60) days of the Town's written request.

2. Whenever requested by the Town, due to subscriber complaints, Franchisee shall test, analyze, and report on the performance of its cable television system at specific sites within the Town that the Town has identified as having service quality problems. Franchisee shall take corrective action on any problems found through the testing within twenty-four (24) hours and shall use its best efforts to correct the problem in forty-eight (48) hours. The Town may require additional tests, full or partial repeat tests, different test procedures, or tests involving a specific subscriber's terminal. Reports on such tests shall be delivered to the Town no later than ten (10) business days after the Town notifies Franchisee to perform the test(s). The Town or its designees shall have the right to observe said testing and Franchisee's employees shall actually perform work on the cable system. The report shall include the following

information: the nature of the complaints which precipitated the special tests; what cable television system component was tested; the equipment used and procedures employed in said testing; the results of such tests; and the methods by which said complaints were resolved. Said tests and analyses shall be conducted by a qualified technician who shall sign all records of the special tests and forward same to the Town with a report interpreting the results of the tests and recommending what actions should be taken. If requested by the Town, Franchisee shall have a qualified engineer employed by the Franchisee to review such test results. All such tests shall be at the expense of Franchisee.

J. Technical Standards. The cable television system permitted to be operated hereunder shall be installed and operated in conformance with the Cable Ordinance as specified in Section V, this Franchise Agreement and FCC rules and regulations. Any FCC technical standards or guidelines related to the cable television system and facilities shall be deemed to be regulations under this Franchise Agreement.

K. Employee Identification. Franchisee shall provide a standard photographic identification document to all employees, including employees of subcontractors, who shall be in contact with the public. Such documents shall include a telephone number that can be used to verify identification. In addition, Franchisee shall use its best efforts to identify all field personnel and vehicles that are operating under the authority of Franchisee or its agents.

L. Stereo and Embedded Signals. The system shall have the capability and shall pass Broadcast Television Systems Committee (BTSC) stereo signals or other stereo signals for those broadcast, satellite, and locally originated services that transmit them.

M. Outage Reports. Upon written or electronic request, Franchisee shall provide reports to the Town of service outages, persistent maintenance problems, and customer complaint resolution. Franchisee shall notify the Town if there are any systems or service interruption problems that involve a node outage or affect fifteen percent (15%) or more of the subscribers in service area.

N. Cable Services. Franchisee shall be required to offer in the Town the same cable and telecommunications packages that are offered on other systems owned by the Franchisee, its parent company or affiliates, with the same or up to 30% smaller numbers of subscribers in the State of Virginia, except for cable services offered on a test or experimental basis. At such time as Franchisee, its parent company or affiliates has less than four communities with headends serving similar numbers of subscribers, then the comparison communities shall be drawn from the next communities closest subscriber count by the Town from other systems owned by the Franchisee, its parent company or affiliates in the State of Virginia. Franchisee shall provide such packages to subscribers in the Town within a reasonable period of time and in no event longer than one (1) year from when such packages are being offered in systems as described above.

O. Technical Contact. Franchisee shall provide the Town on an on-going basis with the direct telephone number of a technician to call in case of emergency, other system problems, system operations or services. Such technician shall have the authority to respond to complaints indicated by the Town.

IX. CONSTRUCTION

A. Construction Methods. Franchisee shall construct new components of the system in accordance with current industry standards, Franchisee's construction manual. (See Appendix A, "Construction Manual," which shall be available electronically by request). The Franchisee shall follow the permitting process as specified by the Town.

B. Underground Construction. Franchisee shall participate in and use Virginia Utility Protection Service (Miss Utility) and shall respond to locate requests in a timely manner ninety-five (95) percent of the time. Franchisee shall ensure that cable is buried at a depth of eighteen (18) inches unless there is rock under the surface or a subscriber has requested that a drop be hand buried. In such cases, the Franchisee shall use its best efforts to bury the cable at a depth of eighteen (18) inches, but, at a minimum, shall bury the cable at the depth of twelve (12) inches. Temporary drops shall be buried within

ten (10) business days of installation, weather permitting. Franchisee shall participate in the area's utility committee and use best efforts to send a representative to meet regularly with the committee to discuss issues related to utilities, rights of way and service coordination.

C. Consumer Compatibility. Franchisee shall comply with FCC consumer compatibility rules and guidelines and shall use its best efforts to provide subscriber friendly technology.

D. Quality of Construction. Construction, installation, operation and maintenance of the cable television system shall be performed in an orderly and workmanlike manner, in accordance with then-current technological standards and the Cable Ordinance.

E. Right of Inspection of Construction. The Town shall have the right to inspect all construction or installation work performed subject to the provisions of this Franchise Agreement and the Cable Ordinance and to make such tests, upon reasonable notice, as it shall find necessary to ensure compliance with the terms of this Franchise Agreement and the Cable Ordinance as specified in Section V and other pertinent provisions of law. The Town, or its agents, shall not have the right to perform work on the cable system without the written permission of the Franchisee.

F. Street Projects. Franchisee shall make best efforts to attend meetings called by the Town regarding street improvement projects and other construction related matters. Town shall provide Franchisee with reasonable notice of changes needed in the cable system for street improvement projects. Franchisee shall make any necessary changes to the cable system to accommodate street improvement projects at its own expense within the reasonable timeframe provided by the Town.

G. Joint Trenching. Franchisee shall use reasonable efforts to construct new underground areas of the cable system jointly with telephone and electric utilities.

X. SYSTEM SERVICES

A. Residential Subscriber Services. Franchisee shall provide a similar mix, level, and quality of programming as provided on the effective date of this Franchise Agreement.

B. Cable Drops and Monthly Service. Franchisee shall provide one free cable drop, converter, if necessary, and free, basic service, or its equivalent, to all k-12 public schools, Town owned or leased buildings, public library, police, fire and rescue facilities receiving such service on the effective date of this Franchise. Additional buildings, meeting the above criteria, will receive free drops up to one hundred and fifty feet (150') in length. For new drops in excess of one hundred and fifty feet (150'), the Town or the affected institution shall reimburse the Franchisee for the additional drop footage at the Franchisee's own cost of construction. Franchisee shall also provide, at no cost, any converters or other equipment necessary to view such services.

C. Internal Wiring. Franchisee shall connect its service to subscribers who have installed internal wiring not owned or installed by Franchisee, providing such wiring is compatible with the cable system and meets FCC standards.

XI. ACCESS AND LOCAL ORIGINATION CHANNELS

In order to develop and promote access programming for the system, Franchisee hereby agrees to provide the following:

A. Access and Local Origination Channels. Franchisee shall upon the written request of the Town, provide access channels as specified below:

1. No less than one (1) downstream channel for educational access solely for the Franklin County Schools and other local educational institutions.

2. No less than one (1) dedicated downstream channel solely for government access solely for the Town.

3. No less than one (1) dedicated downstream channel for local origination solely to serve for the Town and Franklin County and as set forth in paragraph G of this Section.

B. Access Channels on Basic. All channels identified in paragraph A of this section shall be placed on the basic tier of service. The Franchisee shall use its best efforts to maintain the cable channel positions of the access and local origination channels throughout the term of this Franchise Agreement. Franchisee shall not move or otherwise relocate access and local origination channels without providing sixty (60) days prior written notice to the Town and reimburse the Town for reasonable and documented out of pocket expenses associated with the move not to exceed \$2,000 per channel.

C. Facilities and Equipment. The Town may initiate requests for capital equipment needed in relation to access channels and Franchisee will pass on the costs for this equipment to subscribers over a period agreed to by the Town and Franchisee.

D. Publicity. Franchisee agrees to provide the following publicity services at its own expense:

1. If the Franchisee offers an electronic or written guide to subscribers, then a generic listing of the type of access programming being provided will be listed free of charge throughout the term of the Franchise Agreement.

2. Franchisee shall include pamphlets provided Town about educational and government access programming and activities in its customer information materials given to new subscribers. The Town shall coordinate the size of such pamphlets with the cable system general manager.

E. Origination Sites. For each access channel provided for in Section A above, the Franchisee, at its own expense, has provided and will maintain uplink facilities to allow broadcast quality cablecasting of access and/or local origination programming at such time as video is being cablecast over the channel. Town and Franchisee agree that on the effective date of this Franchise

Agreement these uplink facilities are in place and that the Town or its designee are liable for the costs of relocation should these facilities move within the life of this agreement. Franchisee shall provide the necessary activation (e.g., lasers, transmitters) equipment needed for cablecasting from the origination sites.

F. Signal Quality. Franchisee shall cooperate with Town to respond to any signal quality problems on the access channels or origination line as soon as possible, but no later than twelve (12) hours from a request by the Town, understanding that the Town or access originator is responsible for the signal quality produced and the origination line transport to the demarcation point at Franchisee's headend. The signal quality from the origination sites specified in Section E above shall be tested upon request and the results shall be promptly provided to the Town or the schools.

G. Local Origination.

1. Franchisee shall continue carrying content from cable channel 12 in the same manner as provided on the effective date of this Franchise Agreement. Town agrees that Franchisee reserves the right to renegotiate the airing of Cable 12 content in the event that said content changes dramatically or violates the broadcast standards or ethics of Franchisee.

2. Franchisee, at its own expense, shall continue to provide the building and utilities for local origination Channel 12 in the Town throughout the term of the franchise and such facilities shall be the same or equal to the facilities provided for local origination Channel 12 on the effective date of this franchise.

H. High definition access channels.

Upon notification, Franchisee shall carry all components of the HD format Access Channel Signals provided by the access provider including, but not limited to, closed captioning, stereo audio and other elements associated with the programming. The access provider shall be responsible for providing the Access Channel signal in an HD format to the demarcation point at the Franchisee Headend location. Franchisee shall transport and distribute the Access programming

without material degradation in a manner similar to the distribution of other HD formatted signals but Franchisee shall not be required to carry the Access Channel in a higher quality format than that of the Channel signal delivered to Franchisee.

Access provider shall be responsible for the cost of and shall provide all necessary equipment including HD encoders or its equivalent outside or inside the demarcation point at the access provider channel origination point, at Franchisee's Headend and hubs or similar distribution facilities necessary to deliver the Access Channel(s) in the HD format to Subscribers.

PEG channels shall be made available on Franchisee's channel lineup in the same manner as regular commercial channels. With respect to signal quality, Franchisee shall not be required to carry a PEG Access Channel in a higher quality format than that of the Channel signal delivered to Franchisee, but Franchisee shall distribute the Access Channel Signal without material degradation in a manner similar to the distribution of other channels.

The Town shall notify Franchisee in writing of its need to activate the HD format Access Channels under this Section and shall provide notice to Franchisee that the following criteria have been met:

1. At least 80% (eighty percent) of the basic service tier channels excluding PEG Access Channels are provided in HD format.
2. At least 80% (eighty percent) of the Access Programming carried on the SD format Channel, which the Town has identified as the Channel to be carried in a HD format Channel, has been produced in an HD format for any three-month time period prior to the notice provided under this Section.

The HD format Access Channels provided under this Section are in addition to the SD format of those Access Channels provided. Franchisee shall have no more than 120 days from the date of the written notice under this section to fully Activate the Access Channels from the access provider to Subscribers in the HD format. The Town acknowledges that receipt of HD format Access Channels may

require Subscribers to buy or lease special equipment, or pay additional HD charges applicable to HD services. Franchisee shall not be obligated to provide complimentary HD receiving equipment to institutional or courtesy accounts as a result of the obligations set forth in this section.

XII. NON-DISCRIMINATION

Franchisee agrees that it shall not discriminate in providing service to the public or against any employee or applicant for employment because of race, color, creed, religion, sex, disability, national origin, age, or marital status. In the employment of persons, Franchisee shall fully comply with applicable local, state and federal law, and shall take appropriate action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, disability, national origin, age, or marital status.

XIII. RATES

A. The Town shall have the ability to regulate in accordance with Federal law. The Town acknowledges that, on the effective date of this Franchise Agreement, the Franchisee is subject to Effective Competition as defined by federal law.

B. Franchisee will continue to offer subscribers currently receiving the senior discount (10%) the senior discount.

XIV. FRANCHISE RENEWAL

Subject to Section 626 of the Cable Act [47 U.S.C. Section 546] as amended and Sections VIII M. and XX of this Franchise Agreement, this Franchise Agreement may or may not be renewed.

XV. POLICE POWERS

In accepting this Franchise Agreement, Franchisee acknowledges that its rights hereunder are subject to the police powers of the Town to adopt and enforce ordinances necessary to the safety and welfare

of the public, and it agrees to comply with all applicable laws and ordinances enacted by the Town pursuant to such power.

XVI. PAYMENTS AND PERFORMANCE BOND

A. Franchise Payments. The Franchisee shall comply with the Code of Virginia Chapter 6.2-Virginia Communications Sales and Use Tax, as such may be amended. For the purposes of compliance with Chapter 6.2-Virginia Communications Sales and Use Tax the Town of Rocky Mount Franchise fee was 5% on January 1, 2007. A report prepared by a representative of Shentel showing the basis for the payment shall be provided upon request of the Town.

B. Bonds. Franchisee shall furnish construction bonds to Town as specified in the Cable Ordinance. Within thirty (30) days of the effective date of this Franchise Agreement. Franchisee shall furnish a performance bond of \$25,000 dollars. The performance bond shall be replenished within ten (10) days of use by the Town. The performance bond shall be maintained during the life of the Franchise, to guarantee the faithful performance of all its obligations under this Franchise Agreement and the Cable Ordinance. Prior to upgrade or rebuild of the cable television system, the Franchisee shall obtain and maintain during the upgrade or rebuild, at its cost and expense, and file with the Town, a construction bond in the amount of twenty percent (20%) of the cost of construction to guarantee the faithful performance of the Franchise Agreement related to upgrade or rebuild of the cable television system. The construction bond shall be maintained throughout the period that the Franchisee performs the upgrade or rebuild and for such longer period as necessarily required for the Franchisee to correct any deficiencies, which deficiencies shall be identified to the Franchisee by the Town within one hundred and eighty (180) days following the Franchisee's written notice of completion to the Town. Such bond must be issued in a form acceptable to the Town.

XVII. REGULATION AND REPORTS

A. Regulatory Authority. The Town shall exercise appropriate regulatory authority under the provisions of the Cable

Ordinance and this Franchise Agreement. Regulation may be exercised through the Town Manager or his designee.

B. Acceptance. Franchisee, by accepting the rights hereby granted, agrees that it shall perform and keep all acts and obligations imposed, represented or promised by the provisions of this Franchise Agreement, and the Cable Ordinance.

C. Town Council Meetings. Upon request, a representative of the Franchisee shall attend meetings of the Town Council.

D. Franchisee will provide the Town with copies of State of Virginia form CT-75 within thirty (30) days of submittal as well as any other documents or reports that the Town may request from time to time.

E. Insurance and Indemnification. Franchisee shall maintain insurance and provide indemnification as provided for in the Cable Ordinance.

F. Standards. Franchisee shall meet the FCC's Customer Service Obligations [47 C.F.R. 76.309]. Upon request, Franchisee shall provide to the Town quarterly management data, including data from any service centers used by the Franchisee related to compliance with the customer service standards of this Franchise Agreement, the Cable Ordinance and the FCC's Customer Service Standards. Such data shall be exclusive to this franchise. At such time as the FCC no longer promulgates consumer service obligations, the FCC standard in effect on the effective date of this Franchise Agreement will remain in force.

G. Franchisee Contacts. Within thirty (30) days of the effective date of this Franchise Agreement, Franchisee shall provide in writing or via e-mail the Town with the Franchisee's e-mail address and contact persons and telephone numbers for Franchisee employees that the Town should notify regarding customer compliance, general performance and the emergency alert system. Franchisee shall keep the Town informed of any changes in the contact persons and telephone numbers.

H. Local Office. Franchisee shall maintain an office in the Town to receive payments and complaints and to exchange subscriber equipment. Such office shall be open during normal business hours and include some evening or weekend hours. A local manager for the cable system shall be in the Town office a minimum of one day per month. Such day shall be regularly scheduled and the schedule shall be provided to the Town. If the regional call center refers subscribers to a local office, Franchisee shall provide a local number to call and ensure that a staff person is available to take such calls.

XVIII. REMEDIES

A. Schedule of Liquidated Damages. Because Franchisee's failure to comply with certain material provisions of this Agreement and the Cable Ordinance shall result in injury to the Town or to subscribers, and because it shall be difficult to estimate the extent of such injury, the Town and Franchisee hereby agree that the liquidated damages stated below represent both parties' best estimate of the damages resulting from the specified injury.

B. Violations. For the material violation of any of the following, the Town shall notify Franchisee in writing, certified mail-return receipt requested of the violation. The Town shall provide Franchisee with a detailed written notice of any Franchise violation upon which it proposes to take action, and there shall be a sixty (60) day period within which Franchisee may demonstrate that a violation does not exist or cure an alleged violation or, if the violation cannot be corrected in sixty (60) days, submit a plan satisfactory to the Town to correct the violation. If an alleged violation exists, and the violation was not cured or action on a plan acceptable to the Town has been received by the Town within sixty (60) days, such liquidated damages may be imposed and if imposed shall be chargeable to the performance bond, if not tendered by Franchisee within thirty (30) days, unless the Franchisee appeals to the Town Council or governmental agency with appropriate jurisdiction. Franchisee may petition the Town Council for relief from any assessed damages and challenge any assessment in court. The imposition of liquidated damages shall not preclude the Town from exercising the other enforcement provisions of the Cable Ordinance, including revocation,

or other statutory or judicially imposed penalties and Franchisee by entering into this Franchise is not waiving any provision of and rules promulgated under the Cable Act, federal law or state law. Liquidated damages may be imposed as follows:

1. For a material violation of the Franchise Agreement not specified below: \$50/day for each day after the expiration of the notice and cure period;

2. For material failure to comply with the requirements to carry access and local origination: \$100/day for each day the violation continues;

3. For material failure to submit reports: \$75/day for each day the violation continues after the expiration of the notice and cure period;

4. For material violation of quarterly customer service standards required FCC regulation: \$100/day for each day the violation continues after the expiration of the notice and cure period.

XIX. COOPERATION AND EQUAL PROTECTION

A. The parties recognize that it is within their mutual best interest for the cable television system to be operated as efficiently as possible in accordance with the requirements set forth in this Franchise Agreement. To achieve this, parties agree to cooperate with each other in accordance with the terms and provisions of this Franchise Agreement. Should either party believe that the other is not acting timely or reasonably within the confines of applicable regulations and procedures in responding to a request for action, that party shall notify the person or agents specified herein. The person or agent thus notified shall use its best effort to facilitate the particular action requested.

B. The Town agrees that any grant of additional franchises or lawful authorization by the Town to any other entity to provide Cable Services using the public rights of way, shall require that service be provided for the same territorial area of the Town as

required by this Franchise and shall not be on terms and conditions (including, without limitation, the franchise payment obligations) more favorable or less burdensome to the Franchisee of any such additional franchise than those which are set forth herein.

Additionally, if another provider of Cable Services is franchised or otherwise lawfully authorized by any other governmental entity to provide such services using the public rights of way of the Town (the "Competing Provider") and the Competing Provider activates facilities within the Town municipal boundaries Such modification(s) shall be effective on the date that the modification is requested.

XX. WAIVER

The failure of the Town at any time to require performance by Franchisee of any provision hereof shall in no way affect the right of the Town thereafter to enforce the same. Nor shall the waiver by the Town of any breach of any provision hereof be taken to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself.

XXI. CUMULATIVE PROVISION

The rights and remedies reserved to the Town by this Franchise Agreement are cumulative and shall be in addition to and not in derogation of any other rights or remedies which the Town may have with respect to the subject matter of this Franchise Agreement, and a waiver thereof at any time shall have no effect on the enforcement of such rights or remedies at a future time.

XXII. NOTICES

All notices, reports or demands required to be given under this Franchise shall be in writing and shall be deemed to be given upon delivery if delivered personally to the person designated below, or on the fifth day following mailing if sent in accordance with the notice requirement of this Section and 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 the Town:

Town Manager
Town of Rocky Mount
345 Donald Avenue
Rocky Mount, VA 24153

With a copy to:

Town Attorney
Town of Rocky Mount
345 Donald Avenue
Rocky Mount, VA 24153

If to the Grantee:

VP of Industry Affairs and Regulatory
Shenandoah Cable Television, LLC
500 Shentel Way
P.O. Box 459
Edinburg, VA 22824

XXII. CAPTIONS

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

XXIV. NO JOINT VENTURE

Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties, and neither party is authorized to, nor shall either party act toward third persons or the public, in any manner that would indicate any such relationship with the other.

XXV. ENTIRE AGREEMENT

This Franchise Agreement and all attachments hereto, and the Cable Ordinance and other written agreements between the parties represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, supersede all prior oral negotiations between the parties, and can be amended, supplemented, modified, or changed only as provided in said Ordinance and this Franchise.

XXVI. SEVERABILITY

If any section, subsection, sentence, clause, phrase, or portion of this Agreement is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions of this Agreement, except as provided for in the Cable Ordinance.

IN WITNESS WHEREFORE, the parties hereto have caused this Franchise Agreement to be executed as of the day and year first above written.

TOWN OF ROCKY MOUNT, VIRGINIA
ATTEST:

Mayor

Town Clerk

Shenandoah Cable Television, LLC

WITNESS

Title

Title

Seal

Approved as to form and correctness

Town Attorney