

CITY OF BALTIMORE
ORDINANCE _____
Council Bill 04-1504

Introduced by: The Council President
At the request of: The Administration (Mayor's Office of Cable and Communications)
Introduced and read first time: August 9, 2004
Assigned to: Committee of the Whole

Committee Report: Favorable with amendments
Council action: Adopted
Read second time: November 22, 2004

AN ORDINANCE CONCERNING

Franchise – Comcast of Baltimore City, L.P.

1
2
3 FOR the purpose of granting a franchise to Comcast of Baltimore City, L.P., to construct, operate,
4 and maintain a cable communications system in and across certain streets and public ways,
5 subject to certain terms, conditions, and reservations; and providing for a special effective
6 date.

7 BY authority of
8 Article VIII - Franchises
9 Baltimore City Charter
10 (1996 Edition)

11 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That a
12 franchise or right is granted to Comcast of Baltimore City, L.P. (the "Grantee") to construct,
13 operate, and maintain a cable communications system, subject to the terms and conditions of this
14 Ordinance and the Franchise Agreement between the Mayor and City Council of Baltimore and
15 the Grantee, in substantially the form attached to this Ordinance, as approved by the Board of
16 Estimates, with modifications adopted November 10, 2004 (the "Franchise Agreement").

17 **SECTION 2. AND BE IT FURTHER ORDAINED,** That Grantee shall provide a modern and
18 uniform cable communications system to the residents and institutions within the service area
19 delineated in the Franchise Agreement (the "Service Area") and, to that end, may construct,
20 operate, and maintain this cable communications system, as specified in the Franchise
21 Agreement, in and across the streets and public ways in the Service Area.

22 **SECTION 3. AND BE IT FURTHER ORDAINED,** That for the franchise or right granted by this
23 Ordinance (the "Franchise") to become effective, the Grantee must notify the Board of
24 Estimates, within 30 days of the effective date of this Ordinance, that the Grantee accepts the
25 Franchise. The Grantee's failure to so notify the Board of Estimates constitutes a refusal to
26 accept the Franchise, and, in that event, this Ordinance and the Franchise granted by it will be
27 abrogated and of no further effect.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.
Underlining indicates matter added to the bill by amendment.
~~Strike out~~ indicates matter stricken from the bill by
amendment or deleted from existing law by amendment.

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1 **SECTION 4. AND BE IT FURTHER ORDAINED**, That also for the Franchise to become
2 effective, the Franchise must be executed and enjoyed by the Grantee within 6 months after the
3 effective date of this Ordinance.

4 **SECTION 5. AND BE IT FURTHER ORDAINED**, That the term of the Franchise is 12 years,
5 commencing on the effective date of this Ordinance, subject to renewal terms and to earlier
6 termination as provided in the Franchise Agreement.

7 **SECTION 6. AND BE IT FURTHER ORDAINED**, That the Mayor and City Council of Baltimore
8 expressly reserves the right at all times to exercise, in the interest of the public, full municipal
9 superintendence, regulation, and control over and in respect to all matters connected with the
10 Franchise and not inconsistent with the terms of this Ordinance.

11 **SECTION 7. AND BE IT FURTHER ORDAINED**, That this Ordinance takes effect on the date it
12 is enacted.

Certified as duly passed this _____ day of _____, 20__

President, Baltimore City Council

Certified as duly delivered to His Honor, the Mayor,

this _____ day of _____, 20__

Chief Clerk

Approved this _____ day of _____, 20__

Mayor, Baltimore City

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**BALTIMORE CITY CABLE TELEVISION
FRANCHISE AGREEMENT**

BY AND BETWEEN

THE MAYOR AND CITY COUNCIL OF BALTIMORE

AND

COMCAST OF BALTIMORE CITY, L.P.

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BALTIMORE CITY CABLE TELEVISION FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT is made and entered into this _____ day of _____, 2004, by and between THE MAYOR AND THE CITY COUNCIL OF BALTIMORE, a municipal corporation of the State of Maryland (“City”), and COMCAST OF BALTIMORE CITY, L.P., a Colorado limited partnership with its principal place of business at 5801 Metro Drive, Baltimore, Maryland (“Franchisee”):

WITNESSETH:

WHEREAS, the City, pursuant to Article II, Sec. 35A and Article VIII of the City Charter (as defined in Section 1), is authorized to grant and renew non-exclusive, revocable franchises for Cable Services (as defined in Section 1) within the City; and

WHEREAS, pursuant to the federal Cable Act (as defined in Section 1), the Congress established certain procedures and standards for cable franchising and renewal of franchises in order to, among other purposes, encourage the growth and development of cable systems, assure that cable systems are responsive to the needs and interests of the local community, assure that cable operators provide and are encouraged to provide the widest possible diversity of information services and other services to the public and assure that access to Cable Services is not denied to any Person (as defined in Section 1); and

WHEREAS, pursuant to Ordinance No. 263, duly adopted by the City on December 21, 1984, the City granted the predecessor in interest of the Franchisee (as defined in Section 1 hereof), a franchise for the provision of cable television services (the “Prior Franchise”), the terms of which are set forth in a Franchise Agreement between the City and United Cable Television of Baltimore, Inc., dated as of November 29, 1984, as amended by the Supplemental Cable Franchise Agreement between the City and United Cable Television of Baltimore Limited Partnership, dated as of February 26, 1993, which was incorporated in Ordinance No. 217, approved on May 13, 1993; and

WHEREAS, Franchisee has requested that the City renew the non-exclusive Prior Franchise on terms to be agreed by the City and the Franchisee; and

WHEREAS, in response to the renewal request submitted by the Franchisee, the City, pursuant to the terms of the Cable Act, reviewed the performance of the Franchisee under the Prior Franchise, performed a technical review of the system, identified the future cable-related community needs and interests, and issued a request for renewal proposal for the cable television franchise, to which the Franchisee responded; and

WHEREAS, the Franchisee offered to provide certain facilities and equipment as well as various services (as defined in Section 1) and to perform certain additional undertakings and the Franchisee and the City subsequently engaged in arm’s-length negotiations regarding the terms and conditions of a proposed franchise; and

WHEREAS, the construction, installation, maintenance of a Cable System (as defined in Section 1) involves the occupation of, and placement of private commercial facilities in, the Public Ways (as defined in Section 1) within the City; and

WHEREAS, pursuant to Article VIII, Section 2 of the City Charter, a final franchise renewal shall be granted by an ordinance of the Council (as defined in Section 1) for the compensation and on the terms approved by the vote or resolution of the Board (as defined in Section 1); and

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WHEREAS, the Board held a public hearing on the proposed franchise agreement memorializing the compensation, terms and conditions of the proposed franchise; and

WHEREAS, said hearing was a full public proceeding affording due process at which the Board reviewed the Franchisee's character and its financial, legal and technical ability to carry out its obligations pursuant to this Agreement (as defined in Section 1), and reviewed the Franchisee's plan for operating, maintaining, upgrading, and enhancing the System (as defined in Section 1); and

WHEREAS, the City has relied on the Franchisee's representations and has considered the information that the Franchisee has presented to it; and

WHEREAS, the City has determined that, subject to the terms and conditions set forth in this Agreement, the grant of a renewal of a non-exclusive franchise to the Franchisee is consistent with the federal Cable Act, the City Charter, all other applicable laws and regulations, and the public interest; and

WHEREAS, the Board approved the compensation, terms and conditions of the proposed franchise, as set forth in this Agreement; and

WHEREAS, the Council adopted an Ordinance authorizing the Mayor to execute this Agreement and granting the Franchisee a non-exclusive franchise on the terms and conditions set forth in this Agreement; and

WHEREAS, the parties intend that this Agreement shall be effective as of January 1, 2005, and agree to abide by the Prior Franchise through December 31, 2004; and

WHEREAS, the City intends to exercise the full scope of its powers, including its police power and contracting authority, to: promote the public interest; protect the public health, safety and welfare of its residents; assure the widespread availability of cable television services; maximize the diversity of programming over the System (as defined in Section 1) and access to the System by Persons other than the Franchisee; promote access to advanced services and technologies for City residents and institutions; develop programming and services by the City and its institutions for delivery to the public over the System; experiment with and implement uses for Cable Systems (as defined in Section 1) in connection with the City's operations; and further develop the Institutional Network (as defined in Section 1) as a means of providing a wide range of Cable Services and Non-Cable Services for public, educational, and governmental use; and

WHEREAS, the City and Franchisee have reached agreement on the terms and conditions set forth in this Agreement through arm's-length negotiations, and voluntarily agree to be bound by those terms and conditions;

NOW, THEREFORE, in consideration of the foregoing clauses, which clauses are hereby incorporated in and made a part of this Agreement by this reference, the mutual promises, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

SECTION 1 DEFINED TERMS

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For purposes of this Agreement, the following terms, phrases, words and their derivations shall have the meanings set forth in this Section, unless the context clearly indicates that another meaning is intended. When not inconsistent with the context, words used in the present tense include the future tense, words used in the plural number include the singular number, and words used in the singular number include the plural number. All capitalized terms used in the definition of any other term shall have their meaning as otherwise defined in this Section 1.

“Abandonment” means the cessation, by act or failure to act of the Franchisee or any Affiliated Person, of the provision of all, or substantially all, of the Services then being provided over the System to Subscribers or the City for seven (7) or more consecutive days, except if due to an event beyond the control of the Franchisee as set forth in Section 14.1 of this Agreement.

“Affiliated Person” means each Person who falls into one (1) or more of the following categories:

- (i) each Person having, directly or indirectly, a Controlling Interest in the Franchisee;
- (ii) each Person in which the Franchisee has, directly or indirectly, a Controlling Interest;
- (iii) each officer, director, general partner, limited partner holding an interest of five percent (5%) or more, joint venturer, or joint venture partner of the Franchisee; and
- (iv) each Person, directly or indirectly, controlling, controlled by or under common Control with the Franchisee;

provided that Affiliated Person shall in no event mean the City, any PEG Entity, or any creditor of the Franchisee solely by virtue of its status as a creditor and which is not otherwise an Affiliated Person by reason of falling within clause (iii) of this definition or by reason of owning a Controlling Interest in; being owned by; or being under common ownership, common management or common Control with; the Franchisee.

“Agreement” or “Franchise Agreement” means this Agreement, together with the Appendices attached to this Agreement, and any amendments or modifications.

“Applicable Law” means all federal, state, and local laws, statutes, codes, ordinances, resolutions, orders, rules, and regulations, including but not limited to all FCC resolutions, orders, rules, and regulations, and the Baltimore City Charter; and the administrative and judicial decisions interpreting these sources of law, but in all uses Applicable Law shall be limited by Section 11.2 of this Agreement.

“Board” means the Board of Estimates of Baltimore City, its designee, or any successor to its powers and responsibilities.

“Business Day” means any day that is not a Holiday.

“Cable Service” means, subject to Section 4.9 of this Agreement: (i) the one-way transmission to Subscribers of (a) video programming or (b) other programming service, and (ii) Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.

“Cable System” means any 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

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video programming and which is provided to multiple Subscribers within a community, but such term does not include:

- (i) a facility that serves only to retransmit the television Signals of one or more television broadcast stations;
- (ii) a facility that serves Subscribers without using any Public Ways;
- (iii) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1070; 47 U.S.C. § 201 *et seq.*), as amended, except that such facility shall be considered a cable system (other than for purposes of Section 621(c) of the Cable Act (47 U.S.C. § 541(c)) to the extent such facility is used in the transmission of video programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services;
- (iv) an Open Video System that complies with Section 653 of the Cable Act (47 U.S.C. § 573) (or any successor thereto) and the rules promulgated pursuant to that section; or
- (v) any facilities of any electric utility used solely for operating its electric utility systems.

The foregoing definition of “Cable System” shall not be deemed to circumscribe the valid authority of any governmental body, including the City, to regulate the activities of any other communications system or provider of communications services.

“Channel” means a band of frequencies in the electromagnetic spectrum utilizing various means of transmission (including, without limitation, optical fibers or any other means now available or that may become available), which band of frequencies is capable of carrying one (1) or more video, audio, voice, or data Signals.

“City” means the Mayor and City Council of Baltimore, Maryland or, as appropriate in the case of specific provisions of this Agreement, any board, bureau, authority, agency, commission or department of, or any other entity of or acting on behalf of, the Baltimore City government or any officer, official, employee, or agent of the Baltimore City Government, any designee of any of the foregoing, or any successor thereto.

“City Charter” means the Baltimore City Charter, 1996 edition.

“City Solicitor” means the City Solicitor of the City, the City Solicitor’s designee, any person legally acting in such capacity, or any successor to his powers and responsibilities.

“Comptroller” means the Comptroller of the City, the Comptroller’s designee, any person legally acting in such capacity, or any successor to her powers and responsibilities.

“Control” of or “Controlling Interest” in a Person or in the Cable System or the Franchise, means working control in whatever manner exercised, including, without limitation, working control through ownership, management, debt instruments, or negative control, as the case may be, of such Person, the Cable System, or the Franchise. A rebuttable presumption of the existence of Control of, or a Controlling Interest in, a Person shall arise from the beneficial ownership, directly or indirectly, by any Person or group of Persons acting in concert (other than underwriters during the period in which they are offering securities to the public) of five percent (5%) or more (for voting interests), or fifty percent (50%) or more (for non-voting

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interests), of such Person. Control or Controlling Interest as used in this Agreement may be held simultaneously by more than one (1) Person or group of Persons. Notwithstanding the preceding sentence, if one (1) Person owns a majority of the voting interests of a Person, the Cable System, or the Franchise, such owner shall have sole Control of and shall possess the sole Controlling Interest in such Person, the Cable System, or the Franchise unless another Person exercises *de facto* control (as that term is defined under the precedents of the Federal Communications Commission) of the Controlled Person, the Cable System, or the Franchise, in which case such other Person also shall have Control and a Controlling Interest.

“Council” means the City Council of the City, its designee, or any successor to its powers and responsibilities.

“Criminal Act” means the commission of a crime, and shall include, but not be limited to:

- A. Any material misrepresentation, either oral or written, intentionally or grossly negligently made by, or on behalf of, the Franchisee in connection with any representation or warranty contained in this Agreement, or the negotiation or renegotiation of this Agreement, or any amendment or other modification to this Agreement that is in violation of any criminal law, provided that either the Franchisee has admitted to such conduct or a court of competent jurisdiction has determined that the Franchisee engaged in such conduct;
- B. The conviction, guilty plea or plea of *nolo contendere* (or an equivalent plea) of the Franchisee, any Person holding a Controlling Interest in the Franchisee, or any director or officer of the Franchisee or of any Controlling Person, of: (i) any criminal offense relevant to fitness to own or operate a Cable System, excluding traffic infractions; or (ii) any offense, including, without limitation, bribery or fraud, arising out of or in connection with (a) this Agreement or any other agreement to construct, operate or maintain a Cable System in the City; (b) the award of the Franchise granted pursuant to this Agreement; or (c) any act to be taken following the Effective Date of this Agreement by the City, its officers, employees or agents relating or pursuant to this Agreement, provided that the right to terminate this Agreement in the event of such convictions or guilty pleas shall arise only with respect to any of the foregoing convictions of the Franchisee itself and, in the event of the conviction or guilty plea of any of the other Persons specified, the City shall have the right to order the Franchisee to disassociate itself from, or terminate the employment of, said other Persons with respect to activities in the City or any other activities affecting the System pursuant to this Agreement;
- C. The conviction, guilty plea or plea of *nolo contendere* (or an equivalent plea) of any City officer, employee or agent of the offense of bribery, extortion or fraud with respect to this Agreement which arises out of or in connection with an interaction between such Person and the Franchisee, any Person holding a Controlling Interest in the Franchisee, or any agent or employee of any of the foregoing acting under the express direction or actual consent of the foregoing, provided that the interaction was initiated by the Franchisee, any Person holding a Controlling Interest in the Franchisee or any agent or employee of any of the foregoing.

“Current Technology,” as applicable, means that level of technical or service performance in terms of quality, reliability, capacity, and capability (including, but not limited to, plant or other equipment; public, educational, or governmental access and other production equipment or facilities; construction techniques; customer service; facilities, equipment, systems, and operations; and performance standards) which has been developed and demonstrated in the cable industry or any other comparable industry that

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provides services to the public under similar conditions to be workable and Economically and Technically Feasible and Viable, as such level may develop from time to time throughout the Term of the Franchise.

“Day” or “Days” means calendar day or days unless otherwise specified.

“Digital Service” means a Service which is transmitted in a digital format.

“Digital Television Channel” means a Channel which is transmitted in a digital format; which utilizes digital compression and encryption technologies; and which occupies sufficient bandwidth to enable the transmission of a high-quality television program at the Cable System’s standard compression level(s).

“Direct Bury” means installation of fiber optic or coaxial cable or wires directly in the ground without any casing, conduit, or other covering thereon. Often, a Direct Bury is done using a pull-type or self-propelled machine to plant or bury such cable or wire in a continuous, one-step operation, eliminating trenching and backfilling.

“DOT” shall mean the City’s Department of Transportation, its designee, or any successor thereto.

“DPW” shall mean the City’s Department of Public Works, its designee, or any successor thereto.

“Drop” means the cable or wire that connects the distribution portion of a Cable System to a Subscriber’s premises.

“Economically and Technically Feasible and Viable” means capable of being provided through technology that has been demonstrated to be feasible for its intended purpose, in an operationally workable manner, and in a manner whereby the Cable System has a reasonable likelihood of being operated on reasonably profitable terms.

“Effective Date” means the later of (1) the date on which the Franchisee fulfills all conditions precedent as set forth in Section 2.2C of this Agreement and this Agreement shall take effect; or (2) January 1, 2005.

“FCC” means the Federal Communications Commission, or the successor to its responsibilities.

“Franchise” means the non-exclusive right granted, by ordinance and subject to this Agreement, to Franchisee to construct, operate, repair, maintain, and reconstruct the Cable System on, over, under, upon, across, and along the Public Ways.

“Franchise Area” or “Service Area” shall mean all the area within the boundaries of the City.

“Franchisee” means Comcast of Baltimore City, L.P.

“Gross Revenue” means all revenue, as determined in accordance with generally accepted accounting principles, that is derived by the Franchisee and by each Affiliated Person from the operation of the Cable System to provide Cable Services.

- A. Gross Revenue shall include, to the extent it is received by the Franchisee, revenue from any other Person, including, without limitation, Leased or PEG Channel programmers, that is derived from the operation of the Cable System to provide Cable Services.

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B. Gross Revenue shall also include by way of example and without limitation:

1. the fair market value of any non-monetary (*i.e.*, barter) transactions between the Franchisee and any Affiliated Persons, which fair market value shall not be less than the customary prices paid in connection with equivalent transactions conducted with Persons who are not Affiliated Persons;
2. revenue received by the Franchisee which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of merchandise through any Cable Service distributed over the Cable System;
3. franchise fees received from Subscribers;
4. fees received from Subscribers to support PEG Channels;
5. to the extent allowed by Applicable Law and as provided in Section 4.9 of this Agreement, revenue generated from the provision of cable modem service;
6. any revenue generated by the Franchisee or by any Affiliated Person through any means which has the effect of avoiding the payment of compensation that would otherwise be paid to the City for the Franchise granted in this Agreement;
7. any revenue from Subscriber equipment sold or leased by the Franchisee or an Affiliated Person;
8. late fees and administrative fees;
9. revenue derived from program guides;
10. revenue derived from forfeited deposits;
11. revenue derived from installation, disconnection, or service call fees;
12. revenue derived from game channels;
13. studio rental, production equipment, and personnel fees;
14. revenue derived from commissions;
15. any actual bad debt that is written off but subsequently collected (such bad debt shall be included as Gross Revenue for the period in which it is collected); and
16. other revenues that may be posted in the general ledger as an offset to an expense account.

C. Gross Revenue shall also include all advertising revenue which is derived, directly or indirectly, from or in connection with the sale of advertising on the Cable System, whether by the Franchisee, or whether collected by an Affiliated Person or any other Person for Franchisee. If the advertising revenue received from the Affiliated Person is only net advertising revenue, advertising revenues from an Affiliated Person shall be grossed up as if the Franchisee had received the advertising

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revenue directly. Notwithstanding the preceding sentence, standard and reasonable commissions retained by a regional interconnect that is an Affiliated Person may be excluded from Gross Revenue.

D. Gross Revenue shall not include:

1. any compensation awarded to the Franchisee based on the City's condemnation of property of the Franchisee;
2. the revenue of any Person, including, without limitation, a supplier of programming to the Franchisee, to the extent that such revenue is also included in Gross Revenue of the Franchisee;
3. the revenue of the Franchisee or any other Person which is generated directly from the sale of any merchandise through any Service distributed over the Cable System, other than that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise – for example, the portion of such payment attributable to a commission for the Franchisee or an Affiliated Person—which portion shall be included in Gross Revenue;
4. taxes imposed by law on Subscribers which the Franchisee is obligated to collect, it being acknowledged that Franchise Fees under this Agreement are not considered taxes;
5. amounts collected by the Franchisee from Subscribers on behalf of Leased or PEG Channel programmers, other than Affiliated Persons, to the extent that all of the amounts collected, in excess of the amounts deducted pursuant to Section 10.6 of this Agreement and paid to the City, are passed on by the Franchisee to such programmers;
6. the revenue of any Affiliated Person which represents standard and reasonable amounts paid by the Franchisee to the Affiliated Person for ordinary and necessary business expenses of the Franchisee, including, without limitation, professional service fees and insurance or bond premiums;
7. advertising commissions deducted by advertising agencies, other than an agency which is an Affiliated Person, before advertising revenues are paid over to the Franchisee;
8. to the extent consistent with generally accepted accounting principles, consistently applied, actual bad debt write-offs taken in the ordinary course of business;
9. amounts recovered by Franchisee for theft or loss of portions of the Cable System, such as pedestal boxes, that were previously written off;
10. investment income; and
11. payments received by the Franchisee or an Affiliated Person that represent a reimbursement for work performed by the Franchisee or its agents on behalf of a contractor or third party, where payment for such work would not normally be considered Gross Revenue based on the nature of the work performed.

“Holiday” means a Saturday, Sunday, officially recognized federal or City legal holiday, and any other day on which the City's offices are closed and not reopened before 4:00 p.m.

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“Institutional Network” or “I-Net” means the dedicated, high-speed data, video, television, audio communications and telephony facilities and one-way and two-way network, designed and constructed to connect government locations and institutions and for use in connection with the ongoing operations of such locations and institutions. As of the Effective Date, the City is acquiring facilities and services from a variety of providers to design and construct the Institutional Network and is acquiring certain facilities and equipment from the Franchisee pursuant to a separate agreement. The Institutional Network may be a separate system, a portion of the System, or a combination thereof, and may be operated by a separate entity in which the City has a direct ownership interest, provided, however, that the separate entity agrees in writing to comply with this Agreement.

“Leased Channel” means a Channel on the Subscriber Network designated by the Franchisee pursuant to Section 612 of the Cable Act (47 U.S.C. § 532).

“Liability” or “Liabilities” means any and all encumbrances, defects of title, easements, mortgages, security interests or agreements, pledges, liens, charges, damages, expenses, penalties, fines, costs, conditional sales agreements, title retention agreements, claims, assessments, restrictions, liabilities, obligations, debts, commitments, undertakings, taxes, covenants, attorneys’ and other fees and responsibilities of every kind and character, known and unknown, contingent or otherwise, or arising or existing by operation of law, by judicial decree or judgment, by contract or otherwise, including, without limitation, those evidenced by contracts, agreements, memoranda, indentures, mortgages and security agreements and conditional sales and other title retention agreements. “Liability” or “Liabilities” shall also mean any damage or loss to any real or personal property of, or any injury to or death of, any Person or the City.

“MOCC” means the Mayor’s Office of Cable and Communications of the City, its designee, or any successor to MOCC.

“Non-Cable Service” means any Service which is distributed over the Cable System, other than a Cable Service.

“Non-Residential Subscriber” means a Subscriber, other than a Residential Subscriber, who lawfully receives any Service the Franchisee provides through its Cable System.

“Open Video System” means an Open Video System as defined in Section 653 of the Cable Act (47 U.S.C. § 573) (or any successor thereto) and the rules promulgated pursuant to that section.

“PEG Channels” means public Channels, educational Channels, and government Channels provided by Franchisee under Section 6 and shall include leased access Channels provided pursuant to Section 6.8.

“PEG User” means a Person authorized to administer or operate a PEG Channel or the I-Net, and shall include the City. If several Persons share a PEG Channel, each Person shall be a separate PEG User.

“Person” shall mean any natural person or any association, firm, partnership, joint venture, corporation or other legally recognized entity, whether for-profit or not-for-profit.

“Public Way” means the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, way, lane, public way, drive, circle or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or rights-of-way utilized for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the City in the Franchise Area, which, consistent with the purpose for which it was dedicated, may be utilized for the purpose of installing, operating, repairing, and maintaining the Cable

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System after negotiation of terms and conditions mutually satisfactory to the City, the Franchisee, and the appropriate public utility. Public Way also means any easement now or hereafter held by the City within the Franchise Area for the purpose of public travel, or for utility or public service use utilized for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle the City and the Franchisee to the use for the purposes of installing, operating, and maintaining the Franchisee's Cable System over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to the Cable System. Public Way shall not include any City buildings, structures, or other improvements, regardless of whether they are situated in a public right-of-way.

"Region" means Anne Arundel County, Baltimore City, Baltimore County, Carroll County, Harford County, and Howard County.

"Resident" means (i) any occupant who resides in a dwelling in the City, including, without limitation, occupants of hotels, apartment houses, one- and two-family dwellings, apartment hotels, motels, lodging or rooming houses, rectories, convents, monasteries, school dormitories, hospitals, prisons, reformatories, nursing homes, mental institutions, clinics, orphanages, day nurseries, homes for the aged and sanitariums; or (ii) as otherwise defined by Applicable Law. However, with respect to prisons, reformatories, and mental institutions, the Franchisee's obligation shall be only to provide Services to common areas in such facilities, to the extent that the Franchisee can obtain the consent of such prison, reformatory, or mental institution for the provision of such Services. In the case of any other commercial or institutional facility (such as a hotel, a dormitory, a hospital, a nursing home, etc.), the Franchisee shall negotiate the terms of providing Services to Residents in such institutional facility.

"Residential Subscriber" means a Resident who lawfully receives any Service on the Subscriber Network, except to the extent that such Services are used by the Subscriber in connection with a trade, business, or profession, either directly or indirectly, unless such use is incidental.

"Security Fund" means the fund established in Section 13.2 of this Agreement.

"Service" means (i) any Cable Service, including any Basic Service, or any other service, whether originated by the Franchisee or any other Person, which is offered to any Person in conjunction with, or distributed over, the Cable System; and (ii) any Non-Cable Service provided for public, educational, or governmental use.

"Service-Related Activity" means any activity or function associated with the production or distribution of any Service over the Cable System, including, without limitation, the use of studio or other facilities equipment, billing, audience promotion, or installation or lease of equipment.

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

"Significant Construction" means any major alteration, construction, reconstruction, upgrade, rebuild or enhancement of the System in the Franchise Area, during the Term of this Agreement or for such longer time as the Franchisee operates the System, the costs of which are estimated to be more than Five Million Dollars (\$5,000,000) over a twenty-four month period; but excluding therefrom the Upgrade and any item not located or occurring within, abutting, or affecting any City property or Public Way.

"System" means, subject to Section 13.6 of this Agreement, the Cable System constructed, operated, and maintained by the Franchisee pursuant to this Agreement, including, without limitation, all real property, all tangible and intangible personal property, buildings, offices, furniture, Subscriber lists, cables, wires, amplifiers, and all other electronic devices used in connection with the Cable System and all rights, contracts,

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and understandings with regard to any matter related to the Cable System. In addition, the System shall include any facilities provided by the Franchisee to the City or for the use of the City as part of the Institutional Network pursuant to the Institutional Network agreement.

“Subscriber” means any Person lawfully receiving any Service provided by the Franchisee by means of or in connection with the Cable System, whether or not a fee is paid for such Service.

“Subscriber Network” means that portion of the Cable System over which Services are provided primarily to Residential Subscribers.

“Term” shall have the meaning set forth in Section 2.2 of this Agreement.

“Two-Way” means that the headend, cables, hubs, distribution plant, amplifiers and other technical components of the Cable System have the requisite equipment in place to pass video, audio, voice and/or data Signals in both directions simultaneously.

“Upgrade” means the upgrade of the Cable System to the System characteristics described in Appendix A. “Upgraded” shall describe the result of the Upgrade. Unless the context requires otherwise, “upgrade” shall include the Upgrade.

SECTION 2 GRANT OF AUTHORITY; TERM

2.1 Grant of Franchise.

- A. General. City hereby grants to Franchisee, subject to the terms and conditions of this Agreement and the Franchise grant ordinance, a non-exclusive Franchise with the right, privilege and authority to construct, operate, repair, maintain, and reconstruct a Cable System on, over, under, upon, across, and along the Public Ways within the Franchise Area in accordance with the City’s specifications and this Agreement. The grant of this non-exclusive Franchise is expressly conditioned upon the construction, operation, maintenance, repair, and reconstruction of the Cable System in accordance with the terms of this Franchise. The rights granted hereunder, including, without limitation, rights to utilize the Public Ways, shall not be sold, transferred or assigned without the approval of the City.
- B. Compliance with Law. The Franchise granted under the terms and conditions of this Agreement shall be consistent with the Baltimore City Charter, the laws, regulations and rules of the City, and other applicable statutory requirements. In the event of conflict between this Agreement and the terms and conditions on which the City can grant a franchise, the Charter, the laws, regulations and rules of the City, and any such statutory requirements shall control; provided, however, that the terms and conditions of this Agreement may not be affected by any law, regulation, or rule adopted after the Effective Date of this Agreement unless: (1) the content of the law, regulation, or rule was not permitted to be enacted as of the Effective Date, or (2) the law, regulation, or rule is of general applicability.
- C. No Waiver of Other Permits and Authorizations. Nothing in this Agreement shall be construed as a waiver of any laws, regulations or rules of the City or of the City’s right to require the Franchisee or any Person using the Cable System to secure the appropriate permits or authorizations for such use, provided that the fees and charges imposed upon the Franchisee for any such permit or authorization shall be the standard fees or charges generally applicable to all Persons for such permits or

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authorizations, and any such standard fee or charge: (i) shall not be considered a “franchise fee” under 47 U.S.C. § 542(g)(1); (ii) shall fall within the exception to such term pursuant to 47 U.S.C. § 542(g)(2)(A); and (iii) shall not be an offset against the compensation or other payment the Franchisee, an Affiliated Person or other Person is required to pay the City or any other entity pursuant to Sections 6 and 10 of this Agreement.

- D. Non-Cable Services. Except as otherwise provided in this Agreement, the Franchise neither authorizes the Franchisee to, nor prohibits the Franchisee from, providing any Non-Cable Services, provided that this limitation shall not limit the use of the Institutional Network or the PEG Channels by the City or PEG Users. The use of the Cable System for Non-Cable Services shall be subject to separate additional approval by City if permitted by Applicable Law. Any use of the Cable System for Non-Cable Services shall be reported in writing to MOCC not less than fifteen (15) Days after the Franchisee has begun such use. Nothing in this Agreement shall be interpreted to prevent the City from imposing additional lawful conditions, including additional compensation provisions, for use of the Public Ways if the Franchisee provides any service other than Cable Service.
- E. Closing of Public Ways. Nothing in this Agreement shall be construed as a waiver or release of the rights of the City in and to the Public Ways. In the event that all or part of the Public Ways within the Franchise Area are (1) closed to pedestrian and/or vehicular traffic and/or utilities and services such as Cable Services; or (2) vacated or if ownership of the land under the affected Public Ways is otherwise transferred to another Person, all rights and privileges granted pursuant to this Agreement with respect to such Public Ways, or any part of such Public Ways so closed, vacated, or transferred, shall cease upon the effective date of such closing, vacation, or transfer, and Franchisee shall remove its Cable System from such Public Ways. If such closing, vacation, or transfer of any Public Way is undertaken for the benefit of any private Person, the City shall, as appropriate, condition its consent to such closing, vacation, or transfer of such Public Way on the agreement of such private Person to: (i) grant the Franchisee the right to continue to occupy and use such Public Way; or (ii) reimburse the Franchisee for its reasonable costs to relocate the affected part of the Cable System. The City shall provide reasonable prior notice to Franchisee of any such closing, vacation, or transfer to allow Franchisee to remove its Cable System where the right to continue to occupy and use such Public Way is not reserved for Franchisee.

2.2 Term of Franchise.

- A. Established. The Franchise granted shall be for a term commencing upon the Effective Date of the Agreement and terminating on December 31, 2016, unless the Franchise is renewed or is lawfully terminated in accordance with the terms of this Agreement.
- B. Effect on Prior Franchise. Upon the Effective Date, this Agreement shall supersede and replace the 1984 franchise (Bill No. 575) between City and United Cable Television of Baltimore, Inc., (“Franchise – United Cable Television of Baltimore, Inc. Cable Communications System”), as amended in 1999 by Ordinance No. 217 (“Amendment to United Cable Television of Baltimore Limited Partnership Cable Communications System Franchise”).
- C. Conditions Precedent. The Franchise shall commence upon the Effective Date, provided that the Franchisee shall have met each of the conditions precedent set forth below and otherwise in this Agreement (unless the City agrees to waive any of the conditions precedent), at which time it shall become effective:

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1. Board and Council Action. All necessary approvals of this Agreement by the City shall have been obtained.
2. Certified Copies of Resolutions. The Franchisee shall provide the City with a certified copy of resolution(s) duly adopted by the Franchisee's General Partner approving the execution, delivery and performance of this Agreement and approving the execution, delivery and performance by Franchisee of all other documents, certificates, guarantees and other instruments required to be furnished to the City by and pursuant to the terms of this Agreement.
3. Representations and Warranties. The Franchisee shall provide the City with a certificate by the Franchisee's General Partner certifying that the representations and warranties made in this Agreement are true and correct as of the Effective Date.
4. Performance Bond. The Franchisee shall furnish to the City any performance bond required pursuant to Section 13.10 of this Agreement or, in the event that the issuer will not issue the bond until this Agreement is in effect, the Franchisee shall furnish to the City the form of the performance bond as set forth in Section 13.10 accompanied by a letter from the issuer stating that it will issue a bond in that form no later than thirty (30) Days after the Effective Date, which bond shall be retroactive to the Effective Date.
5. Labor Employment Plan. The Franchisee shall have entered into a First Source Agreement with the OED as set forth in Section 7.2 of this Agreement.
6. Related Services Report. The Franchisee shall have submitted to MOCC the Related Services Report, as set forth in Section 11.7 of this Agreement.
7. Location of Administrative Office. The Franchisee shall have notified MOCC of the location of its administrative office within the City.
8. Insurance. The Franchisee shall have secured its insurance policies as set forth in Section 12.3 of this Agreement and delivered the certificate of insurance to MOCC and the City Solicitor, together with evidence that the premium for each of such policies have been paid, that the policies will be in effect on or before the Effective Date, and that the policies are in accordance with this Agreement.
9. Security Fund. The Franchisee shall have complied with the Security Fund requirements pursuant to Section 13.2 of this Agreement.
10. Letter of Credit. The Franchisee shall have delivered to MOCC and the City Solicitor a fully executed letter of credit in the form set forth in Appendix E to this Agreement.
11. List of Government Installations. The Franchisee shall have delivered to MOCC a list of all government facilities at which the Franchisee has installed a service outlet or drop.
12. Permitting and Licensing Compliance. DOT and DPW shall each have certified that the Franchisee is in compliance with all applicable permitting, leasing, and licensing requirements under City law.

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13. Clean Hands Certification. The Franchisee shall have paid all amounts due and owing to the City, including, but not limited to, taxes, fees, fines, penalties and interest.

2.3 Renewal. Any renewal of this Franchise shall be governed by and comply with the provisions of Applicable Law.

2.4 Reservation of Authority. Nothing in this Agreement shall abrogate the right of the City to perform any public works or public improvements of any description or be construed as a waiver of any codes or ordinances of general applicability promulgated by the City, or be construed as a waiver or release of the rights of the City in and to the Public Ways. In the event that the Cable System interferes with the construction, operation, maintenance or repair of such public works or public improvements, the Franchisee shall, at its own cost and expense, protect or promptly alter or relocate the Cable System as directed by the City. In the event that Franchisee refuses or neglects to so protect, alter or relocate all or part of the Cable System, or in the event of fire, disaster or other emergency, the City shall have the right to break through, remove, alter or relocate, without notice to Franchisee, all or part of the Cable System and the Franchisee shall pay to City the costs incurred in connection with such breaking through, removal, alteration or relocation. In the event that the City or any public or quasi-public entity reimburses costs for other occupants of the Public Ways which this Section 2.4 imposes on the Franchisee, it will not be a breach of this Agreement for the Franchisee to request that the City or such public or quasi-public entity, as the case may be, bear some or all of the Franchisee's costs.

2.5 Competitive Equity.

- A. Other Cable Franchises. The Franchisee enters into this Agreement with the understanding and on the representation that the City shall act fairly and reasonably in the event that, pursuant to the Cable Act, the City, subsequent to the Effective Date of this Agreement, grants, renews or renegotiates one (1) or more other franchises for the operation of a Cable System in the Franchise Area ("Other Cable Franchise"). To the extent the City does not have lawful authority over the relevant benefits and burdens described in the following paragraph, the term "Other Cable Franchise" as used in this Section 2.5 shall not include municipally-owned Cable Systems or Open Video Systems, video dialtone systems or similar systems.
- B. Request for Review by Franchisee. If the Franchisee believes the agreement pursuant to which such Other Cable Franchise may be granted (hereinafter the "Other Cable Franchise Agreement") bestows benefits and imposes burdens on the Franchisee which, as an economic or operational matter, on balance, are materially more advantageous to such third party than the benefits bestowed and burdens imposed on the Franchisee by this Agreement are to the Franchisee, then, at any one (1) time but not sooner than the effective date of the Other Cable Franchise or later than eighteen (18) months after the effective date of the Other Cable Franchise, the Franchisee may request that the City make a determination to such effect; in the event of such a determination, the Franchisee may request renegotiation of the terms and conditions of this Agreement as provided below. The discharge in bankruptcy of any obligations of the Other Cable Franchise Agreement shall not be a basis for the Franchisee to request such a determination.
- C. Procedure.
 1. In the event of such a request, the City shall determine within sixty (60) Days whether the Other Cable Franchise Agreement bestows benefits and imposes burdens on the third party which, as an economic or operational matter, on balance, are materially more advantageous to the third party than the benefits and burdens imposed by this Agreement are to the Franchisee. The Franchisee

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may submit to the City a written statement of those factors it believes to be relevant to such inquiry.

2. If the City determines that the Other Cable Franchise Agreement bestows benefits and imposes burdens on the third party which, on balance, are materially more advantageous to the third party than the benefits bestowed and burdens imposed by this Agreement are to the Franchisee, then upon the Franchisee's request, the City and the Franchisee shall enter into good faith negotiations to modify this Agreement to bestow benefits and impose burdens which, on balance, create overall economic comparability between this Agreement and the Other Cable Franchise Agreement.
3. If the City and the Franchisee have not completed this negotiation within six (6) months, or if the City determines that the Other Cable Franchise Agreement does not bestow benefits and impose burdens on the third party which, on balance, are materially more advantageous to the third party than the benefits bestowed and burdens imposed by this Agreement are to the Franchisee, then the Franchisee may petition the City for appropriate relief.

SECTION 3 CONSTRUCTION STANDARDS

3.1 General Requirement. Throughout the Term, and for such other time as it may take the Franchisee to remove the System pursuant to Section 13 of this Agreement, the Franchisee shall comply with the terms, conditions, and provisions set forth in this Section, and all other requirements or procedures pertaining to construction and technical requirements that are specified by the City or Applicable Law.

3.2 Standards and Specifications.

- A. Compliance with Standards and Specifications. The Franchisee shall meet or exceed all construction and service requirements required by this Agreement, the Baltimore City Code, and Applicable Law. All work involved in the construction, operation, repair, maintenance, Upgrade, Significant Construction, rebuild, enhancement, and removal of the System shall be performed in a safe, thorough, and reliable manner using materials of good and durable quality. The Franchisee shall comply with applicable codes and industry standards, including the specifications set forth in the most recently published edition of the "City of Baltimore Department of Public Works Bureau of Highways Manual of Design Procedure and Criteria (1972)," as amended from time to time and the "City of Baltimore Department of Public Works Specifications for Material, Highways, Bridges, Utilities, and Incidental Structures (1979)," as amended from time to time ("Green Book"); administrative orders of the City Department of Transportation, as amended from time to time; the National Electrical Code, as adopted by the City from time to time; the National Electrical Safety Code, as adopted by the City from time to time; all rules, standards, practices, and procedures of the FCC and National Cable Television Association, as amended from time to time; and the requirements of other utilities whose poles and conduits the Franchisee uses, as amended from time to time.
- B. Antennas and Towers. Antenna supporting structures and towers shall be designed for the proper loading as specified in Electronic Industry Association's R.S. 222-C Specifications. In addition, antenna supporting structures and towers shall be designed in accordance with the International Building Code, as amended, and shall be painted, lighted, erected, and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other Applicable Law.

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- C. Plant and Equipment. The Franchisee's plant and equipment, including, without limitation, the antenna and satellite earth station sites, headend and distribution system, towers, house connections, structures, poles, wire, cable, coaxial cable, fixtures, and appurtenances shall be installed, located, erected, constructed, reconstructed, replaced, removed, repaired, maintained, and operated in accordance with good engineering practices, performed by experienced and properly trained maintenance and construction personnel, so as not to endanger or interfere with improvements made by the City, interfere in any manner with the rights of any property owner, or unnecessarily hinder or obstruct pedestrian or vehicular traffic on any Public Way.
- D. Correction of Harmful or Unsafe Conditions. If, at any time, the City or any other agency or authority of competent jurisdiction determines that, consistent with Applicable Law, any part of the System, including, without limitation, any means used to distribute Signals over or within the System, is harmful to the health or safety of any Person, the City shall notify the Franchisee of the circumstances and the Franchisee shall then, at its sole cost and expense, within a reasonable time period specified by the City or such agency or authority, correct all such conditions. The Franchisee shall promptly notify MOCC and the Directors of DPW, DOT, and the Baltimore City Department of Health (or any successor thereto) of any determination or finding by an agency or authority of competent jurisdiction that any part of the System is harmful to the health or safety of any Person, and in no event later than twenty-four (24) hours after receiving notice of such a determination or finding.
- E. Standards for Drawings and As-Builts. Whenever a drawing, illustration, or other depiction is required by this Agreement or by the City, the Franchisee shall ensure that such drawing, illustration, or depiction is drawn to scale, shows all existing utilities, and complies with Green Book standards, including, but not limited to, the following:
1. All shop drawings and working drawings shall be completely legible and drawn to scale on sheets, twenty-four inch (24") by thirty-six inch (36") outside dimensions, and with border lines set back three-quarters of an inch (3/4") on the top, bottom, and right hand side of the sheet and one and one-quarter (1-1/4") on the left hand side of the sheet. After all work is completed, all drawings shall be corrected to show all parts of the structure as finally built. The tracings shall then be turned over to the DPW and become the property of the City, except for tracings of reinforced steel, which need not be turned over to the City.
 2. All shop drawings and working drawings shall include a four inch (4") by eight (8") standard title block in the lower right corner. The title block shall state the following:
 - a. Name of contractor and subcontractor if applicable;
 - b. Address of contractor and subcontractor if applicable;
 - c. Sheet Title, including reinforcement details;
 - d. Name of structure;
 - e. Crossing; and
 - f. Signature block.
- F. Prohibited Construction Techniques. In Public Ways and on City property:

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1. Franchisee shall not use, or cause to be used, the “back of sidewalk” or “lip of gutter” construction techniques.
2. Franchisee shall be permitted to use the “rock saw” construction technique pursuant to a standard methodology for the “rock saw” technique (the “Updated Rock Saw Standard”) developed and adopted by the City. The Franchisee shall abide by the Updated Rock Saw Standard for a period of eighteen (18) months following the Effective Date (the “Test Period”). The City may modify the Updated Rock Saw Standard from time to time during the Test Period based on experience with such Standard. By the conclusion of the Test Period, the City shall determine whether the Updated Rock Saw Standard adequately protects the Public Ways. If it does, the Franchisee may continue to use the Update Rock Saw Standard for the remainder of the Term. If not, the Franchisee shall not be allowed to use the “rock saw” technique or the Updated Rock Saw Standard for the remainder of the Term.
3. Franchisee shall not perform any installations using the Direct Bury technique; provided, however, that Drops or portions thereof that: (i) are located under structures or improvements of any kind, including, without limitation, paving, sidewalks, driveways, fences, walls, garages, sheds, and the like, shall not be performed using the Direct Bury technique and shall be encased or enclosed in a conduit, covering, concrete, or other material consistent with the City standards and specifications in Section 3.2A, and (ii) are not located under such structures or improvements may be performed using the Direct Bury technique.

G. No Obstruction. The Franchisee shall not obstruct the Public Ways, subways, railways, passenger travel, river navigation, or other traffic to, from, or within the Franchise Area without the required permits from and the prior consent of the City and all other appropriate public or private authorities.

3.3 Licenses and Permits. The Franchisee shall be solely responsible for obtaining, at its sole cost and expense, all permits, licenses, and other forms of approval or authorization necessary to construct, operate, maintain, repair, Upgrade, perform Significant Construction to, rebuild, enhance, or remove the System, or any part of the System, prior to the commencement of any such activity. In the event of an emergency which poses a serious risk to life or public safety, the Franchisee may carry out any work necessary to eliminate the emergency to the extent consistent with Applicable Law. Any blanket permit issued by the City to the Franchisee shall only authorize the Franchisee to perform everyday maintenance and emergency repair. If, during the performance of any work authorized by a blanket permit, Franchisee performs any work in the Public Ways that is not authorized by the blanket permit, Franchisee shall file for all required permits no later than the following Business Day. Where work is pursuant to a blanket permit, the Franchisee shall submit a list of proposed work locations by the 25th of each month for the succeeding months.

3.4 Right of Inspection. The City shall have the right to inspect all construction and installation work performed subject to the provisions of this Agreement and to conduct such tests as it deems necessary to ensure compliance with this Agreement and Applicable Law; provided, however, that such inspection and tests shall not interfere with the provision of Services. The City shall be permitted to charge the Franchisee its usual and customary fees for the inspection of construction in the streets. Any delays in construction due to such inspections shall not be reason for default.

3.5 Report on Permits. Not later than the fifteenth (15th) Day after the close of each calendar quarter until the Upgrade is fully complete, and during the period of any Significant Construction, the Franchisee shall provide MOCC with a cumulative written list of the permits that the Franchisee or any Affiliated Person has received from the City through the last Day of the preceding calendar quarter. The report shall list the type of permit,

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the location(s) of the work being performed under the permit, the date the work started or is projected to start, and the date the work stopped or is projected to stop. The Franchisee shall omit a permit from this list after such permit has expired and not been renewed for three (3) consecutive months.

3.6 New Grades or Lines. If the grades or lines of any Public Way are changed at any time during the Term of this Agreement, then the Franchisee shall, at its sole cost and expense and within ten (10) Days after actual or constructive notice from the City, or within such longer time period as may be reasonably requested by the Franchisee, protect, alter, or relocate the System, or any part of the System, so as to conform with the new grades or lines. In the event that the Franchisee refuses or neglects to so protect, alter, or relocate all or part of the System within the time period specified by this Section 3.6, the City shall have the right to break through, remove, alter, or relocate all or any part of the System without any Liability of the City to the Franchisee, and the Franchisee shall pay to the City the costs incurred in connection with such breaking through, removal, alteration, or relocation.

3.7 Movement of Cables, Wires, and Other Equipment. The Franchisee shall, upon written notice delivered not less than ten (10) Days in advance by the City or any Person holding a permit that authorizes an activity (including, but not limited to, movement of a structure) that requires movement of cables, wires, or other equipment, move its cables, wires, and other equipment to allow the permitted activity to be completed in a timely manner. The Franchisee may impose a charge, not to exceed its Actual Cost plus 15%, on any such permit holder other than the City, for any such movement of its cables, wires, and other equipment. This Section 3.7 shall not be construed to be a limitation on Section 2 of this Agreement.

3.8 Emergency Removal. If, at any time, in case of fire or other disaster, the Mayor or the Mayor's designee determines that it is necessary to cut or remove any part of the Cable System, the City may cause such cutting or removal. The Franchisee shall not charge the City for any restoration or repair resulting from such cutting or removal.

3.9 Notices of Construction.

- A. To City. The Franchisee shall give the City, the Director of Transportation, and the Director of Public Works written notice of any construction to be performed in the City at the time that the Franchisee applies for a permit to perform the construction. The Franchisee shall give the City, the Director of Transportation, and the Director of Public Works written notice of any emergency work performed without a permit as soon as possible after the commencement of the emergency work. Not later than fifteen (15) Days before the close of each calendar quarter, the Franchisee shall give the City a quarterly schedule of upcoming construction areas and planned disturbances of Public Ways.
- B. To Property Owners. The Franchisee shall provide advance notice of construction that involves entry into or the crossing of any private property, work in streets abutting private property, or Public Ways. The Franchisee shall provide at least thirty-six (36) hours advance notice to all affected property owners by telephone, in person, by mail, by distribution of flyers to buildings, by publication in local newspapers, or in any other manner reasonably calculated to provide adequate notice, unless exigent circumstances prevent thirty-six (36) hours advance notice, in which event the Franchisee shall provide such notice as is practicable under the circumstances. In addition, before entering onto any Person's property, the Franchisee shall provide prior notification and obtain the property owner's or, in the case of residential property, the resident's permission, where possible.

3.10 Protection of Public Property and Landmarks.

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- A. The Franchisee shall, at its sole cost and expense, protect any and all existing structures belonging to the City, the federal government, and any other public or quasi-public entity; all federally and locally designated landmarks and districts, all other structures within any designated landmark district; and conduit, cables, wires, and equipment of the City.
- B. The Franchisee shall not alter, interfere with, or damage any public structure in the Public Ways or any conduit, cable, wire, or equipment of the City in the Public Ways without prior approval of the City and all other appropriate authorities. Any such alteration shall be made by the Franchisee, at no cost or expense to the City or such other appropriate authorities, and in a manner reasonably prescribed by the City and all other appropriate authorities. For other replacements, repairs, and restorations, the Franchisee agrees that it shall be liable, at no cost or expense to the City or such other appropriate authorities, to replace or repair and restore, in a manner and within a reasonable time period as specified by the City and all other appropriate authorities, any Public Ways, public structure, or conduit, cable, wire, or equipment of the City involved in the construction, operation, maintenance, repair, Upgrade, Significant Construction, enhancement, rebuild, or removal of the System that is disturbed or damaged as a result of any work by or on behalf of the Franchisee pursuant to this Agreement.
- C. In the event the City or other appropriate authorities do not specify the manner of replacement, repair, or restoration, the Franchisee shall replace, repair, or restore the Public Ways, public structure, or any conduit, cable, wire, or equipment of the City within thirty (30) Days, to good condition consistent with industry standards and the requirements of the standards and specifications of Section 3.2A.
- D. Where any such alteration, interference, or damage is not immediately discovered, or where any such repair, replacement, or restoration effort fails or is otherwise inadequate or insufficient, the Franchisee shall have a continuing obligation to perform all necessary restoration work, despite the prior termination or expiration of this Agreement.
- E. If Franchisee fails to make such repairs within the time specified by City, the City, upon notice to the Franchisee, shall have the right to make the repairs or cause the repairs to be made. The Franchisee shall reimburse the City for the costs incurred for such repairs and the City shall have the right to pursue any other remedies provided by this Agreement and Applicable Law.
- F. In the event the Franchisee refuses or neglects to replace, repair, or restore any Public Way, public structure, or conduit, cable, wire, or equipment of the City, the City shall have the right to replace, repair, or restore such Public Way, structure, or conduit, cable, wire, or equipment of the City. The Franchisee shall reimburse the City for the costs incurred in connection with such replacement, repair, or restoration, including, without limitation, any costs incurred for the inspection of the altered or damaged property.
- G. The Franchisee shall guarantee and maintain all repairs, replacement, and restoration for at least one year after completion against defective materials and workmanship.

3.11 Pavement Cut Coordination. The Franchisee shall meet with the Directors of the DPW and the DOT at least twice per year to coordinate its construction program and all other work in the Public Ways with the City's program for water main, storm and sanitary sewer, sidewalk and street construction, rebuilding, and resurfacing (collectively, "Street Construction"). The goals of such coordination shall be to require the Franchisee to conduct all work in the Public Ways in conjunction with or immediately prior to any Street Construction planned by the City, and to prevent a Public Way from being disturbed by the Franchisee within the time period specified in the Green Book. The City may authorize the Franchisee to disturb a Public Way

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prior to the end of the specified period due to the presence of extraordinary circumstances, such as where there is no reasonably feasible alternative for initial construction of the Cable System, which authorization shall be subject to such reasonable conditions as the Directors of the DPW and the DOT shall, in their discretion, impose.

3.12 Safety Precautions.

- A. Standard of Care. The Franchisee shall employ ordinary care at all times and employ commonly accepted methods and devices for the prevention of failures and accidents that are likely to cause damage, injury, or nuisance to the public. In addition, the Franchisee shall, at its sole cost and expense, undertake all necessary and appropriate efforts to prevent accidents at its work sites. The Franchisee shall comply with the Occupational Safety and Health Act of 1970, (29 U.S.C. §§ 651-78), as amended, and all other Applicable Law.
- B. Protection of Construction Areas. The Franchisee shall comply with the safety requirements of all permits, licenses, and other forms of approval or authorization. In addition, Franchisee shall maintain reasonable barriers, lights, signs, cones, and other similar warnings and protective devices required for the safety of the public in compliance with this Agreement and Applicable Law. If the Franchisee places any such device in any Public Way, the device shall be placed and maintained in a way that does not interfere with the usual travel or other existing and anticipated uses of the Public Way.
- C. Emergency Notification. The Franchisee shall provide the City with a twenty-four (24) hour emergency telephone number at which a representative of the Franchisee, not voice mail or a recording, can be contacted in the event of an emergency.
- D. Identification. The Franchisee shall provide a standard identification document to all employees, including employees of subcontractors, who will be in contact with the public. The identification document shall include a telephone number that can be used for verification. In addition, the Franchisee shall clearly identify all personnel, vehicles, and other major equipment operating under its authority.

3.13 No Interference with Facilities or Equipment.

- A. The Franchisee shall not alter, interfere with, or damage the existing conduit system, cables, wires, or equipment of any Person other than the Franchisee, including but not limited to utilities, other Cable Communications Systems, Open Video Systems, master antenna systems, satellite master antenna systems, and similar systems.
- B. If a final court decision, not subject to further appeal, concludes that the Franchisee altered, interfered with, or damaged the existing conduit system, cables, wires, or equipment of the City or any Person, other than the Franchisee, and if the City finds that (i) the Franchisee willfully interfered in a grossly material fashion with the operations of another Cable Service provider; or (ii) the court decision, considered with other interference by the Franchisee, establishes a pattern of interference by the Franchisee, then the City may consider whether the court decision constitutes a breach of this Agreement under Section 13.
- C. This Section 3.13 is intended to address the normal installation, repair, and maintenance practices of the Franchisee and is not intended to prohibit the Franchisee from taking any action that is consistent with Applicable Law to remove, use, or dispose of the facilities of another Cable Service provider.

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3.14 Trimming of Trees and Vegetation.

- A. The Franchisee, at its sole cost and expense, may trim trees and other natural vegetation upon and overhanging any Public Way when necessary to prevent such trees and vegetation from coming into contact with the Cable System, provided, however, that all trimming in any Public Way shall only be performed with the prior approval, and under the direction, of the Director of Recreation and Parks.
- B. The Franchisee shall obtain the prior written consent of the property owner for all trimming of trees on private property.
- C. No trimming shall be done by the Franchisee until the time of installation of any wires, cables, or other fixtures to the relevant portions of the Cable System in order to ensure that the tree is trimmed to the minimum extent necessary.
- D. The Franchisee shall be responsible for any damage caused by such trimming and shall dispose of all trimmed materials on a daily basis.

3.15 Aerial and Underground Construction.

- A. If all of the transmission and distribution facilities of all of the respective public or municipal utilities in any part of the Franchise Area are underground, the Franchisee shall place its transmission and distribution facilities underground. In any region(s) of the Franchise Area where the transmission or distribution facilities of the respective public or municipal utilities are both aerial and underground, the Franchisee shall have the discretion to construct, operate, and maintain all of its transmission and distribution facilities, or any part of such facilities, aerially or underground, provided, however, that previously installed aerial cable shall be undergrounded in concert and on a cost-sharing basis with affected utilities when such utilities convert from aerial to underground construction and when Franchisee is given reasonable prior notice of such undergrounding.
- B. In cases of new construction or property development where utilities are to be placed underground, the developer or property owner shall give the Franchisee notice of at least thirty (30) Days before commencing such construction or development. The notice shall indicate the date on which open trenching will be available for the Franchisee's installation of conduit, pedestals, vaults, and laterals, all of which shall be provided at Franchisee's expense. Upon request of the developer or property owner, the Franchisee shall provide specifications for the trenching. The costs of the trenching and the easements required to facilitate Cable Service to the development shall be borne by the developer or property owner, provided however, that, if Franchisee fails to install its conduit, pedestals, vaults, and laterals within ten (10) Days after the date the trenches are available, as designated in the notice given by the developer or property owner, then the cost of any new trenching necessary shall be borne by the Franchisee. Except for the notice of the date on which open trenching will be available to the Franchisee, any notice provided to the Franchisee by the City of a preliminary plat request shall satisfy the requirement of notice if sent to the General Manager of Franchisee prior to the City's approval of the preliminary plat request.
- C. Any portion of the Cable System installed underground shall be buried to a depth of at least sixteen (16) inches; provided, however, that any portions of the Cable System installed under Public Ways shall be buried to a depth of at least twenty-four (24) inches and all Drops shall be buried to a depth of at least twelve (12) inches.

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- D. If, at any time in the future, the City requires that the utilities in all or any portion of the City place their lines underground, then the Franchisee shall, at its sole cost and expense, and within a reasonable period of time, place its existing and all future cable, wires, or other equipment underground in such portion of the City without charge, expense, or liability therefor to the City.
- E. Whenever the Franchisee must place the Cable System or other facilities beneath the traveled or paved portion of any Public Way, the Franchisee shall make such placement by directional boring and not by the excavation of a trench, unless otherwise approved in advance by MOCC. Directional boring shall be done wherever possible so that the excavations necessary for it are not in the paved portion of the Public Way.
- F. Franchisee shall be entitled to compensation for expenses incurred from any relocation and/or underground placement of cable, wires, or other equipment performed at the direction of the City to the extent that other users of the Public Ways are so compensated.

3.16 Open Conductors And Sheathing. Open conductors shall conform to the National Electrical Safety Code, as adopted by the City from time to time, regarding minimum clearances. As of the Effective Date, such minimum clearances are as follows:

- A. Ten (10) feet above finished grade, sidewalks, or from any platform or projection from which they might be reached at locations where there is no vehicular traffic.
- B. Sixteen (16) feet over public streets, roads, alleys, and driveways that are subject to vehicular traffic.
- C. Twenty-four (24) feet over track rails of railroads.

3.17 Poles and Facilities.

- A. Use of Existing Poles and Facilities Preferred. Franchisee shall use, with the owner's permission, existing poles, conduits, and other facilities whenever Economically and Technically Feasible and Viable. The Franchisee may not erect poles, conduits, or other facilities in any Public Way without all necessary permits and authorizations and the express permission of the City. Upon request, the Franchisee shall file copies of all agreements for the use of conduits or other facilities with the City within fifteen (15) Business Days.
- B. City's Use of Poles. The City shall have the right to install and maintain, at no expense, wire and pole fixtures upon any poles owned by the Franchisee; provided, however, that such fixtures comply with Applicable Law and do not unreasonably interfere with the operation of the Cable System.

3.18 Map Accuracy. The City does not guarantee the accuracy of any maps, prints, atlases, illustrations, drawings, or other pictorial or computer-generated materials showing the horizontal or vertical location of existing substructures. All locations of other utilities and facilities in the Public Ways and easements used by the Franchisee shall be verified by excavation or by requesting "locates" from the City.

3.19 Storage of Slack Coil. Franchisee shall not store more than seventy-five (75) linear feet of slack coil in any one manhole, per one thousand (1,000) linear feet of fiber optic cable installed between manholes. All such storage shall be at a location in the manhole, and installed in a manner, as designated by the City; provided, however, that any slack coil that has been installed by the Franchisee and approved by the City prior to July 1, 2004 shall not be required to be removed until such time as the Franchisee modifies, alters, repairs,

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or replaces such slack coil in a manhole. For the purposes of this Section, “slack coil” shall mean extra fiber optic cable that is coiled up and placed in a manhole for future use.

3.20 Membership Required. For the Term of this Agreement, the Franchisee shall become a full-time, private sector member of: (A) the DPW Utility Coordinating Committee; and (B) the One Call Notification System (otherwise known as “Miss Utility”) and shall comply with all of the marking and location verification requirements of the One Call Notification System.

SECTION 4 SERVICE OBLIGATIONS

4.1 Service to All Persons.

- A. General Obligation. Throughout the Term of this Agreement, the Franchisee covenants and agrees to construct, operate, repair, maintain, reconstruct, and upgrade the System so as to provide access to all Services distributed over the Subscriber Network to any Person within the Franchise Area who submits a request for Services to the Franchisee. The Franchisee shall provide such access within the time periods and subject to the procedures described in Section 4.2. It shall be the right of all Persons to receive all available Services provided on the Cable System so long as such Person’s financial and other obligations to the Franchisee are satisfied.
- B. Non-Residential Connections. The Franchisee may charge a Non-Residential Subscriber reasonable and nondiscriminatory rates and charges to connect such Non-Residential Subscriber to the Subscriber Network.
- C. Residential Conversions. For any specific building that has been constructed or converted to residential use after the Effective Date, where the obligations in this Section 4.1 to provide Services via the Cable System would be substantially in excess of the range of the Franchisee’s usual costs for connections, the Franchisee may seek a waiver of these obligations from the City, which waiver shall not be unreasonably withheld. In determining whether to grant a waiver permitting the Franchisee to charge more than its standard installation fee, the City shall consider (i) the “payback” time period that it would take the Franchisee to recoup its investment in establishing service to the building and (ii) the level of Subscriber penetration reasonably expected in the building, if applicable.
- D. Conditions on Subscriber Services. Nothing in this Section 4.1 is intended to prevent the Franchisee from reasonably conditioning the provision of Services to a Person with an impaired credit history. Such conditions shall be lifted to the extent a Person demonstrates to the Franchisee’s reasonable satisfaction that the Person subsequently has established a positive credit history, *i.e.*, that such Person has paid his, her, or its bills in full and on time.

4.2 Requests for Service.

- A. Multiple Dwelling Unit Subscribers.
 - 1. General. Provided that the Franchisee is able to obtain access to the building in accordance with this Section to perform the necessary work, the Franchisee shall fulfill all requests for Services, including any upgrades to inside wiring necessary to transmit the full range of its Services for Residential Subscribers living in multiple dwelling unit buildings, within the time periods set forth in Applicable Law. The Franchisee shall diligently pursue access to all buildings

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containing Residents that are not currently wired for Residents to receive any Services from the Franchisee.

2. Unwired Buildings. If the Franchisee is unable to fulfill any such request within sixty (60) Days because a multiple dwelling unit building is not currently wired for Residents to receive any Services from the Franchisee, it shall provide written notice within seventy-two (72) hours after the expiration of such sixty (60) Day period to the City and the Person requesting Services. The notice shall state whether or not such Services can be provided and, if known, the date by which the Person requesting Services may expect to receive such Services.
3. New Construction and Conversions. Notwithstanding Section 4.2A1, for any building which has been constructed or converted to residential use after the Effective Date, and which is not passed by the Cable System at the time of the request for Services, the Franchisee shall fulfill each request for Services not later than ninety (90) Days after receiving the request for Services, but for any such building for which the Franchisee needs to obtain a permit, license, or other authorization from the City or any other Person to connect such building to the Cable System, the Franchisee shall fulfill each request for Services not later than ninety (90) Days after receiving all necessary permits, licenses, and other authorizations from the City or any other Person. The Franchisee shall use its best efforts to obtain any such permit, license, or other authorization.

B. Drops.

1. Fees. The Franchisee shall charge its standard installation fee to Residents for installation of connections that do not require in excess of one hundred twenty-five (125) feet of underground trenching per Drop, or one hundred twenty-five (125) feet of aerial wiring per Drop. For longer connections, the Franchisee shall not charge more than its actual cost (including a reasonable charge for overhead) for the portion of the connection from the closest point on the Subscriber Network to the residence to the point that is one hundred twenty-five (125) feet from the residence; provided, further, that, in the event multiple Subscribers share the same connection to the Subscriber Network at the time of installation, the Franchisee shall allocate such actual cost (including a reasonable charge for overhead) evenly among such Subscribers. Any such additional charge of actual cost shall be computed on a time plus materials basis to be calculated on that portion of the installation that exceeds the 125 foot standard. Under no circumstances will Franchisee be required to extend its distribution cable beyond 175 feet. However, if the Franchisee determines it is economically and technically feasible to do so, the Franchisee may elect to extend its distribution cable beyond 175 feet.
2. Location. Whenever technically possible, Franchisee shall meet each Subscriber's desire regarding the point at which the Drop enters the Subscriber's residence or other structure, and the point at which the Drop terminates inside the structure. Drops shall be placed underground whenever other utilities are located underground.
3. Removal Upon Termination. Upon the termination of Service, Franchisee shall either entirely remove its Drop or secure the Drop in a method reasonably acceptable to City or Subscriber.
4. Non-obstructive and Unobtrusive Locations. All cable within buildings and all Drops outside buildings shall be located so as to be as non-obstructive and unobtrusive as practicable.

4.3 Prohibition Against Reselling Service. No Person shall resell, without the express prior written consent of the Franchisee, any Cable Service, program, or signal transmitted over the Cable System by the Franchisee.

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4.4 Disconnection for Cause.

- A. Cause. Franchisee may immediately disconnect a Subscriber for demonstrable reasonable cause, including, but not limited to, due or owing accounts between the Subscriber and Franchisee, theft of Service, or theft of or vandalism to Franchisee property. Franchisee may restore Service after the Subscriber provides adequate assurance that the Subscriber has ceased the practice that led to the disconnection, and paid all fees and charges, including any reconnect fees and amounts owed the Franchisee for damage to its Cable System or equipment.
- B. Signal Leakage. Franchisee may disconnect a Subscriber who causes signal leakage in excess of federal limits. Franchisee may disconnect a Subscriber without notice where signal leakage is detected originating from the Subscriber's premises in excess of federal limits, provided the Franchisee shall immediately notify the Subscriber of the problem, and, once the problem is corrected, reconnect the Subscriber.

4.5 Residential Subscribers Served Under Bulk Agreements. The Franchisee may enter into or maintain any "bulk rate" agreements permitted under Applicable Law. With respect to Residential Subscribers who receive Services under such bulk rate agreements, the Franchisee shall permit MOCC to exercise its responsibilities under this Agreement to such Subscribers in a manner comparable to the way in which it exercises its responsibilities with respect to other Residential Subscribers.

4.6 Cable Service to New Developments. Franchisee shall install its Cable System, excluding only Drops to individual dwelling units, in all new subdivisions and developments on the date on which electric or telephone facilities are installed in such subdivision or development unless Franchisee is not timely notified of the subdivision or development. After Cable System installation, Franchisee shall be capable of providing Cable Service to any dwelling unit in such subdivision or development solely by the construction of a Drop to the Subscriber premises when such dwelling unit is constructed.

4.7 Continuity of Service. Franchisee shall operate the Cable System and provide Cable Service twenty-four (24) hours per Day, seven (7) Days per week. Franchisee shall voluntarily interrupt the provision of Cable Service only with good cause and for the shortest time possible and, except in emergency situations, or as otherwise provided in this Agreement, only after periodically cablecasting notice of the service interruption, including at the same time of day as the anticipated interruption. Service may be interrupted without notification between 12:00 a.m. and 6:00 a.m. for routine testing, maintenance, and repair, on any night except Friday, Saturday, or Sunday, or any night preceding a Holiday.

4.8 Location of Headquarters. Franchisee's system office facilities and headquarters for the Baltimore City Cable System shall be located within the Franchise Area and shall be staffed by an officer of the Franchisee with full decision-making authority over the day-to-day operations of the System. As of the Effective Date, Franchisee's Office facilities and headquarters are located at 5801 Metro Drive. The Franchisee shall notify the City not less than thirty (30) Days prior to changing said location from time to time.

4.9 Classification of Cable Modem Service.

- A. Acknowledgement. The City and Franchisee acknowledge that: (i) on March 15, 2002, the FCC released a declaratory ruling that cable modem service is not a cable service within the meaning of Section 602(6) of the Cable Act (47 U.S.C. § 153(20)); (ii) the declaratory ruling has been appealed in the federal courts, the Ninth Circuit has determined that cable modem service is both an information service and a telecommunications service (*Brand X Internet Services v. Federal Communications Commission*, Docket No. 02-70518, 2003 WL 22283874 (9th Cir. 2003), and the

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matter will be subject to additional proceedings; and (iii) on March 15, 2002, the FCC also issued a notice of proposed rulemaking seeking comment on the regulatory implications of the declaratory ruling and will issue rules pursuant to the notice of proposed rulemaking which may be subject to yet further proceedings.

- B. Reservation Rights. Notwithstanding Section 11.2 of this Agreement, the City and the Franchisee each reserve, to the fullest extent, their respective rights arising from (i) the FCC March 15, 2002 declaratory ruling; (ii) any subsequent proceedings, including, but not limited to, judicial, legislative, and administrative proceedings, relating to the declaratory ruling; (iii) the notice of proposed rulemaking; and (iv) any subsequent proceedings, including, but not limited to, any rules and requirements and any judicial, legislative, and administrative proceedings relating to such rulemaking.

4.10 Ownership of Installed Wiring. Ownership of all wiring installed by Franchisee inside Subscribers' dwellings plus that extending on the outside of Subscribers' dwellings plus any such further length of cable extending beyond the exteriors of Subscribers' dwellings shall be determined as required by FCC requirements (76 C.F.R. §76.800 *et seq.*) and other Applicable Law.

SECTION 5 CABLE SYSTEM FACILITIES, EQUIPMENT, AND SERVICES

5.1 Cable System Design and Capacity; Technical Performance. Throughout the Term of this Agreement, the Franchisee shall operate and maintain the Cable System in accordance with Applicable Law and this Agreement. In addition, the Franchisee shall maintain the System in overall compliance with the System characteristics and plan for Upgrade of the System as provided in Appendix A to this Agreement; provided, however, that the Franchisee reserves the right to modify such plan from time to time, with prior notice to the City, so long as the Cable System remains in compliance with the technical standards and requirements of Applicable Law and all other requirements of this Agreement.

5.2 Signal Quality and Security. Franchisee shall provide to the Subscribers a level of signal quality emanating from the headend that meets or exceeds FCC technical standards. The Cable System shall have the means for users to acquire signal security for selected channels and subchannels, such as the current methods of analog scrambling, tier filters, individual Channel trapping, Channel blocking via the customer set-top box and digital encryption and such future methods as may be developed from time to time.

5.3 Leased Services. The Cable System shall comply with all Applicable Law regarding the requirement to provide Leased Channels on the Cable System.

5.4 Interactive Services/Two-Way Cable Modem Service. The Upgrade of the Cable System in the Franchise Area shall be completed on or before December 31, 2006. Upon completion of the Upgrade of each node service area, such area shall be Two-Way capable, which shall allow for the capability to deliver interactive Services, including Two-Way cable modem service. The Franchisee shall comply with Applicable Law pertaining to competitive access to its Cable System for the provision of Internet access Services.

5.5 Audio Services. The Cable System offers a wide variety of audio services. The System shall be capable of transmitting secondary audio programming (SAP). Upon completion of the Upgrade, it is anticipated that the Cable System will continue to be capable of offering a wide variety of digital music Services.

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5.6 Digital Television Programming. Increased digital programming shall be provided. The System shall provide no fewer than two hundred (200) digital Channels. Examples of such Digital Services may include pay-per-view programs, premium Channels and special interest programming.

5.7 Signals/Channels.

- A. Services. The Franchisee shall carry Services, including local commercial television broadcast signals, in accordance with Applicable Law. The Franchisee shall endeavor to offer to all Subscribers a diversity of Services. The Franchisee shall provide to the City a listing of all Services it offers to Subscribers and the rates, in the form attached as Appendix D to this Agreement.
- B. Upgrade. As of December 31, 2006, Franchisee will have completed an Upgrade to the Cable System comprised of hybrid fiber-optic/coaxial cabling constructed in a node topography, with said Cable System having an initial bandwidth of 860 MHz. The Cable System will include the following types of Channels and Services:
 - 1. Analog Channels: Six (6) MHz of bandwidth provided in analog form, which shall include both the visual and aural carriers and corresponding sidebands that constitute the picture and sound of an NTSC television program. Franchisee shall provide a Channel capacity of 78 NTSC Channels. Franchisee shall provide Analog Channels in accordance with Applicable Law.
 - 2. Digital Service: a Service that is transmitted in a digital form.
 - 3. Digital Television Channel: a Channel which is transmitted in a digital format; which utilizes digital compression and encryption technologies; and which occupies sufficient bandwidth to enable the transmission of a high-quality television program at the Cable System's standard.

5.8 Parity with Neighboring Jurisdictions. If the Franchisee or an Affiliated Person provides a new Cable Service on a commercially deployed basis in the Region, then the Franchisee, within thirty-six (36) months, shall provide such Cable Service on the System unless the Franchisee reasonably determines and demonstrates in writing to the City, within eighteen (18) months of such commercial deployment, that doing so would not be Economically and Technically Feasible and Viable. Nothing in this Section 5.8 shall require identity of programming throughout the Region.

5.9 Testing. The following shall apply to Franchisee's compliance with FCC rules and regulations pertaining to cable television technical standards for signal quality:

- A. Testing Procedure; Technical Performance. Throughout the term of this Agreement, the Franchisee shall operate and maintain the Cable System in accordance with the City's testing procedures and the technical performance standards as provided in Appendix A to this Agreement. The Franchisee shall give at least four (4) Days prior notice to MOCC of any scheduled Cable System test performed in accordance with Appendix A or as required by FCC regulations so that the City may arrange to have an engineer or other person observe the Franchisee's engineer or other person performing such test.
- B. Special Tests. At any time after commencement of Service to Subscribers, the City may require additional tests, full or partial repeat tests, or tests involving a specific Subscriber's converter. Requests for such additional tests will be made only on the basis of a significant number of complaints received or other pertinent and valid evidence reasonably demonstrating non-compliance

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with FCC standards, and such tests will be limited to the particular matter in controversy. The City will endeavor to arrange its requests for such special tests so as to minimize hardship or inconvenience to Franchisee and the affected Subscribers.

- C. Testing Vehicle and Equipment. In order to enable the Franchisee to test the ability of the Cable System to perform in accordance with Appendix A to this Agreement, the Franchisee shall have available to it, at all times and in good working order, in the Franchise Area:
1. all necessary testing and monitoring equipment specified in Appendix A, or equivalent equipment;
 2. any other equipment necessary to monitor the performance of the Cable System (including any upgrades to the testing and monitoring equipment specified in Appendix A to this Agreement); and
 3. one (1) or more motor vehicles collectively capable of containing and having all such equipment installed therein promptly, and which shall be used for the purpose of such tests.
- D. Current Technical Report. As part of the first annual report submitted pursuant to Section 11.6A of this Agreement, after the fifth (5th) anniversary of the Effective Date of this Agreement, the Franchisee shall explain what it has done or plans to do to keep pace with Current Technology, including keeping pace with a new or improved level of technical or service performance provided in neighboring jurisdictions pursuant to Section 5.8 of this Agreement. At a minimum, such report shall identify:
1. new Services which have been or are scheduled to be offered to Subscribers;
 2. new technologies which have been or are scheduled to be deployed in connection with the Cable System; and
 3. new equipment which has been or is scheduled to be deployed as part of the Cable System.

The City may, but shall not be obliged to, schedule a public hearing or meeting to discuss such report and the deployment of Current Technology in the Cable System. Pursuant to Section 11.3 of this Agreement, the Franchisee shall participate in such public hearing or meeting.

- E. FCC Reports. Franchisee shall provide the City with the reports required by Section 11.9 of this Agreement.

5.10 Headend/Hubs Design and Intrasystem Interconnection.

- A. As of the Effective Date, the headend facility is located at 2525 Kirk Avenue, Baltimore, Maryland, 21218; should this facility be relocated from this site, the headend facility shall be relocated to a location within the Franchise Area for the duration of the Term of this Agreement. For the duration of this Agreement, Franchisee shall maintain the headend at a level capable of receiving and transmitting all Signals necessary to make up channel capacity as utilized in the System in Baltimore City.
- B. The headend facility is the central Signal-processing site for the System. Signals from the various programming sources are received via off-air antennas, satellite dish antennas, terrestrial microwave

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antennas, and fiber optic links located at the headend, where they are combined into the unique package of programming.

5.11 System Bandwidth and Capacity.

- A. Downstream. The Upgraded System shall have a Downstream bandwidth of at least eight hundred eight (808) MHz from fifty-two (52) MHz to eight hundred sixty (860) MHz. The Downstream bandwidth shall be allocated between Analog Channels and Digital Services, and this allocation may change over time.
- B. Upstream. The Upstream bandwidth shall be thirty-five (35) MHz, from five (5) MHz to forty (40) MHz. This bandwidth will be used for digital Signals. The Franchisee anticipates accommodating any analog video Signals on routes other than the Upstream bandwidth.

5.12 Emergency Override. The Franchisee shall comply with the Emergency Alert System (“EAS”) requirements set forth in 47 C.F.R. Part 11 (or any successor thereto).

SECTION 6 PUBLIC SERVICES

6.1 Provision of PEG Channels.

- A. Franchisee to Provide. Franchisee shall provide PEG Channels at no charge on the Cable System, as specified in this Agreement. Such Channels shall be available twenty-four (24) hours per Day throughout the Term of this Agreement at no cost to Subscribers, City, or PEG Users (initial or on-going). The PEG Channels shall be in addition to any capacity provided on the Institutional Network. Franchisee shall continue to provide the same levels of equipment and support for these Channels as is being provided as of the Effective Date.
- B. Location. All PEG Channels shall be placed on the basic tier of service (and in the lowest tier of service, if different), shall be available to all Subscribers and can be in either analog (6 MHz NTSC) or digital format, at the City’s option, capable of carrying the same information as a 6 MHz NTSC signal, so long as at all times they are in the same format used by Franchisee for the principal local off-air Channels that are provided to Subscribers on its Cable System. PEG Channel assignments shall be the same throughout the System. Franchisee shall use reasonable efforts to cooperate with any other cable operators to ensure that PEG Channel assignments are the same for all cable systems in the City.
- C. Relocation. PEG Channel assignments shall not be changed unless there is good cause, and in no case shall a given PEG Channel be moved from one Channel number to another number (*e.g.* from Channel 7 to Channel 12) more often than once every forty-eight (48) months. The Franchisee will make reasonable efforts in any relocation of PEG Channels, or any relocation of any other Channels, to ensure that the PEG Channels are reasonably proximate to each other. Franchisee must give City and each PEG User at least three (3) months advance notice of any change in the Channel number on which a PEG Channel will be distributed on Franchisee’s System. Any such relocation must be to a Channel of technical quality equivalent to that of other Channels on the System. In addition, the Franchisee shall provide, at Franchisee’s expense, at least thirty (30) days advance notice of such Channel relocation in monthly bills or another mailing sent to Subscribers.

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- D. Editorial Control. Franchisee shall not exercise any editorial control over any use of PEG Channel capacity (including Channels provided under Section 6.1B), or the content of programming on PEG Channels (except for such programming as the Franchisee may produce or provide for its account), nor shall Franchisee or its Affiliates incur any liability under this Agreement for any PEG programming carried on any PEG Channel.
- E. Signal Quality. The Franchisee shall transmit the signals of the PEG Channels without altering or degrading the signal, failing to retransmit, or removing any formatting or coding information associated with such signal, such as secondary audio programming (“SAP”) and closed captioning. The Franchisee shall use the same or better quality equipment and engineering practices to transport the Signal of the PEG Channels as it uses to transport the Signal for the commercial broadcast Channels.
- F. Outages. In the event of failure of the headend, Signal Input Points (as defined in Section 6.4), Remote Signal Input Points (as defined in Section 6.4), or interconnection, the Franchisee shall respond within four (4) hours after receiving notice from a PEG facility. The Franchisee shall restore service through such failed interconnection or facility as soon as reasonably possible, but not later than twenty-four (24) hours after receipt of such notice from a PEG User or facility, absent some delay or failure beyond the control of the Franchisee.
- G. Subscriber Reception of PEG Digital Channels. The Franchisee shall make available a digital cable converter, which permits the Subscriber to receive all PEG Digital Channels, but no other digital service, to those Subscribers who would not otherwise receive PEG Digital Channels because the Subscriber does not subscribe to Franchisee’s digital services. When Franchisee first provides PEG Digital Channels, the Franchisee shall announce the availability of a digital cable converter to each Subscriber, and announce it annually thereafter.

6.2 Number of PEG Channels.

- A. Number of Channels. Franchisee shall provide eight (8) downstream PEG Channels in analog format. In the event that the Franchisee discontinues carriage of analog Channels on the System and converts to an all-Digital Service format, then the Franchisee shall continue to provide eight (8) downstream PEG Channels via Digital Service. PEG Channel capacity and use shall be allocated by the City in its sole discretion. The Franchisee shall provide, at its cost and expense, for all equipment necessary for the PEG facilities to transmit on the digital Channels instead of the analog Channels.
- B. Channel Activation. The decision to activate an additional PEG Channel is, in all events, a decision to be made in the sole discretion of the City, after notice to the Franchisee. The Franchisee shall, without charge to the City, activate and make available an additional PEG Channel not later than one hundred twenty (120) Days following receipt of a notice from the City that the City desires to activate an additional PEG Channel; provided, however, that the Franchisee shall not be required to activate more than one additional PEG Channel in any twelve (12) month period.

6.3 Allocation and Use of PEG Channels.

- A. By City. PEG Channels are, and shall be, allocated by the City in its sole discretion. City may, at any time on ninety (90) days notice to Franchisee, allocate or reallocate the usage of the PEG Channels among and between different uses and PEG Users.

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- B. Rules and Procedures. City may, from time to time, adopt and revise rules and procedures as to when and how Franchisee may use the PEG Channels for the provision of video programming if the PEG Channels are not being used for their respective purposes. Franchisee shall use the PEG Channels solely in accordance with such rules and procedures and, except for PEG Channels being used by Franchisee, shall have no responsibility or control with respect to the programming of such Channels.

6.4 Signal Input Points. For purposes of this Agreement, Signal Input Points refer to the facilities that connect the permanent facilities of PEG Users to the Cable System and provide the connection by which such Users provide their programming to Franchisee for immediate retransmission to Subscribers. Remote Signal Input Points are signal input points for PEG programming that are used intermittently (but repeatedly) from the same location, such as from a community center, a high school football field, or the like.

- A. As of the Effective Date, the Franchisee has provided, in good working order, the Signal Input Points at the PEG facilities shown on Appendix B for the receipt of the signal by Franchisee from PEG Users for simultaneous distribution of video programming to Subscribers on the Cable System in City. The Signal Input Points include all equipment required for the transport of video and audio source material, including, without limitation, laser transmitters, modulators, processors, drops, and wiring, so that each such center can send signals to the headend via the I-Net on at least one path initially. For the purposes of this provision, "good working order" shall mean that the Signal Input Point has sufficient fiber optic connectivity in operating condition and such equipment as is necessary for such fiber optic connection to be active and send Signals.
- B. Remote Signal Input Points shall be provided by Franchisee from which a real time video signal shall be transmitted by Franchisee simultaneously to Franchisee's local headend for simultaneous distribution on the Cable System in the City. The initial Remote Signal Input Points as of the Effective Date are set forth in Appendix B.
- C. The Franchisee shall be responsible for any fiber and equipment of Franchisee at such Signal Input Points and Remote Signal Input Points that is not in good working order as of the Effective Date, and the City shall be responsible for any City fiber and equipment at such Signal Input Points and Remote Signal Input Points that is not in good working order as of the Effective Date. The City shall be responsible for the cost of any new fiber and equipment requested or required by the City at the Signal Input Points and Remote Input Points.
- D. Signal Input Points and Remote Signal Input Points shall, unless otherwise specified by City, accept baseband composite video and audio signals in analog (6 MHZ NTSC) format.
- E. The City may change Signal Input Points and Remote Signal Input Points upon reasonable notice to Franchisee, such as if the PEG User of a Channel changes or the main studio of a PEG User moves to another location. Any such change shall be to a location that provides both adequate signal capacity and adequate safeguards for the security of the Cable System. In the event that the location of a Signal Input Point or Remote Signal Input Point changes, the City may request that the Franchisee connect the new location to the Cable System. Upon the City's receipt and approval of an estimate of the cost for Franchisee to make such connection, the Franchisee shall promptly make such connection, and the City shall reimburse the Franchisee for such cost.
- F. Upon notice from the City, the Franchisee shall be responsible for providing, constructing, and installing, at the Franchisee's cost and expense, a fiber optic link from a node designated by the City to the Franchisee's headend, to enable the transmission of Signals from one or more of the Signal Input Points to the Franchisee's headend for transmission of PEG programming on the PEG

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Channels. Such fiber optic link shall meet or exceed the Electronic Industry Association Standard 250-C, entitled “Electrical Performance Standards for Television Transmission.”

6.5 Capital Support For Equipment and Facilities For PEG Channels.

A. Franchisee shall pay to the City, for capital costs, including, without limitation, facilities and equipment, ongoing support of fifty cents (\$.50) per Subscriber per month, for the Term of this Franchise Agreement, or so long as Franchisee is providing Cable Service in the City, whichever is longer. This per-Subscriber grant shall be computed and paid in the same manner and on the same schedule as the Franchise Fees set forth in Article 10, and shall be subject to the right of the City to inspect, audit, and re-compute in the same manner as for Franchise Fees under Article 10 and with late payments subject to interest in the same manner as are Franchise Fees. The amount of this per-Subscriber grant shall increase by the following amounts on the following anniversaries of the Effective Date:

| <u>Anniversary</u> | <u>Amount</u> |
|--------------------|---------------|
| 2nd | \$.02 |
| 5th | \$.03 |
| 7th | \$.02 |
| 10th | \$.03 |

Franchisee and City agree that the obligations set forth in this Section are not “franchise fees” within the meaning of 47 U.S.C. §542.

B. Upon the enactment of this Ordinance, the City agrees to select and convene a Board of Incorporators (the “Board”) to work with the City to create a public access entity to be responsible for the management of public access cable television programming. This Board shall consist of thirteen members appointed by the Mayor. All members of the Board shall be City residents. It shall include at least three members of the public access broadcasting community, at least two members of the Cable Communications Advisory Commission, one representative from MOCC, one representative from the Department of Law, one representative from the Council selected by the President of the Council, and five additional members as determined by the Mayor.

The Board shall develop the structure of a tax-exempt organization under section 501 of the Internal Revenue Code (the “Corporation”). The Corporation shall be created by the City, and upon creation shall operate independently thereof. It shall generally serve as the public access entity for the citizens of Baltimore. It shall receive and disperse the public access portion of the PEG capital support provided for in this Section, as well as any grant for PEG purposes Franchisee may provide in connection with the grant of the Franchise, and such other funds (if any)made available to it from time to time by the City. The Corporation shall enter into an agreement (the “Operating Agreement”) with the City in accordance with all standard City contractual requirements, including but not limited to provision for regular City audits, the use of generally accepted accounting and auditing principles, and an acceptable budgeting process prior to the receipt of funds from the City.

Subject to the conditions above, the City shall pay to the Corporation, or to any successor entity thereof, or to third parties on the behalf of the Corporation, one-third (1/3) of the monies collected as capital support for PEG purposes pursuant to this Section, if, as, and when collected by the City. These funds shall be expended only for capital costs for public access purposes. Prior to receipt of any funds from the City, the Corporation (i) shall have entered into the Operating Agreement in

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accordance with this Section, and (ii) shall be and remain in good corporate standing with the State of Maryland. The Corporation shall apply all funds received from the City in accordance with the terms and conditions of this Franchise and the Operating Agreement.

6.6 Publicity. Franchisee shall undertake the following PEG Channel publicity activities at its own cost and expense:

- A. City may request, from time to time, and Franchisee shall use reasonable efforts to provide, to City and PEG Users, a reasonable number of advertising avails on an “as available” basis for advertising spots promoting public, educational, and government programming. Such spots shall be prepared by, and at the expense of, the City or PEG User, as applicable.
- B. Franchisee shall list all PEG Channels on print and cablecast electronic program guides.
- C. Franchisee shall include written information about public, educational and governmental access programming and activities in its customer handbook and in materials given to new Subscribers.

6.7 Services to Government, Educational, and Other Facilities.

- A. Service Provided. The Franchisee shall provide Basic and Standard Service, and any equipment necessary to receive such service, free of charge, to: (i) the facilities specified in Appendix C, (ii) all new facilities requested from time to time by the City pursuant to Section B of this Section; and (iii) all facilities that are relocated from time to time pursuant to Section B of this Section.
- B. Installation and Relocation. Upon request of the City, the Franchisee shall, without charge, install one activated outlet at each public educational institution and each building or facility owned by or leased to, and used by, the City, within the Franchise Area, as shall be designated by the City from time to time; provided, however, that a total of not more than five (5) such new outlets shall be required in any calendar year. The City shall be responsible for reimbursing the Franchisee for the Franchisee’s cost of installation of such new outlets where the Drop is greater than one hundred fifty (150) feet in length. The Franchisee shall not be entitled to reimbursement for its cost of installation of such new outlets where the Drop is one hundred fifty (150) feet or less in length. The City shall be responsible for reimbursing the Franchisee for the Franchisee’s cost to relocate any outlets after their initial installation, when such relocation is requested by the City. The Franchisee shall be responsible for the cost to relocate any existing outlets where the relocation is due to the Franchisee’s requirements.
- C. Activation of Appendix C Locations. In the event that any facility listed in Appendix C does not have an outlet and Drop as of the Effective Date, the City shall be responsible for reimbursing the Franchisee for its cost of installation of the outlet and Drop, regardless of the length of the Drop; provided, further, that any such facility listed on Appendix C that does not have an activated outlet and Drop as of the Effective Date and receives an activated outlet and Drop after the Effective Date shall not count as part of the City’s five (5) new outlets per calendar year pursuant to Section B of this Section.

6.8 Leased Access. Franchisee shall make available suitable Channel capacity for leased access by third parties not Affiliated with Franchisee to the extent from time to time required by federal law and regulations. Franchisee shall have the sole responsibility for all operating aspects and for the fixing of rates and conditions for leased access use.

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6.9 Cost Borne by Franchisee. All the equipment, services and grants provided in this Article 6 shall be provided without any cost of any kind (initial, one time, on-going or recurring), except such costs as are specifically described, to City or to PEG Users.

6.10 Institutional Network. The parties have entered into a separate agreement entitled "I-Net Transfer and Modification Agreement." The Franchisee shall comply with all requirements of that agreement in connection with, and shall continue its ongoing operation and maintenance of those portions of, the Institutional Network, including those portions not transferred to the City under said agreement.

SECTION 7 EMPLOYMENT AND PURCHASING

7.1 Equal Employment Opportunity. Franchisee shall comply in all respects with Federal, state and local equal employment opportunity ("EEO") and non-discrimination laws and regulations including, but not limited to, the FCC's EEO rules set forth at 47 C.F.R. § 76.75 *et seq.*, and Article 4, Section 3-1 of the Baltimore City Code. Franchisee shall make rigorous efforts to develop a workforce with minority representation at all levels.

7.2 Hiring.

- A. Franchisee shall be required to comply with the City's First Source Hiring Initiative and shall execute a First Source Hiring Agreement in the form provided by the City.
- B. In accordance with the Agreement required in Section 7.2A above, and to the extent available and appropriate, Franchisee shall designate MOED as a principal recruitment, referral, and training agent. Franchisee shall identify a representative to work with MOED for the purpose of communicating hiring needs and providing hiring status on all job applicants upon request of MOED.
- C. Franchisee shall fund, sponsor, and/or support the following workforce elements or their equivalents:
 1. Identify expert guest speakers to discuss the cable workforce environment for job-seeking customers at the City's One Stop Career Centers;
 2. Participate in the Mayor's YouthWorks Summer Jobs Fair for City teens;
 3. Hire youth to fill summer job positions, to the extent that such positions are appropriate for youth under applicable safety regulations.
 4. Develop internships and job shadowing opportunities for youth. In the event that Franchisee is unable to acquire workers' compensation insurance as may be required by Applicable Law, the City will use its best efforts to provide such coverage on City policies, with Franchisee to reimburse the City for the cost of such coverage;
 5. Participate in an annual conference for workforce development professionals;
 6. Participate in quarterly and targeted job fairs;
 7. Develop on-the-job training programs for entry level positions.

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- D. Compliance Report. Franchisee shall submit to MOED and MOCC an annual report on its compliance with Section 7.2 of this Agreement.

7.3 MBE/WBE. Franchisee agrees to comply with the City's statutes, ordinances and regulations regarding participation by minority business enterprises ("MBEs") as if it were a contractor receiving funding from the City provided that enforcement of this Section shall be exclusively by way of liquidated damages and in no event shall the City seek to suspend or rescind the Franchise for any violation of this Section and women's business enterprises ("WBEs"). The Franchisee shall use reasonable, good faith efforts to meet a goal for participation by MBE and WBE for purchases and construction contracts as established by the City's Minority and Women's Business Opportunity Office ("MWBOO"). MWBOO shall administer the provisions of this Section on behalf of the City, and Franchisee shall comply with MWBOO rules and requirements.

- A. Documentation to the City on MBE/WBE. Six (6) months after the Effective Date and every six (6) months thereafter while upgrade construction under this Agreement is in progress, and annually thereafter, the Franchisee shall submit to the City written documentation, including executed contracts, service agreements and utilization commitment forms, that shall identify the particular MBE/WBEs that are (i) contracting directly with the Franchisee; or (ii) subcontracting with prime contractors who contract directly with Franchisee. The documentation submitted to the City shall specify the dollar value of the participation, type of work to be performed, and such other information as the City may reasonably request.
- B. Waiver of MBE/WBE. In the event that, after the use of reasonable, good faith efforts to meet the goals for MBE and WBE participation established pursuant to this Section 7.3, the Franchisee is able to demonstrate to the City's satisfaction that sufficient qualified and willing MBEs and WBEs are unavailable, then Franchisee may request a waiver or reduction of the MBE/WBE goals.
- C. Report on MBE/WBE. Six (6) months after the Effective Date and every six (6) months thereafter, the Franchisee shall submit to MOCC a report on its compliance with this Section 7.3. Franchisee may satisfy this requirement by copying MOCC on any such report that it files with another City agency on a semiannual or more frequent basis.

7.4 Prequalification. Franchisee and each of its contractors and subcontractors performing work with respect to the Cable System in excess of the dollar amount established by the City shall be prequalified annually with the City. The Franchisee and its contractors and subcontractors shall submit such forms and other information as may be required by the DPW, the DOT, and the Purchasing Agent to obtain such prequalification annually.

7.5 Compliance. Franchisee shall ensure that the requirements of Section 7 are adhered to by any Affiliated Person or contractor or subcontractor that is regularly performing functions on the System.

SECTION 8 FEES AND CHARGES

8.1 General Requirement.

- A. Compliance with Law. Each fee, charge, deposit, or associated term or condition imposed by the Franchisee or any Affiliated Person for:

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1. any equipment, installation, or other activity subject to Section 623 of the Cable Act (47 U.S.C. § 543) (or any successor thereto) and the rules and regulations issued in connection therewith, or
2. any Service,

shall be consistent with the requirements of such provision and of any other Applicable Law.

- B. Current Fees and Charges. A schedule of the Franchisee's current fees, charges, deposits, terms, and conditions as of the Effective Date of this Agreement is set forth in Appendix D to this Agreement. The Franchisee shall not change the Services it offers or the rates it charges therefor without meeting all requirements of any Applicable Law and this Agreement.

8.2 Notice of Change. In addition to any notice required by any Applicable Law, not fewer than thirty (30) Days prior to the effective date of any change in any such fee, charge, deposit, term, or condition, the Franchisee shall:

- A. submit notice of such changes to MOCC;
- B. provide written notice to each affected Subscriber utilizing the affected Service, which notice shall include the telephone number(s) for accessing the Franchisee's automated telephone descriptions of such change pursuant to Subsection D of this Section;
- C. post notice of such change in the lobby of Franchisee offices and in all customer service centers in the City; and
- D. offer descriptions of such change via an automated telephone system, which descriptions shall be in English and Spanish.

8.3 No Discrimination.

- A. General. Except to the extent otherwise permitted by any Applicable Law (and with the City's approval, where the City is exercising such authority pursuant to Applicable Law), the Franchisee shall not discriminate among Subscribers with respect to fees, charges, deposits, and other terms and conditions affecting any Service, or any equipment, installation, or any other activity subject to regulation under Section 623 of the Cable Act (47 U.S.C. § 543) (or any successor thereto) and the rules and regulations issued in connection therewith. All such fees, charges, deposits, and other terms and conditions must be applied fairly and uniformly to all Subscribers in the Franchise Area.
- B. Exceptions. Nothing contained in this Section shall prohibit the Franchisee from offering, to the extent permitted by any Applicable Law:
 1. discounts to senior citizens or economically disadvantaged groups;
 2. different charges for Residential Subscribers than for Non-Residential Subscribers;
 3. sales promotions and other discounts or reduced charges for a reasonable period of time, which are offered to all Residential Subscribers for the same length of time, although the start date of such promotions, discounts, or reduced charges may be staggered;

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4. sales promotions and other discounts or reduced charges for a reasonable period of time, which are offered to a discrete class of Subscribers which may affect the fees, charges, deposits, and other terms and conditions for such Subscribers;
 5. bulk rates; or
 6. other special, short-term discounts or reduced charges to identifiable classes of Subscribers or potential Subscribers for reasonable categories of Service.
- C. Refusal of Service. Franchisee may refuse to provide Service to any Person for demonstrable reasonable cause, including, but not limited to, due or owing accounts between such Person and Franchisee, theft of Service, or theft of or vandalism to Franchisee property.

8.4 Service to Disabled Subscribers. The Franchisee shall comply with all applicable FCC rules related to provision of Service to disabled Subscribers.

8.5 Subsequent Changes. To the extent that any Applicable Law may in the future permit the City to regulate fees, charges, deposits, and the terms and conditions with respect thereto, the City shall not be estopped or prevented from so doing by any provision of this Agreement.

SECTION 9 CUSTOMER SERVICE STANDARDS, CUSTOMER BILLS, AND PRIVACY PROTECTION

9.1 Consumer Protection Standards. The Franchisee shall comply in all respects with all applicable customer service and consumer protection requirements set forth in Applicable Law. Franchisee must maintain records and documentation sufficient to show compliance with all applicable customer service and consumer protection standards.

9.2 Customer Bills. Bills sent by the Franchisee to the Subscriber for Cable Services are to be clear, concise, and understandable. All bills shall be fully itemized and clearly delineate all activity during the billing period, including dates of service being billed, optional charges, rebates, and credits. The Franchisee must include on Subscriber bills the information required by Applicable Law.

9.3 Privacy Protection. The Franchisee shall comply with Section 631 of the Cable Act (47 U.S.C. § 551), FCC rules and regulations concerning Subscriber privacy, and any other Applicable Law or regulation pertaining to Subscriber privacy.

9.4 Service Centers; Bill Payment Locations; Administrative Office.

- A. Service Center. Franchisee shall maintain at least one (1) customer service center (“Service Center”) in the City. The Service Center(s) shall be open during normal business hours and at least six (6) hours on Saturdays, have a publicly listed local telephone number, and be operated so as to promptly and efficiently receive Subscriber complaints and requests for repairs or adjustments. At a minimum, each Service Center shall allow Subscribers on a walk-in basis to file complaints; ask questions regarding bills or service; pay bills; request, upgrade or terminate Services; and pick up or drop off equipment.
- B. Bill Payment Location. Franchisee shall maintain, or cause to be maintained, not less than five (5) locations other than the Service Center in the City at which Subscribers may pay their bills. If such

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location is operated by a third party, a reasonable service fee may be charged by the third party to the Subscriber. Franchisee shall use reasonable efforts to maintain such locations at other than liquor stores. Franchisee shall provide the following to the City as of the Execution Date and shall promptly report any changes thereto to MOCC: (i) a map of bill payment locations; (ii) a schedule of third party service fees; and (iii) description of the procedures used by bill payment locations to process Subscriber payments. To the extent that any Applicable Law may, in the future, permit the City to further regulate bill payment locations, third party service fees, or payment processing procedures, the City shall not be estopped or prevented from so doing by any provision of this Agreement.

- C. Report on Change in Location of Administrative Office. The Franchisee shall give written notice to MOCC not less than thirty (30) Days prior to changing the location of its administrative offices within the City, as specified initially pursuant to Section 2.2C(7) of this Agreement.

9.5 Service Interruptions.

- A. General. The Franchisee shall render efficient Service, make repairs promptly, and interrupt Service only for good cause and for the shortest time possible. Such interruptions, insofar as possible, shall be preceded by notice and shall occur during periods of minimum use of the Cable System.
- B. Report on Service Interruptions. Not later than the fifteenth (15th) Day after the close of each calendar quarter, the Franchisee shall provide to MOCC a log of all Service outages during the preceding quarter. The log shall identify scheduled and unscheduled outages separately, and shall include a legend that explains the codes used by Franchisee to categorize and describe outages. The log shall also include the following information regarding both scheduled and unscheduled outages: the locations affected by the outages, the time, duration, and probable cause of the outages, the number of homes affected, and the action taken on all failures or outages of the Cable System. The Franchisee shall notify MOCC:
1. of all scheduled outages, by fax or telephone, and shall include the location and the number of homes affected by each scheduled outage; and
 2. of all major unscheduled outages, by fax or telephone, as Franchisee becomes aware of such outages and to the extent that information regarding the location, the number of homes affected by, and the time, duration, and probable cause of an unscheduled outage is available, with updates to MOCC as additional information becomes available.

9.6 Service Complaints.

- A. Response Time. Franchisee shall maintain an adequate force of repair technicians. Franchisee shall respond to Subscriber service complaints, problems, and Cable System outages in accordance with Applicable Law. No charge shall be made to a Subscriber for this service, unless the malfunction is the fault of the Subscriber or the Subscriber's equipment, which shall be Franchisee's burden to prove. Franchisee shall assure rapid repair of major Cable System outages, or other outages that could affect high priority services such as security systems. If a Subscriber is not satisfied with the resolution of a complaint, the Subscriber shall, upon request, be referred to supervisory-level personnel.
- B. Report on Subscriber Complaints. Not later than the fifteenth (15th) Day after the close of each calendar quarter, the Franchisee shall provide to MOCC a log of all Subscriber complaints, written and unwritten, received during the preceding quarter. The log shall include a legend that explains the

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codes used by Franchisee to categorize and describe the complaints. The log shall also include the following information: the number of complaints, a general description of the complaints by category (excluding personally identifiable information of Subscribers), and the resolution of each complaint or the steps required to resolve any unresolved complaint. For all complaints originally received by MOCC and forwarded to the Franchisee, the Franchisee shall provide a copy to MOCC of any written response by Franchisee to the complaint. Franchisee shall comply with FCC regulations, including 47 C.F.R. § 1713.

9.7 Information to Subscribers.

- A. Franchisee Notice to Subscribers. At the time an installation agreement is signed, the Franchisee shall furnish to each Subscriber a written statement that clearly sets forth a complete schedule of rates, fees, and charges currently applicable to the type of installation, billing policies, information concerning the procedures for making inquiries or complaints, and the address and telephone number of the City office responsible for the administration of the Franchise. The Franchisee shall comply with FCC regulations requiring notice to Subscribers (including, but not limited to, 47 C.F.R. §§ 1602, 1618 and 47 U.S.C. § 551) and shall provide a copy to the City.
- B. City Information to Subscribers. The Franchisee shall carry out, at its cost, not more than four (4) mailings in each three (3) year interval of the Term to Subscribers containing such materials related to cable, telecommunications, and information services as the City provides, at its cost. For any remaining portion of the Term that is less than three (3) years, the number of mailings during such remaining portion shall be reduced proportionately so that the number of mailings during the remaining portion shall be at the same frequency as the balance of the Term.
- C. Prevention of Reception of Undesired Services. Franchisee shall comply with Section 640 of the Cable Act, 47 U.S.C. § 560. In addition, Franchisee shall inform Subscribers at the time of subscription, and annually thereafter, by individual written notice: (i) that they are entitled, upon request and without charge, to receive full blockage of any undesired audio or video programming to which they do not subscribe; and (ii) how to make such a request. Franchisee shall comply with all such Subscriber requests.

9.8 No Interference with Customer Equipment. The Franchisee and any Affiliated Person shall comply with Applicable Law regarding a Subscriber's ability to utilize consumer equipment of the Subscriber's choosing.

SECTION 10 FRANCHISE FEES

10.1 Franchise Fees; Payment Due.

- A. Amount; Date Due. As compensation for the Franchise, the Franchisee shall pay to the City an amount equal to five percent (5%) of annual Gross Revenue throughout the Term of the Agreement. All such Payments shall be made on a quarterly basis and shall be remitted within thirty (30) Days after the last Day of each March, June, September, and December throughout the term of this Agreement and simultaneously with the submission of Franchisee's quarterly report required pursuant to Section 10.2 of this Agreement. The Franchisee may prepay Franchise Fees from time to time with the consent of the City.

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- B. Change in Amount. The City may, in its sole discretion, increase the amount of the franchise fee up to the maximum amount permitted under state and federal law at any time provided that the City gives the Franchisee sixty (60) Days advance notice of such an increase and provided that the imposition of the increased franchise fee shall be phased in over two years. If the maximum amount is not specifically provided by law, the City and the Franchisee shall negotiate in good faith to amend the Agreement to specify the increased amount. The Franchisee shall begin paying the increased fee from the effective date of the amendment to the Agreement.
- C. Payment on Transfer. Except as may otherwise be provided in an agreement between the City and the Franchisee authorizing the transfer of the Cable System, in the event of any transfer of the Cable System to any Person pursuant to this Agreement, the Franchisee, as a condition to the City's approval of any such transfer, shall remit to the City any Franchise Fees due based on the Gross Revenue as of the date of the transfer prior to the effective date of the transfer.

10.2 Quarterly Report. Franchisee shall submit to MOCC, with a copy to the Director of Finance, a report in such form and containing such detail as MOCC and the Franchisee shall agree, not later than the date for payment of the fee required by Section 10.1, setting forth the Gross Revenue for the quarter ending on the last Day of the last month of each quarter. The report shall contain a reconciliation between the Gross Revenue shown in the report and the financial statements for the Cable System, prepared in accordance with generally accepted accounting principles, over the relevant time period. The report shall also contain a breakdown of Gross Revenues by major revenue categories, including, but not limited to Basic Service, cable programming service, and premium service.

10.3 Acceptance by City. No acceptance of any Franchise Fee payment by the City shall be construed as an accord and satisfaction that the amount paid is in fact the correct amount or as a release of any claim that the City may have for further or additional sums payable under this Agreement. All amounts paid shall be subject to audit and recalculation by the City.

10.4 Itemization. If the Franchisee designates the amount of any compensation payment to be made to the City by the Franchisee or by any other Person pursuant to this Agreement, including any payments made on behalf of any Person for whose Services the Franchisee bills Subscribers, it shall do so in a manner that is consistent with Applicable Law and that does not mischaracterize the nature of such compensation payment. The Franchisee shall submit a sample bill containing such a designation to MOCC for review at least fifteen (15) Days prior to mailing a bill containing such a designation for the first time. The Franchisee shall consider any comments received from MOCC on the sample bill.

10.5 Ordinary Business Expense. Nothing contained in this Agreement shall prevent the Franchisee or any Affiliated Person from treating the compensation and other payments that it, they, or either of them pays, or may pay, pursuant to this Agreement as an ordinary expense of doing business and, accordingly, from deducting such payments from gross income in any City, state, or federal income tax return.

10.6 Payments to Be Made to the City.

- A. Use of Cable System. If the Franchisee collects any amounts from Subscribers that are to be paid to any Person for the provision of Services on the Cable System or in connection with the Cable System, the Franchisee shall deduct five percent (5%) from such amounts and include the deducted amounts in its payments to the City pursuant to Section 10.1 and in its quarterly report required pursuant to Section 10.2. Unless otherwise agreed by the Franchisee and the City, this Section shall not apply to the provision of Non-Cable Services on the Cable System.

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- B. Collections by Others. If any Person, other than the Franchisee, directly collects any amounts from Subscribers that would constitute Gross Revenue if received directly by the Franchisee, and such amounts are not then paid by such Person to the Franchisee, the Franchisee shall include a provision in its contract or other arrangement with such Person that states that such Person shall remit to the City an amount equal to five percent (5%) of such amounts collected from Subscribers on a quarterly basis. Such provision, which must be approved in advance by the City Solicitor, shall also state that such payments to the City shall be accompanied by a quarterly report similar in form and content to the report required pursuant to Section 10.2 and that the City may enforce the provision directly against such Person. Unless otherwise agreed by the Franchisee and the City, this Section shall not apply to revenues received for Non-Cable Services.

10.7 Franchise Fee and Other Audits.

- A. General. At any time during the Term of the Franchise or for six (6) years after the receipt of a payment pursuant to Section 6.5 or this Section 10 (as applicable), whichever is later, the City, at its expense, may commence and conduct an audit or review, pursuant to Section 11.11, of the payments made pursuant to Section 6.5 and this Section 10 by (i) the Franchisee; or (ii) any other Affiliated Person, to the extent that the Affiliated Person's revenues constitute Gross Revenue. Except in extraordinary circumstances, there shall be no more than one (1) audit for each fiscal year in any twelve (12) month period.
- B. Records. At the City's request, the Franchisee shall provide the source records that support the franchise fee and PEG capital funding calculation, as applicable, for the time period(s) being audited and a reconciliation between the Gross Revenue on which the franchise fee is based and the financial statements for the Cable System and a reconciliation between the PEG capital and the number of Subscribers, as applicable, prepared in accordance with generally accepted accounting principles, regardless of whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's operation in the City. The Franchisee shall be responsible for maintaining all such records for at least six (6) years following the payments to which they apply, plus the duration of any audit in progress at the end of that six (6) year period, and providing all such records to the City.
- C. Underpayment. Within 30 Days after notice from the City of any underpayment by the Franchisee, the Franchisee shall:
1. pay the amount of the underpayment to the City, plus interest calculated at the rate and in the manner specified in Section 10.10, and shall pay to the City any corresponding underpayment in support required by Section 6.5, with interest calculated at the rate specified in Section 10.10, or
 2. notify the City in writing that it does not agree with the results of the audit and the reasons therefor.
- D. Costs of Audit. If the audit or review reveals an underpayment to the City in an amount that exceeds four percent (4%) of the total amount due to the City from the Franchisee over the time period and for the type of payment audited or reviewed, the Franchisee shall reimburse the City for the City's costs of such audit or review.
- E. Completion. The City shall have a reasonable period of time to complete the audit or review and to accept the audit or review as accurate and final. At the end of such period, the City shall issue an

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audit closure notice to the Franchisee. Notwithstanding the issuance of such notice, the City shall have the right to reopen any audit or review for a period of twelve (12) months after the date of such notice or at any time upon the discovery that the Franchisee or an Affiliated Person has provided fraudulent information or acted in bad faith during the course of the audit or review.

- F. Reservation of Rights. To the extent the parties disagree about the results of the audit, each party reserves the right to exercise all its rights and remedies under this Agreement and Applicable Law.

10.8 Not Franchise Fees. The Franchisee expressly acknowledges and agrees that:

- A. Except for the payments expressly required by Sections 10.1, 10.6, and 10.7 relating to franchise fees, none of the payments or contributions made by, or the services, equipment, facilities, support, resources, or other activities to be provided or performed by the Franchisee pursuant to this Agreement, or otherwise provided or performed in connection with the construction, operation, maintenance, repair, removal, upgrade, rebuild or enhancement of the Cable System, are franchise fees chargeable against the compensation payments to be paid to the City by the Franchisee pursuant to Sections 10.1, 10.6, and 10.7; and
- B. Except for the payments to the City expressly required by Sections 10.1, 10.6, and 10.7 relating to franchise fees, each of the payments or contributions made by, or the services, equipment, facilities, support, resources, or other activities to be provided by the Franchisee, are within the exclusions from the term “franchise fee” set forth in Section 622(g)(2) of the Cable Act, 47 U.S.C. § 542(g)(2) (or any successor thereto); and
- C. The payments due from the Franchisee to the City pursuant to Sections 10.1, 10.6, and 10.7 shall take precedence over all other payments, contributions, services, equipment, facilities, support, resources, or other activities to be paid or supplied by the Franchisee pursuant to this Agreement; and
- D. The compensation and other payments to be made pursuant to Section 6.5 and this Section 10 shall not be deemed to be in the nature of a tax, and shall be in addition to any and all taxes of general applicability or other fees or charges which the Franchisee or any Affiliated Person shall be required to pay to the City or to any state or federal agency or authority. Unless the City agrees otherwise, neither the Franchisee nor any Affiliated Person shall have or make any claim for any deduction or other credit for any part of the amount of the compensation or other payments to be made pursuant to this Agreement from or against any fees or charges which the Franchisee or any Affiliated Person is required to pay to the City or other governmental agency or jurisdiction or other governmental taxes of general applicability, including:
1. any such tax, fee or assessment imposed on both utilities and cable operators or their services but not including a tax, fee or assessment which is unduly discriminatory against cable operators or cable subscribers; and
 2. income taxes.

Each of the compensation payments, other payments, taxes, and other fees and charges shall be deemed to be separate and distinct obligations of the Franchisee and Affiliated Persons.

- E. Neither the Franchisee nor any Affiliated Person shall apply or seek to apply all or any part of the amount of any City or other governmental taxes or other fees or charges of general applicability, including any such tax, fee, or assessment imposed on both utilities and cable operators or their

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services but not including a tax, fee, or assessment which is unduly discriminatory against cable operators or cable subscribers, as a deduction or other credit from or against any of the compensation or other payments to be made pursuant to this Agreement, each of which shall be deemed to be separate and distinct obligations of the Franchisee and Affiliated Persons.

Nothing in this Agreement is intended to preclude the Franchisee from exercising any right it may have to challenge the lawfulness of any tax imposed by the City or any state or federal agency or authority.

10.9 Method of Payment. All payments by the Franchisee to the City pursuant to this Agreement shall be made payable to the Director of Finance and shall be delivered to MOCC.

10.10 Interest on Late Payments. In the event that any payment required by this Agreement, including but not limited to the payment of franchise fees, is not actually received by the City on or before the applicable date fixed in this Agreement, interest on such payment shall accrue from such date at a rate equal to the then-prevailing prime rate of interest for commercial loans as published in the "Money Rates" section of the *Wall Street Journal* or as published by a comparable rate source to be determined by the City should the rate fail to be published by the *Wall Street Journal*. Such interest shall be compounded daily, except as otherwise provided in this Agreement.

SECTION 11 OVERSIGHT AND REGULATION BY CITY

11.1 Oversight.

- A. General. The City shall have regulatory oversight over the Cable System to ensure compliance with the terms and conditions of this Agreement and Applicable Law, including, without limitation, the right to regulate and inspect the construction, operation, maintenance, repair, Upgrade, rebuild, enhancement, and removal of the Cable System, and all parts of the Cable System, provided, however, that the City shall provide not less than three (3) Business Days prior notice to the Franchisee for any inspection that takes place on Franchisee's premises or that requires a representative of Franchisee to obtain access, and provided, further, that such notice shall not be required in the event of an emergency. Regulation may be exercised through any City official, agency, department, duly established public commission, or other Person appointed or authorized by the City to support or assist the City in its regulatory responsibilities.
- B. Compliance. The Franchisee shall establish and maintain managerial and operational standards, procedures, records, and controls to enable the Franchisee to be in compliance with each term and condition of this Agreement at all times required by this Agreement.

11.2 City Reservation of Authority.

- A. Right to Regulate. To the extent allowed by Applicable Law, the City reserves the right to adopt or issue such statutes, rules, regulations, orders, or other directives governing the Franchisee or the Cable System as it shall find necessary or appropriate in the exercise of its police powers or its powers to regulate Cable Service or the Cable System, and the Franchisee expressly agrees to comply with all such lawful statutes, rules, regulations, orders, or other directives; provided that the Franchisee shall not be required to comply with any such statutes, rules, regulations, orders, or other directives that take effect after the Effective Date to the extent such statutes, rules, regulations, orders,

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or other directives are materially in conflict with the Franchisee's rights and obligations as set forth in this Agreement.

- B. Exceptions. Notwithstanding Section 11.2A, the Franchisee shall comply with each statute, rule, regulation, order, and directive of the City (i) that is of general applicability; (ii) if, in the exercise of its police power, the City finds an emergency exists constituting a danger to health, safety, property, or general welfare; or (iii) if the exercise of the City's police power is mandated by law.

11.3 Franchisee's Participation in Meetings and Hearings.

- A. Board Meetings and Hearings. At the request of the Board or Council, the Franchisee's General Manager, or his or her designee, and other personnel of the Franchisee with relevant expertise in the designated subjects shall participate in any meeting or hearing held by the Board or Council regarding the Cable System, this Agreement, or the Franchisee. The Franchisee personnel shall bring to such meeting or hearing any documents requested by the Board or Council; provided that the documents relate to the terms of the Franchise and which are necessary for the enforcement of this Agreement or the operations, affairs, transactions, or property of the Franchisee, including any documents reasonably known by the Franchisee to be responsive to the request even if such documents are not specifically identified by such request. Any confidential or proprietary information or documents requested for such meeting or hearing pursuant to this Section 11.3 may be provided to the Board or Council in advance of the meeting or hearing. Whether provided at or in advance of the meeting or hearing, any such confidential or proprietary information or documents shall be subject to Section 11.11E of this Agreement.
- B. MOCC Meetings. At the request of the Executive Director of MOCC, the Franchisee's General Manager, or his or her designee, and other personnel of the Franchisee with relevant expertise in the designated subjects shall participate in any meeting held by the Executive Director regarding the Cable System, this Agreement, or the Franchisee. Franchisee personnel shall bring to such meeting any documents requested by MOCC, including any documents reasonably known by the Franchisee to be responsive to MOCC's request even if such documents are not specifically identified by such request. Any confidential or proprietary information or documents requested for such meeting pursuant to this Section 11.3 shall be provided to MOCC in advance of the meeting. Whether provided at or in advance of the meeting, any such confidential or proprietary information or documents shall be subject to Section 11.11E of this Agreement.

11.4 Performance Evaluation Sessions.

- A. Annual Performance Evaluation Sessions. The City and the Franchisee shall hold annual performance sessions within ninety (90) Days after each anniversary date of the Effective Date of the Agreement.
- B. Special Performance Evaluation Sessions. Special performance evaluation sessions may be held at any time during the term of the Agreement at the request of the City or Franchisee.
- C. Open to Public. All annual and special performance evaluations shall be open to the public. Franchisee shall notify its Subscribers of all evaluation sessions by announcement on at least two (2) Channels of its Cable System between the hours of 7:00 P.M. and 9:00 P.M. for five (5) consecutive Days preceding each session.

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- D. Elements of Evaluation. Topics which may be discussed at any regular or special evaluation meeting may include, but need not be limited to, Subscriber rate structures, franchise fees, liquidated damages, free or discounted services, applications of new technologies, Cable System performance, Services provided, programming offered, Subscriber and community complaints, privacy, amendments to City ordinances, rules, and regulations, modifications to this Agreement, judicial and FCC rulings, line extension policies, and Franchisee or City rules and regulations.
- E. Franchisee Cooperation. The Franchisee shall fully cooperate with the City in all matters relating to any regular or special evaluation pursuant to this Section and shall, at the Franchisee's expense, provide such information, data, and documents as the City may reasonably request in connection with any such evaluation.
- F. City Right to Require Special Tests. If at any time during any regular or special evaluation pursuant to this Section, the City determines that reasonable evidence exists of inadequate Cable System performance, it may require the Franchisee, at the Franchisee's expense, to perform tests and analyses directed toward the identified or suspected inadequacies. The Franchisee shall fully cooperate with the City in scheduling and performing such testing and shall prepare and present a written report setting forth and interpreting the results of such testing within thirty (30) Days after receiving notice from the City that such testing will be required. Such report shall include at least the following information:
1. Identification and qualifications of the Person performing the tests;
 2. The nature of the identified or suspected inadequacy which precipitated the special tests;
 3. What system components were tested;
 4. The equipment used and procedures employed in testing;
 5. The results, and an analysis and interpretation of the results, of the tests and, in particular, data and information tending to confirm and identify the source of, or to negate the existence of, the identified or suspected inadequacy;
 6. The method, if any, by which any such identified system inadequacy has been, or will be rectified;
 7. Recommendations, if any, for additional action; and
 8. Any other information pertinent to said tests and analyses which may be required or useful.

If the City is not satisfied with the results of any of the Franchisee's tests or analyses, then the City may repeat the test or analysis with personnel and consultants selected by the City. If the result of any such repeated test or analysis demonstrates that the result of the Franchisee's test or analysis was in error, then the Franchisee shall reimburse the City for the City's costs and expenses incurred in connection with the test or analysis, including, without limitation, the costs incurred by the City for hiring a professional engineer or other consultant to perform the test or analysis.

11.5 General Provisions Regarding Reports and Records.

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- A. Additional Information. Within a reasonable period of time after a request of the Board, the Council, the City Solicitor, or MOCC, the Franchisee shall, subject to the provisions of Section 11.11 of this Agreement with respect to the processing of confidential and proprietary information, submit to the requesting party any information reasonably required to demonstrate compliance with the terms and conditions of this Agreement or Applicable Law.
- B. Format. The Franchisee shall transmit to MOCC, by means of such method and in such format as MOCC may specify after consultation with the Franchisee, all information requested by MOCC consistent with this Agreement, including, without limitation, the information required to be submitted by Applicable Law. In the event that MOCC's staff and the Franchisee's personnel disagree regarding such specification of the format of a report, the issue shall be referred to the Executive Director of Operations and the Franchisee's General Manager (or a person in an equivalent or higher position) for resolution. The Franchisee shall inform MOCC, at the beginning of any report submitted, of all changes in calculations, methodology, time periods used, and any other changes that may adversely affect MOCC's ability to compare previous reports to the report in question.
- C. Deadline for Submission. Unless otherwise specified, any report or other provision of information required under this Agreement shall be due to MOCC within thirty (30) Days after the event that triggers the reporting requirement.
- D. Designated Officers and Employees. Throughout the Term of this Agreement, the General Manager of the Franchisee or a person in an equivalent position, or such other person whom the Franchisee designates in writing to MOCC, shall be responsible for overseeing the Franchisee's reporting obligations pursuant to this Agreement and for responding to the City's questions regarding the Franchisee's compliance with the terms and conditions of this Agreement. The Franchisee must notify MOCC in writing of any change in the designation of such person within five (5) Days after the change.

11.6 Franchisee Report. On June 1 of every year during the Term of this Agreement, the Franchisee shall submit an annual report to MOCC. MOCC, after consultation with the Franchisee, may reasonably specify the format of and details covered by any such annual report, provided that the failure of MOCC so to specify shall not relieve the Franchisee of its obligation to submit such report annually to MOCC. In the event that MOCC's staff and the Franchisee's personnel disagree regarding such specification of the format of or details covered by a report, the issue shall be referred to the Executive Director and the Franchisee's General Manager (or a person in an equivalent or higher position) for resolution. The report shall specifically address, at a minimum, the following issues, and shall state whether there has been any material change in the information or plans regarding such issues from the information or plans the Franchisee previously has provided to the City:

- A. compliance with the requirements regarding Cable System characteristics; the Upgrade; and technical performance and testing requirements, as provided in Appendix A to this Agreement;
- B. compliance with any plans or specifications submitted by the Franchisee in connection with the construction terms, schedule, and sequence for performance of the Upgrade or any other construction, upgrades, rebuilds, and enhancements of the Cable System, as provided in Section 3 of, and Appendix A to, this Agreement;
- C. a description of the interconnections between the Cable System and any other network or system provided by the City or a local, state, or federal government entity or any other Cable System or

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Open Video System; a statement of the reason for each such interconnection; and the Franchisee's response to any request by the City to perform such an interconnection;

- D. compliance with all requirements related to PEG Channels, including funding for PEG Channels, PEG Signal Input Points and Remote Signal Input Points, and signal quality and transmission on the PEG Channels, as provided in Section 6 of this Agreement;
- E. compliance with all requirements related to the Institutional Network pursuant to Section 6.10 of this Agreement;
- F. compliance with all requirements related to Cable Services to City and other facilities, as provided in Section 6 of this Agreement, including a list of the sites provided with such Services;
- G. compliance with Applicable Law regarding access to Cable Services by disabled Subscribers, as provided in Section 8.4;
- H. compliance with the Franchisee's employment and purchasing obligations, as provided in Section 7 of this Agreement;
- I. copies or, if no copies exist, descriptions of any notices or other information provided to Subscribers about the Franchisee's privacy policies and other protections of Subscriber privacy;
- J. compliance with the additional covenants set forth in Section 14.13J of this Agreement;
- K. compliance with the customer service and consumer protection standards, as provided in Section 9 of this Agreement and Applicable Law pertaining to consumer protection;
- L. (i) a schedule of the Franchisee's current fees, charges, deposits, terms, and conditions for the provision of Services and equipment (including, but not limited to, equipment for the hearing impaired) to Residential Subscribers not billed on a bulk basis in the form set out in Appendix D to this Agreement; (ii) a schedule of Franchisee's contract or application forms for Subscriber Service; and (iii) copies of the Franchisee's external policies regarding Subscriber complaints, delinquent accounts, disconnection and reconnection procedures, and any other policies affecting Subscribers;
- M. a report answering the following questions (for the purposes of this Section 11.6M the Franchisee may exclude Affiliated Persons that do not operate a Cable System in the Franchise Area):
 - 1. Has an adverse decision been rendered by any court or administrative body with respect to the Franchisee or any Affiliated Person in a civil, criminal, or administrative proceeding, brought under the provisions of any law or regulation related to the following: any felony; revocation, suspension, or involuntary transfer of any authorization (including cable franchises) to provide communications services; communications-related antitrust or unfair competition; fraudulent statements to another government unit; or employment discrimination?
 - 2. If the answer to (1) is "Yes," fully describe the Persons and matter(s) involved, including an identification of any court or administrative body and any proceeding (by dates and file numbers, if applicable) and the disposition of such proceeding.

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3. Is the Franchisee or any Affiliated Person currently a party in any pending matter of a type described in (1)?
 4. If the answer to (3) is “Yes,” fully describe the Persons and matter(s) involved, including an identification of any court or administrative body and any proceeding (by dates and file numbers, if applicable) and the disposition of such proceeding;
- N. an organizational chart showing (i) all corporations or partnerships with an ownership interest in the Franchisee; (ii) the nature of that ownership interest (limited partner, general partner, preferred shareholder, etc.); and (iii) the same information for each corporation or partnership that holds such an interest in the corporations or partnerships so identified and so on until the ultimate corporate and partnership interests are identified; accompanied by an annual report and SEC 10(k) filing for each entity identified that generates such documents; provided, however, that for any non-Affiliated Person for which Franchisee does not possess, and cannot reasonably obtain, the required information, Franchisee shall so indicate on the chart;
- O. a list of the partners that compose the Franchisee’s limited partnership, and if any of such partners are corporate entities, a list of the officers and members of such entities; provided, however, that for any non-Affiliated Person for which Franchisee does not possess, and cannot reasonably obtain, the required information, Franchisee shall so indicate on the list;
- P. a copy of the annual financial report with respect to the fiscal year most recently ended for each of the Franchisee’s parent companies that produce such reports, including the certification required by Section 302(a) of the Sarbanes-Oxley Act of 2002, P.L. 107-204, 116 Stat. 745;
- Q. (i) a copy of the Franchisee’s annual financial statements, including, without limitation, its balance sheet, statements of operation, statements of changes in financial position and owner’s equity, and income statement; along with a certification, comparable to the certification required by Section 302(a) of the Sarbanes-Oxley Act, by an officer of the Franchisee that the annual financial statements have been prepared in accordance with generally accepted accounting principles; and (ii) copies of audited and certified annual reports, if Franchisee obtains such reports;
- R. a copy of the Franchisee’s rules and regulations applicable to Subscribers; and
- S. an annual facilities report, setting forth the physical miles of plant constructed, rebuilt, or in operation during the previous calendar year and any revisions to the Cable System “as built” maps on file with the City.

11.7 Related Services Report. The Franchisee shall submit to MOCC annually a list of all programming Services owned, controlled, or operated, in whole or in part (excluding interests of less than five percent (5%)), by the Franchisee or its ultimate parent (other than local origination Services to Cable Systems outside the City). The first such report shall be submitted no later than 120 Days after the end of each calendar year and shall be updated annually. To the extent that the Securities and Exchange Commission Form 10-K of Franchisee or any of its owners or parents contains such information, the Franchisee may satisfy the requirements of this Section 11.7 by filing a copy of such Form 10-K with MOCC.

11.8 Upgrade Progress.

- A. **Upgrade Progress Meetings.** During the Upgrade of the Cable System, the General Manager, or his or her designee, and one (1) or more of the engineers designing and managing the Upgrade shall meet

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with the Executive Director of MOCC at least once a month to brief the Executive Director on the progress of the Upgrade. Franchisee agrees to make such personnel available for additional progress meetings at the request of the Executive Director.

- B. Upgrade Progress Reports. The Franchisee shall submit written progress reports to MOCC, with copies to DPW and DOT, every three (3) months throughout the Upgrade of the Cable System. The first report shall be submitted within ninety (90) Days after the commencement of the Upgrade. The last such report for the Upgrade shall be due within ninety (90) Days after the completion of the Upgrade and shall include a certification to the City that the Upgrade has been completed. The written progress reports shall (i) explain what work has been done; (ii) how such work satisfies the requirements of this Agreement; (iii) include as-built maps in both paper and electronic forms; and (iv) describe the Franchisee's construction plans for the six (6) month period following the report. A final design map shall be substituted for any as-built map if an as-built map is not yet available for an area where the construction has been completed. The City agrees that it shall treat the maps to be submitted by the Franchisee pursuant to this Section 11.8 in accordance with the confidentiality provisions of Section 11.11 of this Agreement.
- C. Significant Construction. If the Franchisee performs Significant Construction of the Cable System during the Term of the Franchise, the Franchisee shall provide MOCC with written progress reports as to such Significant Construction in the manner provided in this Section 11.8 for the Upgrade.

11.9 Technical Performance Documents.

- A. Within ten (10) Days after receiving the results of any tests or other measurements pertaining to the Cable System's technical performance, including, without limitation: (i) reports on proof-of-performance tests conducted pursuant to 47 C.F.R. § 76.601, or any successor thereto; (ii) summary flyover reports; and (iii) records pertaining to any test conducted pursuant to Appendix A to this Agreement; the document(s) reflecting such results are to be placed in a file for public inspection pursuant to 47 C.F.R. § 76.1700, or any successor thereto, and Section 11.13 of this Agreement, and the Franchisee shall submit a copy of such document to MOCC.
- B. Documents and records pertaining to daily signal leakage logs created pursuant to 47 C.F.R. §§ 76.614, 76.1706, or any successors thereto, shall be placed in a file for public inspection pursuant to 47 C.F.R. § 76.1700, or any successor thereto, and Section 11.13 of this Agreement, within ten (10) Days after receiving such documents and records.
- C. Documents and records pertaining to tests of the emergency alert system pursuant to 47 C.F.R. §§ 11.54, 11.61, 76.1700, or 76.1711, or any successors thereto, shall be provided to the City within ten (10) Days after a request by the City therefor.

11.10 Additional Filings.

- A. Legislative. Within ten (10) Days after the Franchisee has received from or submitted to any City, municipal, state, county, or federal legislative body, agency, or official any communication, public report, petition, or other filing which could have a material adverse effect on the Franchisee, the Cable System, or its operation, the Franchisee shall submit to the City a copy of such report, petition, or other communication. This Section 11.10 shall not apply to tax returns, automobile registrations, and other similar routine filings.

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- B. Regulatory and Administrative Agencies. The Franchisee shall file with the City, in a form acceptable to the City, all reports and materials that are submitted to or received from the FCC, the Securities and Exchange Commission, or any other federal or state regulatory or administrative commission or agency with jurisdiction over any matter affecting operation of the Cable System, if such reports and materials could have a material adverse effect on the Franchisee, the Cable System, or its operation. Such reports may include, without limitation, any proof of performance tests and results, Equal Employment Opportunity reports, and all petitions, applications, and communications of all types regarding the Cable System or a group of Cable Systems of which the Franchisee's Cable System is a part, including any such material submitted by or received by the Franchisee, an Affiliated Person, or any other Person on the behalf of the Franchisee. Materials submitted by the Franchisee, an Affiliated Person, or any other Person on the behalf of the Franchisee shall be filed with the City at the time they are submitted to the receiving agency. Materials received by the Franchisee shall be filed with the City within thirty (30) Days after the date they are received by the Franchisee, except that, if Applicable Law permits a response to such materials by the City and sets a deadline of sixty (60) or fewer Days for the City's response, they shall be filed with the City within five (5) Days after the date they are received by the Franchisee.
- C. Court Documents. Whenever a proceeding could have a material adverse effect on the Franchisee, the Cable System, or its operation, the Franchisee shall submit copies of the following to the City within the time designated: (i) all pleadings, applications, notifications, and documents of any kind relating to Franchisee's operation of the Cable System that are submitted by the Franchisee to any federal, state, or local court, arbitrator, or mediator, along with copies of all decisions, correspondence, and documents evidencing actions by any such court, arbitrator, or mediator, within thirty (30) Days after submitting such documents to a court, arbitrator, or mediator; and (ii) any complaint that names Franchisee as a defendant in a judicial, arbitration, or mediation proceeding, in law or equity, pertaining to the Cable System or this Agreement, within thirty (30) Days after receiving the complaint.
- D. Bankruptcy Documents. Franchisee shall provide a copy and explanation of any request for protection under bankruptcy laws, or any judgment related to a declaration of bankruptcy, by the Franchisee or by any Person that owns or Controls the Franchisee directly or indirectly, to the City within thirty (30) Days after submitting such a request or receiving such a judgment.
- E. Subscriptions. Not later than the thirty (30) Days after the last Day of each March, June, September, and December throughout the Term of this Agreement, the Franchisee shall report to the City the number of Subscribers that subscribed to its various categories of Cable Service provided in the City, including without limitation those shown on Appendix D and as modified by notice pursuant to Section 8.2, such as basic ("B1"), expanded basic ("B2"), digital and pay (or premium) tiers of Cable Service, during the previous quarter; such report shall clearly indicate whether the number listed for a lower tier of Service includes the number of Subscribers also receiving a higher tier (for example, whether the basic number includes expanded basic Subscribers). The report shall also identify (i) the number of Subscribers to cable modem service offered or distributed over the Cable System by any Person during the previous month, and (ii) the number of homes passed by the Cable System.

11.11 Books and Records.

- A. Maintenance. Subject to Section 631 of the Cable Act, 47 U.S.C. § 551, or any successor thereto, for any period as may be required by the last sentence in Section 10.7B or by Section 11.11D of this Agreement, the Franchisee shall maintain complete and accurate books of account and records of the business, ownership, and operations of the Franchisee with respect to the Cable System, its operation,

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any Service distributed over the Cable System and reflected in the calculation of Gross Revenue and each Service-Related Activity. Such books of account and records shall include, without limitation, (i) books of account; (ii) records adequate to enable the Franchisee to demonstrate that it is, and has been, in compliance with each term and condition of this Agreement and Applicable Law; (iii) maps; (iv) plans; (v) income tax returns; (vi) financial statements; (vii) service complaint logs; (viii) Franchisee's inspectors' logs; (ix) performance test results; (x) hardware installation and specification documents; and (xi) records reflecting the true and entire cost of construction, equipment, and maintenance and of the administration and operation of maintenance.

- B. Inspection of Books and Records. Subject to Section 631 of the Cable Act, 47 U.S.C. § 551, or any successor thereto, the Franchisee agrees that the City, MOCC, the City Solicitor, the Comptroller or their designated representative(s), upon three (3) Business Days prior notice to the Franchisee, may inspect, examine, copy or audit any of the Franchisee's books and records regarding the operation of the Cable System and the provision of Services in the Franchise Area that are reasonably necessary to monitor Franchisee's compliance with the provisions of this Agreement. In the case of audits, the City shall provide five (5) Business Days prior notice to the Franchisee for an initial meeting between the City and the Franchisee, at which meeting a reasonable schedule for the audit shall be set. Such inspection, examination, or audit shall take place at a mutually agreed upon location within thirty-five (35) miles of MOCC's office. Such books and records shall include any records required to be kept in a public file by the Franchisee pursuant to the rules and regulations of the FCC and any books and records the City deems relevant that are held by an Affiliated Person, a cable operator of the Cable System, or any person holding any form of management contract for the Cable System. With respect to books and records held by contractors and subcontractors other than entities described in the preceding sentence, the Franchisee shall cooperate with the City and exercise its best efforts to obtain access to such books and records.
- C. Delivery of Books and Records. Provided that the request is not unreasonably voluminous and subject to Section 11.11 of this Agreement, MOCC, the City Solicitor, the Comptroller, or their designated representative(s) shall have the right to require the production and delivery of all such documents, records, and information to the offices of such agency, official, or representative(s). The Franchisee shall complete such production and delivery within twenty-one (21) Business Days after receipt of such request, unless extenuating circumstances warrant, or an agreed-upon schedule for delivery pursuant to an audit provides for, a longer or shorter period of time.
- D. Duration of Maintenance. All such documents pertaining to financial matters that may be the subject of an inspection, examination, or audit by the City shall be retained by the Franchisee for a minimum period of six (6) years following termination of this Agreement.
- E. Proprietary or Confidential Information.
1. General. Access by the City to any document, records, or other information supplied, or required to be supplied, by the Franchisee to the City under this Agreement shall not be denied by the Franchisee on the grounds that such documents, records, or other information are alleged by the Franchisee to contain confidential or proprietary information; provided that this provision shall not be deemed to constitute a waiver of the Franchisee's right, pursuant to the Maryland Public Information Act, Md. State Government Code, Title 10, Subtitle 6 ("MPIA"), as amended, or any successor thereto, to assert that such documents, records, or other information should be prevented from disclosure under the MPIA. To invoke any review of such a claim with respect to such documents, the Franchisee shall physically mark each page of such document in a manner that conspicuously indicates that the Franchisee believes such page contains confidential or

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proprietary information and submit a cover letter claiming such confidential or proprietary treatment at the same time.

2. Public Requests for Franchisee Information. The City agrees to advise timely the Franchisee of any request by any Person, other than a City official or employee, seeking to review or obtain such documents. In the event that the City determines that the documents are disclosable under the MPIA, the City shall timely advise the Franchisee, and allow the Franchisee to challenge the disclosure of such documents at the Franchisee's own expense. If the Franchisee's challenge of the disclosure is unsuccessful, the Franchisee, in addition to its own expenses, shall indemnify, defend, and hold harmless the City, and its officials and employees, of and from all costs and damages related to the challenge, including reasonable attorneys' fees.
3. Notice. For purposes of Section 11.11E, and notwithstanding any provision of Section 14.2 of this Agreement, notice shall be provided by facsimile transmission to the General Manager's attention.
4. Actions to Disclose. The Franchisee and the City each agree to provide, upon written request, the other with copies of all pleadings, court filings, and non-privileged correspondence relating to the defense of any action brought to disclose documents under the MPIA.

11.12 Inspection of Cable System. The City and its designated representative(s) shall have the right to access, inspect, and examine any other aspect of the Cable System, including the facilities and equipment of the Cable System, during normal business hours, provided, however, that the City shall provide not less than three (3) Business Days prior notice to the Franchisee for any inspection that takes place on Franchisee's premises or that requires a representative of Franchisee to obtain access, and provided, further, that such notice shall not be required in the event of an emergency.

11.13 Files for Public Inspection. Throughout the term of this Agreement, the Franchisee shall maintain at its administrative offices within the City, as specified initially pursuant to Section 2.2C(7) of this Agreement, in a file available for public inspection during normal business hours, all documents required by 47 C.F.R. § 76.1700, or any successor thereto, and FCC rules and regulations.

11.14 Transfer of Interest.

- A. Prohibited Transfers. Except as provided in Section 11.23 of, and Appendix F to, this Agreement, the following are prohibited without the prior written approval of the Board:
 1. the encumbrance, assignment, sale, transfer, pledge, lease, or sublease, in whole or in part, to any Person, of the Franchise or any rights or obligations of the Franchisee in the Cable System or pursuant to this Agreement;
 2. the encumbrance, assignment, sale, transfer, pledge, lease, or sublease of all or substantially all of the capacity of the Cable System to any Person,
 3. the passing or vesting of title to the Cable System, either legal or equitable, or of any right or interest in the Cable System, to or in any Person, either by act of the Franchisee, or by act of any Person holding Control, directly or indirectly, of any interest in the Franchisee, the Cable System, or the Franchise, by operation of law or otherwise.

B. Exclusions. The prohibitions contained in this Section 11.14 shall not:

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1. Apply to conveyances of real or personal property in the ordinary course of business; or
2. Require the Franchisee to obtain the Board's approval before leasing Channel capacity as required by Section 612 of the Cable Act, 47 U.S.C. § 532, or any successor thereto.

11.15 Transfer of Control or Stock.

- A. Board Approval Required. The Franchisee represents and warrants that, notwithstanding any other provision of this Agreement, except as provided in Section 11.23 of, and Appendix F to, this Agreement, no change in Control of the Franchisee, the Cable System, the Cable System assets, or the Franchise shall occur after the Effective Date: (i) by act of the Franchisee; (ii) by act of any Person holding Control, directly or indirectly, of the Franchisee, the Cable System, or the Franchise; or (iii) by operation of law or otherwise, without the prior written approval of the Board. The requirements of this Section 11.15 to obtain prior written approval of the Board shall also apply to any other Person seeking to obtain Control, directly or indirectly, of the Franchisee, the Cable System, the assets of the Cable System, or the Franchise.
- B. Franchisee's Continued Responsibility. After the consummation of any transfer permitted or approved under this Section 11.15, (i) the Franchisee shall remain responsible for any past breaches of this Agreement or Applicable Law for purposes of the remedies under this Agreement and for purposes of the City's right to consider past breaches and other past performance problems in future renewal or other proceedings; and (ii) this Agreement shall remain in full force and effect.
- C. Additional Requirements. The requirements of Sections 11.16 through 11.21 of this Agreement shall apply whenever any change is proposed with respect to:
 1. five percent (5%) or more for voting interests or fifty percent (50%) or more for non-voting interests of the ownership of the Franchisee, the Cable System, the Cable System assets, the Franchise, or any Person holding Control, directly or indirectly, of the Franchisee, the Cable System, the Cable System assets, or the Franchise; or
 2. Control of the Franchisee, the Cable System, the Cable System assets, the Franchise, or any Person holding Control, directly or indirectly, of the Franchisee, the Cable System, the Cable System assets, or the Franchise.

However, nothing in this Section shall be construed as suggesting that a proposed change of less than five percent (5%) for voting interests or fifty percent (50%) for non-voting interests does not require the Board approval if it would in fact result in a change in Control of the Franchisee, the Cable System, the Cable System assets, or the Franchise, regardless of the manner in which such Control is evidenced (*e.g.*, stock, bonds, debt instruments, or other indicia of ownership or Control).

- D. Exceptions. Notwithstanding the foregoing, Board approval shall not be required with respect to solely intracorporate reorganizations between or among entities wholly owned and wholly controlled by the Franchisee's ultimate parent, which as of the Effective Date is Comcast Corporation, to the extent such transaction does not involve a change in the management, day-to-day operations, or financial condition of the Franchisee; and provided that the Franchisee shall give the City thirty (30) Days advance written notice of such intracorporate reorganization.

11.16 Petition.

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- A. Petition Required. The Franchisee shall notify the City of any proposed action requiring Board approval pursuant to Sections 11.14 or 11.15 of this Agreement at least 120 Days before the contemplated effective date of any transfer, by submitting to MOCC, with a copy to the City Solicitor, a petition requesting the approval of the Board. The Franchisee shall also promptly notify MOCC, with a copy to the City Solicitor, of any proposed action pursuant to this Agreement.
- B. Content. The petition shall include a completed FCC Form 394, or any successor to that form, and all other information required to be filed with the FCC and the City pursuant to the FCC's implementing regulations issued pursuant to Section 617 of the Cable Act, 47 U.S.C. § 537, or any successor thereto. The petition shall provide complete information on the proposed transaction, including details on the legal, financial, and technical qualifications of the transferee and the potential impact of the transfer on Subscriber rates and Service.

11.17 Transfer Review Period.

- A. Length and Commencement of Period. Unless the City and the Franchisee agree to an extension of time pursuant to Section 11.18, the City shall have the transfer review period provided under Section 617 of the Cable Act, 47 U.S.C. § 537, or any successor thereto, to act on a transfer request. The transfer review period shall not commence until all of the information required by Section 11.16 of this Agreement is submitted to the City; provided, however, that requests by the City for information other than that required by Section 11.16 shall not delay the commencement of the transfer review period. All such information shall not be deemed to have been submitted until notice is provided to the Franchisee as set forth in Section 11.18, at which time the commencement of the transfer review period shall relate back to the date on which the last element of information required by Section 11.16 was submitted.
- B. Additional Information. In addition to the information required by Section 11.16, the City shall have the right to request any additional information and documents reasonably necessary to determine the transferee's qualifications to assume the Franchisee's obligations under this Agreement and/or to determine how the transferee intends to address any outstanding compliance issues under this Agreement. The Franchisee shall respond to requests for such information and documents within the time period specified by the City. Assuming that the Franchisee has submitted all of the information required by Section 11.16, a request for additional information and documents pursuant to this Section shall not toll the transfer review period, provided that, if the Franchisee does not respond within ten (10) Days to a request for additional information and documents, the transfer review period shall be tolled from the end of such ten (10) Day period until the Franchisee does respond.

11.18 Notice to Franchisee that Information is Complete; Extensions. The City shall provide notice to the Franchisee when all of the information required by FCC regulations, FCC Form 394, or any successor form, Section 11.16 of this Agreement, and other Applicable Law has been submitted and therefore the petition is complete. As provided in Section 11.17 of this Agreement, the Board shall act on the Franchisee's petition within the transfer review period. The Franchisee and the City may, at their discretion, agree to increase the time period for review of the transfer request.

11.19 City Decision.

- A. On Petition. Upon review of the petition, the City shall submit the Franchisee's petition requesting approval to the Board, along with a recommendation for action on the petition.

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- B. No Petition. In the event that the City determines that Franchisee is contemplating or has made or allowed a transfer requiring approval of the City under this Agreement, and a petition requesting approval therefor has not been submitted by the Franchisee, the City shall notify the Franchisee to submit a petition and such additional information as is required.

11.20 Scope of Inquiry. For the purpose of determining whether Board approval shall be granted, the City may inquire into, *inter alia*: (i) the qualifications of the transferee; (ii) all matters reasonably necessary to determine whether the transferee will adhere to all applicable provisions of this Agreement and Applicable Law; (iii) the transferee's plans to address any outstanding compliance issues; (iv) whether the transferee owns or controls any other Cable System in the City; (v) whether the transfer may eliminate or reduce competition in the delivery of Services in the City; and (vi) whether operation by the transferee or approval of the transfer would have other adverse effects that may be lawfully considered by the City. The City may also perform a comprehensive audit and evaluation of the Franchisee's performance under the terms and conditions of this Agreement, which audit and evaluation shall not operate to extend the transfer review period, unless otherwise agreed by the parties. The Franchisee shall provide all reasonably requested assistance to the City in connection with any such inquiry and, as appropriate, shall secure the cooperation and assistance of all Persons involved in said action, including any prospective transferees.

11.21 Conditions. As a condition to the granting of any approval required by Sections 11.14 or 11.15 of this Agreement, in addition to the conditions imposed elsewhere in this Agreement, the transferee shall make the same representations and warranties to the City that the Franchisee has made in this Agreement. The City may require that the transferee execute an agreement providing that (i) the transferee assumes and agrees to be bound by all applicable provisions of this Agreement and such other conditions which the City deems necessary or appropriate in the circumstances to ensure performance of the existing terms of the Agreement; and (ii) the transferee agrees that approval of the pending transfer petition does not waive the City's right to consider past breaches and other past performance problems in future renewal or other proceedings. In connection with review of a transfer of interest under Section 11.14 of this Agreement, the City may require that the Franchisee and/or the transferee address past compliance issues by corrective or other appropriate action. If a transfer involves a change in Control of the Franchisee described under Section 11.18 of this Agreement, the City may require the Person to whom Control is being transferred to sign an agreement reaffirming the obligations of the Franchisee under this Agreement.

11.22 Franchisee Liability. The Franchisee shall be fully liable under this Agreement for any transfer that is in violation of the terms of this Franchise and caused in whole or in part by any other Person or Persons, including, without limitation, any parents or Affiliated Persons, as if such transfer had been caused by the Franchisee itself.

11.23 Permitted Encumbrances.

- A. Nothing in this Section 11.23 shall be deemed to prohibit any assignment, pledge, lease, sublease, mortgage, or other transfer of all or any part of the Cable System, or any right or interest in the Cable System, for purposes of financing the construction, rebuild, enhancement, upgrade, maintenance, repair, or operation of the Cable System, provided that:
1. each such assignment, pledge, lease, sublease, mortgage, or other transfer shall be subject and subordinate to the rights of the City pursuant to this Agreement and Applicable Law; and
 2. the terms of such financing do not require any Person other than the Franchisee to perform the obligations of the Franchisee under this Agreement.

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- B. If the terms of any financing obligate any Person other than the Franchisee to perform the obligations of the Franchisee under this Agreement, the terms of such financing shall constitute a transfer subject to Sections 11.14 and 11.15 of this Agreement.
- C. The City agrees that any financial institution having a pledge of the Franchise or its assets for the advancement of money for the construction and/or operation of the Cable System may take control and operate the Cable System upon fourteen (14) Days prior written notification to the City, provided, however, that such financial institution must agree in writing to comply with the terms of this Agreement.

11.24 Effect of Unauthorized Sale or Transfer. The completion of any action described in Sections 11.14 and 11.15 of this Agreement without prior written Board approval shall be ineffective and deemed to be a material breach of this Agreement. The granting of approval for a transfer in one instance shall not obligate the City to approve any subsequent transfer or render approval of any subsequent transfer unnecessary.

11.25 No Waiver. The grant or waiver of any one (1) or more of such consents to any transfer of the Franchisee shall not render unnecessary any subsequent consent, nor shall the grant of any such consent constitute a waiver or release of any other rights of the City. Any transfer shall, by its terms, be expressly subordinate to the terms and conditions of this Agreement.

SECTION 12 INSURANCE AND INDEMNITY

12.1 Liability.

- A. Franchisee. The Franchisee shall, at its own cost and expense, replace, repair, and restore any damaged property to its prior condition and shall pay compensation in the event of any personal injury, death or property damage occasioned by any act or failure to act of the Franchisee, any Affiliated Person, or any officer, employee, agent or subcontractor of either the Franchisee or any Affiliated Person in connection with the construction, operation, maintenance, repair, upgrade, enhancement or removal of the Cable System. Nothing in this Subsection is intended to permit third parties to file claims to enforce this Subsection; rather, the parties intend that only the City may take action to enforce this Subsection.
- B. No Liability of the City for Liability of the Franchisee. The City, its officers, employees, agents, attorneys, consultants and independent contractors shall not be liable for any Liability of the Franchisee, any Affiliated Person or any other Person, arising out of or in connection with the construction, operation, maintenance, repair, upgrade, rebuild, enhancement or removal of, or other action or event with respect to, the Cable System, any Service-Related Activity or the distribution of any Service over the Cable System. Franchisee undertakes and assumes, for its officers, agents, contractors and subcontractors and employees, all risk of dangerous conditions, if any, on or about any City-owned or controlled property, the streets and Public Ways.
- C. Moving Wires in Emergencies. The City may, at any time, in case of fire, disaster or other emergency, in its sole discretion, cut or move any of the wires, cables, fibers, amplifiers, appliances or other parts of the Cable System, in which event the City shall not incur any Liability to the Franchisee, any Affiliated Person or any other Person. When possible, the Franchisee shall be consulted prior to any such cutting or movement of its wires, cable, fibers, amplifiers, appliances or other parts of the Cable System. All costs to repair or replace such wires, cables, amplifiers,

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appliances or other parts of the Cable System shall be borne by the Franchisee. Should the City cut or move any of the Franchisee's facilities as described in this Section, and such act results in a service interruption or any other result that might otherwise constitute a violation of this Agreement, such service interruption or result shall not be deemed a violation of this Agreement by the Franchisee.

- D. No Liability for Public Works and Emergencies. Neither the City nor its officials, boards, commissions, officers, employees, agents, attorneys, consultants or independent contractors shall have any Liability to the Franchisee or any Affiliated Person for any Liability as a result of or in connection with the protection, breaking through, movement, removal, alteration, or relocation of any part of the Cable System, by or on behalf of the Franchisee or the City, in connection with any emergency or in connection with any change in the grade or line of any Public Way; or the elimination, discontinuation and closing of any Public Way, as provided in this Agreement. The parties understand that the City will be performing such work only in an emergency or if the Franchisee fails to do so as required by this Agreement.
- E. No Liability for Damages. Consistent with Section 635a of the Cable Act (47 U.S.C. § 555a), the City, its officers, employees, agents, attorneys, consultants, and independent contractors shall have no liability to:
1. the Franchisee;
 2. any Affiliated Person; or
 3. any other Person, to the extent there is privity between such other Person and either the Franchisee or an Affiliated Person;

for any money damages as a result of the exercise of the rights of the City to approve or disapprove the grant, amendment, renewal, or transfer of the Agreement or the Franchise.

12.2 Indemnification.

- A. General. The Franchisee and each Affiliated Person shall:
1. Defend, indemnify and hold harmless the City, its officers, employees, agents, attorneys, consultants and independent contractors from and against all Liabilities, special, incidental, consequential, punitive and all other damages, costs and expenses (including, but not limited to, reasonable attorneys' fees and witness fees) arising out of or in connection with:
 - a. the construction, operation, maintenance, repair, upgrade, enhancement, rebuild or removal of, or any other action or event with respect to, the Cable System or any Service-Related Activity; or
 - b. the distribution of any Service over the Cable System, except as provided in Subsection C of this Section; and
 2. Cooperate with the City, by providing, at no charge to the City, such non-financial assistance as may be requested by the City, in connection with any claim arising out of or in connection with the selection of the franchisee for, or the negotiation or award of, this Agreement.

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- B. Defense and Settlement. In any action in which the Franchisee defends the City, the Franchisee shall consult with the City prior to proposing, accepting or rejecting a settlement and prior to filing any pleading which might estop the City with respect to any question of fact or law. The City shall have the right, at its option, with regard to Liabilities subject to indemnification under this Section, to participate in its own defense by engaging, at its own expense, its own attorneys, experts and consultants. In the event the City and the Franchisee disagree about whether to settle a case for which the Franchisee must indemnify the City under this Section, the issue shall be referred to the Executive Director, the City Solicitor and the Franchisee's General Manager (or a person in an equivalent or higher position) for resolution. Notwithstanding the foregoing, the Franchisee shall be required to indemnify the City for:
1. final verdicts; and
 2. settlements entered into by the City with the Franchisee's prior knowledge and consent.
- C. Limitations. As between the City and the Franchisee or any Affiliated Person, the foregoing Liability and indemnity obligations of the Franchisee pursuant to this Section 12 shall not apply to:
1. any willful misconduct or gross negligence of any City officer, employee, agent, attorney, consultant or independent contractor proximately causing any claim or damages;
 2. any Liability arising out of the content of Services over the Governmental Channels or the portion of the Institutional Network available to and used by the City to the extent that such claim does not arise out of an act or failure to act by the Franchisee; or
 3. any Liability arising out of the content of Services over Public Channels and Educational Channels to the extent that such claim does not arise out of an act or failure to act by the Franchisee.

12.3 Insurance.

- A. Coverages and Limits. During the Term of the Agreement and any period of removal of the Cable System following the end of the Term, Franchisee shall maintain, or cause to be maintained, in full force and effect and at its sole cost and expense, in a form acceptable to the City Solicitor, the following types and limits of insurance:
1. Workers' compensation insurance meeting Maryland statutory requirements and employer's liability insurance with minimum limits of One Million Dollars (\$1,000,000) for each accident.
 2. Comprehensive commercial general liability insurance with minimum limits of Ten Million Dollars (\$10,000,000) as the combined single limit for each occurrence of bodily injury, personal injury, and property damage. The policy shall provide blanket contractual liability insurance for all written contracts, and shall include coverage for products and completed operations liability, independent contractor's liability, and property damage from perils of explosion, collapse or damage to underground utilities, commonly known as XCU coverage.
 3. Broadcaster's liability coverage for loss or damage arising out of publications or utterances in the course of or related to advertising, broadcasting, telecasting or other communication activities conducted by or on behalf of Franchisee with minimum limits of Five Million

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Dollars (\$5,000,000) as the combined single limit for each occurrence of bodily injury, personal injury and property damage.

4. Automobile liability insurance covering all owned, hired, and non-owned vehicles in use by Franchisee, its employees and agents, with personal protection insurance and property protection insurance to comply with the provisions of the Maryland no-fault insurance law, including residual liability insurance with minimum limits of Three Million Dollars (\$3,000,000) as the combined single limit for each occurrence for bodily injury and property damage.
- B. Types of Policies. The coverage amounts set forth in this Section 12.3 may be met by a combination of underlying and umbrella policies so long as in combination the limits equal or exceed those stated.
- C. Period of Coverage. The liability insurance policy or policies required by this Section 12.3 shall:
1. Be maintained by the Franchisee throughout the term of this Agreement and such other period of time during which the Franchisee operates or is engaged in the removal of the Cable System, whichever period is longer, and for one hundred twenty (120) Days thereafter; and
 2. Provide coverage for acts and omissions occurring throughout the term of this Agreement and such other period of time during which the Franchisee operates or is engaged in the removal of the Cable System, irrespective of when a claim arising out of such acts and omissions is made.
- D. Retentions and Deductibles. Franchisee's insurance policy retentions shall not exceed, as applicable, \$50,000, unless larger retentions are approved in advance by City in writing. Franchisee agrees to indemnify and save harmless the Indemnitees and Additional Insureds from and against the payment of any retention or deductible and from the payment of any premium on any insurance policy required to be furnished by this Agreement.
- E. Insurance Companies. All insurance shall be effected under valid and enforceable policies, issued by insurers licensed to do business by the State of Maryland or surplus line carriers on the Maryland Insurance Commissioner's approved list of companies qualified to do business in Maryland. All insurance carriers and surplus line carriers shall be rated A- or better by A.M. Best Company.
- F. Additional Insureds. All insurance policies, except for workers' compensation and broadcaster liability policies, shall name the "City of Baltimore, a municipal corporation of the State of Maryland and all associated, affiliated, allied and subsidiary entities of the City, now existing or hereafter created, and their respective officers, boards, commissions, employees, agents and contractors, as their respective interests may appear" as additional insureds (referred to as the "Additional Insureds") providing coverage for the negligence or other conduct of the Additional Insureds to the same extent as provided to Franchisee. Each policy which is to be endorsed to add Additional Insureds under this Agreement shall contain cross-liability wording, as follows:

"In the event of a claim being made hereunder by one insured for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is or may be made in the same manner as if separate policies had been issued to each insured hereunder."

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- G. Evidence of Insurance. On or before the Effective Date, certificates of insurance for each insurance policy required to be obtained by Franchisee in compliance with this Agreement, along with written evidence of payment of required premiums, shall be filed and maintained with City annually and at any time of policy change or cancellation during the term of this Agreement. City shall have the right to request copies of any policies required under this Section 12.3, and Franchisee shall provide same within ten (10) Days after a written request is made. The acceptance of a form of policy by the City Solicitor shall not change or reduce Franchisee's obligation to provide the required insurance pursuant to this Section 12.
- H. Endorsement. Each such liability insurance policy shall contain the following endorsement: "It is hereby understood and agreed that this policy may not be cancelled or not renewed nor the intention not to renew be stated until thirty (30) Days after receipt by the City, by registered mail, of a written notice of such intent to cancel or not to renew." Not later than thirty (30) Days prior to said cancellation or failure to renew, the Franchisee shall obtain one (1) or more replacement insurance policies in a form acceptable to the City Solicitor and shall furnish copies of the certificate of insurance to the City Solicitor and to MOCC.
- I. Notice of Expiration. Prior to the expiration of any insurance policy required of the Franchisee by this Section, the Franchisee shall provide to MOCC and to the City Solicitor evidence acceptable to the City Solicitor of the renewal or replacement of the policy. Further, the Franchisee shall notify MOCC and the City Solicitor of any modification or discontinuation of coverage under any such policy, together with a plan to correct such modification or discontinuation, within two (2) Business Days after receipt of notice of such modification or discontinuance.
- J. Contractors. Franchisee shall require that each and every one of its contractors and their subcontractors carry, in full force and effect, workers' compensation, employer's liability, comprehensive general liability and automobile liability insurance coverages of the type which Franchisee is required to obtain under the terms of this Agreement regarding Additional Insureds, with appropriate limits of insurance. In the alternative, Franchisee, at its expense, may provide such coverages for any or all its contractors or subcontractors, but if Franchisee does so it shall provide evidence of same in writing to City. The relationship of Franchisee's insurance to any insurance provided by contractors or subcontractors shall be determined by the respective contracts or subcontracts. However, failure by Franchisee or Franchisee's contractors or subcontractors to carry the required insurance does not relieve Franchisee from any liability of the contractors or subcontractors that would otherwise be covered by insurance.
- K. Insurance Primary; Not Limiting. The legal Liability of the Franchisee or any Affiliated Person to the City or any Person for any of the matters which are the subject of the liability insurance policies required by this Section 12.3, including, without limitation, the Franchisee's indemnification obligation set forth in Section 12.2 of this Agreement, shall not be limited by such insurance policies nor by the recovery of any amounts under such policies, except to the extent necessary to avoid duplicative recovery from or payment by the Franchisee.
- L. Review of Limits.
1. Review. Commencing on the fifth anniversary of the Effective Date and once every five (5) years thereafter during the Term of this Agreement, City may review the insurance coverages to be carried by Franchisee. If City determines that additional coverages or higher limits of coverage are necessary to protect the interests of City, the Additional Insureds, or the public, the City shall notify the Franchisee of its determination and City and Franchisee shall negotiate for

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appropriate modifications in coverages or limits. The Franchisee shall obtain and maintain such modified insurance at its sole cost and expense.

2. Changes in Cable System. At any time that Franchisee proposes to engage in any construction, expansion, or upgrade of the Cable System other than routine repairs, replacement, or maintenance, the City may review the insurance coverages carried by Franchisee. If City determines that that additional coverages or higher limits of coverage are required to protect the interests of City, the Additional Insureds, or the public, the City shall notify the Franchisee of its determination and City and Franchisee shall negotiate for appropriate modifications in coverages or limits, which modifications shall be mutually agreed upon by the City and Franchisee in writing prior to the commencement of such construction, expansion, or upgrade. The Franchisee shall obtain and maintain such additional coverages or limits at its sole cost and expense for the duration of the construction, expansion, or upgrade.

SECTION 13 ENFORCEMENT, REMEDIES, AND TERMINATION

13.1 Rights and Remedies Not Exclusive.

- A. General. The Franchisee agrees that the City shall have the specific rights and remedies set forth in this Agreement, including this Section 13. These rights and remedies are in addition to and cumulative with any and all other rights or remedies, whether existing, express or implied, now or hereafter available to the City at law or in equity in order to enforce the provisions of this Agreement; provided, however, that nothing in this Agreement shall be interpreted to permit the City to exercise such rights and remedies in a manner that permits duplicative recovery from, or payments by, the Franchisee. Such rights and remedies shall not be exclusive, but each and every right and remedy may be exercised from time to time and as often and in such order as may be deemed expedient by the City; provided, however, that to the extent the City may obtain a remedy by recourse to both the Security Fund pursuant to Section 13.2 of this Agreement and the performance bond pursuant to Section 13.10 of this Agreement, the City shall seek such remedy from the Security Fund before seeking such remedy from the performance bond.
- B. No Waiver or Release. The exercise of one (1) or more rights or remedies shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right or remedy nor shall any such delay or omission in the exercise of any right or remedy be construed to be a waiver of such right or remedy or acquiescence to any default. The exercise of any such right or remedy by the City shall not release the Franchisee from its obligations or from any Liability under this Agreement.

13.2 Security Fund.

- A. Obligation to Maintain. Throughout the Term of this Agreement, or for such longer time as the Franchisee operates the System or until the Franchisee completes the removal of the System, whichever period is longest, and for at least two hundred ten (210) Days thereafter, the Franchisee shall maintain the Security Fund in the amount specified in Section 13.2B.
- B. Amount. On or before the Effective Date, the Franchisee shall provide the City with security for the purposes described in this Agreement in the form of a letter of credit, in the amount of Five Hundred Thousand Dollars (\$500,000), which shall constitute the Franchisee's Security Fund and shall be maintained by the Franchisee until it is released to the Franchisee pursuant to this Section 13.2. The

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letter of credit shall be irrevocable, unconditional, in the form attached to this Agreement as Appendix E, and acceptable to the City Solicitor. The letter of credit shall be issued by a bank doing business in the Franchise Area, having adequate capital, assets, earnings, and liquidity to ensure the financial soundness of the issuing institution, insured by an agency of the United States Government, and acceptable to the City. The letter of credit shall in no event require the consent of the Franchisee prior to the collection by the City of any amounts covered by such letter of credit.

C. Purposes. The Security Fund shall serve as security for:

1. the faithful performance of the Franchisee's obligations pursuant to this Agreement and any costs, losses, or damages incurred by the City as a consequence of the Franchisee's performance or nonperformance of the terms and conditions of this Agreement;
2. any costs, claims, expenditures, damages, or losses incurred by the City occasioned by the Franchisee's failure to comply with all rules, regulations, orders, permits and other directives of the City issued pursuant to this Agreement or Applicable Law;
3. all payments due the City from the Franchisee pursuant to this Agreement;
4. the loss of any payments required to be made by the Franchisee to the City which would have been received by the City but for the Franchisee's failure to perform its obligations pursuant to this Agreement during the period of time between the Franchisee's unexcused or uncured failure to perform and the date on which the City takes over, or any other Person authorized by the City takes over, the construction, operation, or maintenance of the System;
5. any costs incurred by the City in connection with the award of any franchise for, or other authorization to, construct, operate, maintain, repair, upgrade, rebuild, or enhance a Cable Communications System in the Franchise Area necessitated by such a failure to perform; and
6. any costs, losses, expenditures, claims or damages incurred by the City as a result of termination for cause due to a breach pursuant to Section 13.4; and
7. the payment by the Franchisee to the City of any Liability payable to the City and relating to the System that is due and unpaid.

The withdrawal of amounts from the Security Fund shall constitute a credit against the amount of the applicable Liability of the Franchisee to the City but only to the extent of said withdrawal.

D. Withdrawals from Security Fund.

1. After Franchisee's receipt of notice from City that the Franchisee has: (a) failed to faithfully perform its obligations under this Agreement; (b) failed to comply with all rules, regulations, orders, permits and other directives of the City issued pursuant to this Agreement or Applicable Law; (c) failed to make any payment required to be made to the City pursuant to this Agreement within the time fixed in this Agreement; (d) breached the Agreement and the Agreement is terminated for cause; (e) failed to pay to the City any Liability payable to the City and relating to the System that is due and unpaid; (f) failed to pay to the City any costs, losses, damages, claims or expenditures which the City has been compelled to pay or has incurred by reason of any act or default of the Franchisee; or (g) failed to comply with any provision of this Agreement which City determines can be remedied by an expenditure of an amount in the Security Fund, which

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- notice shall contain all such details as are necessary to describe such failure, the Franchisee shall take one (1) of the steps specified in Section 13.2D(2).
2. Except as provided in Section 13.3A for liquidated damages, not later than five (5) Days after receipt of the notice described in Section 13.2D(1)(c), (e) and (f), or twenty (20) Days after receipt of the notice described in Section 13.2D(1)(a), (b), (d) and (g), the Franchisee shall:
 - (a) cure such alleged failure and provide to City a written explanation and evidence of such cure;
 - or (b) promptly begin to cure such breach, default or other noncompliance and provide to City a written explanation of why such cure cannot be completed within five (5) or twenty (20) Days, as applicable, as well as a schedule for completing such cure, both of which are subject to City approval.
 3. If the Franchisee has failed to take any of the steps specified in Section 13.2D(2) within the five (5) or twenty (20) Days, as applicable, to the satisfaction of City, then City may withdraw the amount specified in the notice to Franchisee (the notice provided pursuant to Section 13.2D(1)) from the Security Fund.
 4. For breaches subject to liquidated damages pursuant to Section 13.3 of this Agreement, City may withdraw liquidated damages from the Security Fund, and the procedures set forth in Section 13.3A shall apply to such withdrawals instead of the procedures set forth in this Section 13.2D(1)-(3).
- E. Replenishment. Within fifteen (15) Days after notice from City that any amount has been withdrawn from the Security Fund, as provided in Section 13.2D of this Agreement, the Franchisee shall restore the affected components of the Security Fund to the amount specified in Section 13.2B of this Agreement and provide to City evidence satisfactory to City that the Franchisee has done so. If a court determines that said withdrawal by the City was improper, the City shall restore the improperly withdrawn amount to the affected components of the Security Fund, together with interest from the date of the withdrawal at the rate specified in Section 10 of this Agreement, during the period from such withdrawal until such restoration.
- F. Confirmation of Withdrawals. Within five (5) Days after each of the foregoing withdrawals, City shall notify the Franchisee of the date and amount of the withdrawal.
- G. Return of Security Fund. Within two hundred ten (210) Days after the termination of this Agreement due to the expiration of the Term of the Franchise granted pursuant to this Agreement, the Franchisee shall be entitled to the return of the Security Fund deposited pursuant to this Section 13.2, or such portion of the Security Fund as remains on deposit at said termination, provided that all offsets necessary to compensate the City for any uncured failure to comply with any provision of this Agreement have been taken by the City. Notwithstanding the foregoing sentence, if the Franchisee continues to operate the System following the termination of this Agreement or if the City orders the Franchisee to remove the System as provided in Section 13.6, the Franchisee shall not be entitled to a return of the Security Fund until two hundred ten (210) Days after the end of such continued operation or the completion of removal of the System, whichever is later. In the event of a termination of this Agreement for cause due to a breach by the Franchisee pursuant to Section 13.4, such Security Fund shall become the property of the City to the extent necessary to satisfy the purposes of the Security Fund as set forth in this Section 13.2, including the covering of any costs, loss or damage incurred by the City as a result of such termination or breach, provided that any amounts in excess of such costs, loss or damage shall be refunded to the Franchisee, and provided further that, to the extent the City actually withdraws from such Security Fund amounts used to

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reimburse the City for such costs, losses or damages, such withdrawn amounts shall not also be considered in determining the “equitable price” pursuant to Section 13.6.

13.3 Liquidated Damages.

- A. Notice and Right to Cure. The Franchisee shall be liable and pay to the City for the amounts specified in this Section 13.3 for any of the following failures by the Franchisee to comply with the provisions of this Agreement. The City shall notify Franchisee of the failure to comply and resulting liquidated damages and, at the option of City, if not paid to the City by the Franchisee within ten (10) Days after notice is given, such amounts may be withdrawn from the Security Fund and paid to the City (in addition to the withdrawals authorized by any other Section of this Agreement) or shall be paid in such other manner as may be determined by the City.
- B. Amounts. For the following failures to comply with this Agreement, the liquidated damages shall be in the following amounts:
1. Failure to complete the Upgrade or Significant Construction in accordance with Appendix A or other technical requirements or any current sequence or schedule approved by the City: Two Thousand Five Hundred Dollars (\$2,500) per Day;
 2. Failure to provide all requested Services to any Person to the extent required by Section 4 of this Agreement: Ten Dollars (\$10) per Day, per affected Person, for each Day that such failure continues; provided, however, that in no event shall the total liquidated damages amount calculated under this Section 13.3B(2) be less than Three Hundred Dollars (\$300) per Day;
 3. Failure to maintain and provide data, documents, records, reports, or information to the City pursuant to the terms of this Agreement, or, as reasonably requested by City, to cooperate with the City during a performance review of the System or during an audit: Five Hundred Dollars (\$500) per Day;
 4. Failure to comply with Section 6.10 of this Agreement: One Thousand Two Hundred Dollars (\$1,200) per Day;
 5. Failure to comply with the requirements in this Agreement for PEG access or to provide any of the capital grants, equipment and other support for the PEG Channels pursuant to Section 6, including, but not limited to, compliance with the provisions of Section 6.5: Seven Hundred Fifty Dollars (\$750) per Day for each Day that such failure occurs or continues;
 6. Failure to adhere to the technical performance standards agreed to in Sections 5.1, 5.2, 5.7 and 5.8 of this Agreement: Five Hundred Dollars (\$500) per Day;
 7. Failure to comply with the customer service and consumer protection rules set forth in Section 9 of this Agreement and 47 C.F.R. § 76.309 and such other customer service and consumer protection rules, regulations, or standards as may be established by Applicable Law: Five Hundred Dollars (\$500) per violation per Day for each Day such violation continues and Seven Hundred Fifty Dollars (\$750) per violation per Day after the first thirty (30) Days of the same continuous violation; provided, however, that where a customer service or consumer protection rule requires the Franchisee to meet a standard of ninety percent (90%) or more: Seven Hundred Fifty Dollars (\$750) per quarter where performance

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is less than 95% or 90%, as applicable, but equal to or greater than 85%; One Thousand Dollars (\$1,000) per quarter where performance is less than 85% but equal to or greater than 80%; One Thousand Five Hundred Dollars (\$1,500) per quarter where performance is less than 80% but equal to or greater than 75%; Two Thousand Dollars (\$2,000) per quarter where performance is less than 70% but equal to or greater than 65%; and Four Thousand Dollars (\$4,000) per quarter where performance is less than 65%. For purposes of this provision, "quarter" shall mean any consecutive three-month period.

8. Failure to furnish or maintain the performance bond as required by Section 13.10 or failure to furnish or replenish the Security Fund as required by Section 13.2: Two Hundred Fifty Dollars (\$250) per Day;
9. Failure to provide the emergency alert system pursuant to Section 5.12: One Thousand Two Hundred Dollars (\$1,200) per Day;
10. Failure to obtain a permit where construction, reconstruction, or relocation of the System or its components within the Public Ways of the City is undertaken: Two Hundred Fifty Dollars (\$250) per Day;
11. Failure of the Franchisee to comply with construction, operation, or maintenance standards: Four Hundred Dollars (\$400) per Day;
12. Failure to test, analyze, and report on the performance of the System: Five Hundred Dollars (\$500) per Day;
13. Failure to provide programming services in accordance with Section 4: Seven Hundred Fifty Dollars (\$750) per Day; and
14. Failure to comply with the material provisions of this Agreement for which an amount is not otherwise specifically provided pursuant to this Section: Five Hundred Dollars (\$500) per Day.

The Franchisee agrees that each of the failures set forth in this Section 13.3 shall result in injuries to the City and its residents, businesses and institutions, the compensation for which will be difficult to ascertain and to prove. Accordingly, the Franchisee and the City agree that the liquidated damages in the amounts set forth above are fair and reasonable compensation for such injuries. The Franchisee agrees that the foregoing amounts are liquidated damages, not penalties or forfeitures, and are within one (1) or more exclusions to the term "franchise fee" provided by Section 622(g)(2)(A)-(D) of the Cable Act (47 U.S.C. § 542(g)(2)(A)-(D)). Further, the payment of such liquidated damages shall not be deemed to be: (i) "Payments-in-kind" or involuntary payments chargeable against the compensation to be paid to the City by the Franchisee pursuant to Section 10 of this Agreement or chargeable against the payments to the City by the Franchisee pursuant to Section 6 of this Agreement; or (ii) part of the compensation to be paid to the City by the Franchisee pursuant to Section 10 of this Agreement or part of the payments to the City by the Franchisee pursuant to Section 6 of this Agreement. Nothing contained in this Section 13.3B shall be construed to permit duplicative recovery from, or payment by, the Franchisee.

- C. No Pass-Through of Liquidated Damages. The costs associated with payment of liquidated damages pursuant to Section 13.3 shall not be passed through to Subscribers in any form, itemized on

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Subscriber bills, or, for rate regulation purposes, attributed to capital costs, operating expenses, or external costs of the System.

- D. Availability of Additional Remedies; Breach Procedures Not Applicable. To the extent that the City elects to assess liquidated damages as provided in this Section 13.3 and such liquidated damages have been paid to the City to the satisfaction of City, such damages shall be in lieu of the City's right to seek actual damages for the same failures to comply with this Agreement. Nothing in this Section 13.3D is intended to preclude the City from exercising any other right or remedy with respect to: (i) a breach that continues past the time the City stops assessing liquidated damages for such breach; or (ii) the City's use of a past breach or past portion of a continuing breach to support a claim of breach or other claim, one (1) of the elements of which is a previous, continuing or repeated violation of this Agreement or Applicable Law. Further, the Franchisee's payment of such liquidated damages shall not preclude the City from considering the breaches for which such liquidated damages were paid in any decision the City makes on whether to renew this Franchise pursuant to Section 626 of the Cable Act (47 U.S.C. § 546) (or any successor thereto), to terminate the Franchise, or otherwise. The procedures set forth in Sections 13.2 and 13.3A of this Agreement shall apply to liquidated damages or payments of other amounts payable from the Security Fund and the withdrawal of any such damages or payments of other amounts from the Security Fund. The breach procedures set forth in Section 13.4B shall apply solely to the remedies for material breach.

13.4 Remedies For Breach.

- A. Rights of City. In the event that the City believes that Franchisee fails to comply with a provision of this Agreement or has performed a Criminal Act (which shall be considered a breach of this Agreement), and has failed to cure any such breach within any applicable cure period after Franchisee's notice of such breach, then the City shall have the right, at its election and without prejudice to any other remedies provided at law or in equity, to pursue any one or more of the following remedies:
1. City may require the Franchisee, within such reasonable time as may be fixed by City, to complete or correct the breach, and to take any or all actions necessary to cure the breach that the City deems appropriate in the circumstances; and/or
 2. Seek money damages from the Franchisee as compensation for such breach; and/or
 3. Revoke the Franchise granted pursuant to this Agreement by termination of this Agreement pursuant to Section 13.5; and/or
 4. City may perform or have performed any or all acts necessary to cure the breach and recover from Franchisee all the costs and expenses incurred in relation to that cure, including attorneys' fees and costs; and/or
 5. City may recover from Franchisee all costs, including attorneys' fees, incurred by City as a result of any breach or as a result of actions taken by City in response to any breach.

In addition to all other remedies granted or available to the City, the City may seek, to the extent appropriate under Applicable Law, (a) the restraint by injunction of the violation, or attempted or threatened violation, by the Franchisee of any terms or provisions of this Agreement; or (b) a decree or order compelling performance by the Franchisee of any term or provision of this Agreement.

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- B. Breach Procedures. The City shall exercise the rights provided in Section 13.4A in accordance with following procedures, which procedures shall not be applicable to other remedies provided in this Agreement:
1. The City shall notify the Franchisee, in writing, of an alleged failure to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The Franchisee shall, within fifteen (15) Days (for an allegation of breach of financial provisions) or thirty (30) Days (for an allegation of breach of non-financial provisions) after receipt of such notice or such longer period of time as the City may specify in such notice, either: (a) cure such alleged failure and provide to the City a written explanation and evidence of such cure; or (b) in a written response to the City, state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.
 2. The City shall determine: (a) whether a failure to comply with a provision has occurred; and (b) whether such failure has been cured or will be cured by the Franchisee in a manner and in accordance with a schedule acceptable to the City.
 3. If City determines that a failure to comply with a provision of this Agreement has occurred and that such failure has not been or will not be cured by the Franchisee in a manner and in accordance with a schedule satisfactory to City, then City may take any action set forth in Sections 13.4A.

13.5 Obligations upon Termination. In the event of any termination, revocation, or expiration of this Agreement, the City may, at its option:

- A. Direct the Franchisee to operate the System on behalf of the City pursuant to the provisions of this Agreement and such additional terms and conditions as are agreed upon by the City and the Franchisee, for a period of up to one (1) year;
- B. If there is an Abandonment, authorize any other Person to operate the System on behalf of the City;
or
- C. Order the Franchisee to cease all construction and operational activities in a prompt, workmanlike and safe manner by a date to be specified by the City.

In the event of such a termination, revocation, or expiration, the Franchisee shall maintain in full force and effect the performance bond required by Section 13.10 for a reasonable period following the date of termination, revocation, or expiration, but in no event less than three (3) years where Comcast is removing the System and one (1) year in all other instances following termination, revocation or expiration. Pursuant to this Section 13.5, the Franchisee shall cooperate with the City in maintaining continuous and uninterrupted distribution of Services over the System, including, but not limited to, operating the System for a period of time specified by the City for a period up to one (1) year; it is the intent of the parties that only the City may take action to enforce this sentence.

13.6 City's Right to Order Removal or to Acquire or Effect a Transfer of the System.

- A. Removal. In addition to its rights under Section 13.5, upon any termination, revocation, or expiration, the City may, in its sole discretion, but shall not be obligated to, in the event the System is not sold pursuant to Section 13.6B, direct the Franchisee to immediately discontinue the provision of

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Services and all rights of Franchisee to use the Public Ways shall cease. City may direct Franchisee to remove, at the Franchisee's sole cost and expense, all or any portion of the System from all Public Ways and other public property within the City, including all supporting structures, poles, transmission, and distribution portions of the System and other appurtenances, fixtures, or property from the Public Ways in, over, under, along, or through which they are installed within six (6) months after the termination, revocation, or expiration, except that: (i) Franchisee may abandon its facilities in place; and (ii) Franchisee cannot remove underground facilities without City's consent in advance, which consent shall not be unreasonably withheld. Removal shall be subject to the following:

1. This provision shall not apply to buried cable which the City determines should not be removed;
2. Prior to any removal, Franchisee shall notify City where removal will occur;
3. In removing the System, or any part of the System, the Franchisee shall comply with all requirements of Section 3 for construction within the Public Ways and shall restore and leave all Public Ways and other property in as good condition as that prevailing prior to the Franchisee's removal of the System, including any improvements made to such property subsequent to the construction of its System, and without affecting, altering, or disturbing in any way any electric, telephone or other utility cables, wires, or attachments (except to the extent such affecting, altering, or disturbing is permitted by an agreement between the Franchisee and the applicable owner of the cable, wires, or attachments);
4. Restoration of streets and City property, including, but not limited to, Public Ways, shall be in accordance with the requirements of Section 3 and the directions and specifications of City and all Applicable Law, at Franchisee's sole expense. The City shall have the right to inspect and approve the condition of such Public Ways and public property after removal;
5. Notwithstanding any other provisions of this Agreement, the performance bond, the Security Fund, and liability insurance and indemnity provisions of this Agreement shall remain in full force and effect during the entire period of removal and associated repair of all Public Ways and other public property (or during such longer period as may be required by any other provision of this Agreement);
6. Removal and restoration shall be commenced within thirty (30) Days after the removal order by the City and shall be completed within six (6) months thereafter, including all associated repair of all Public Ways and other public property; and
7. If, in the reasonable judgment of City, the Franchisee fails to substantially complete such removal and restoration, including all associated repair of Public Ways and other public property, within six (6) months after the revocation, termination, or expiration; then, to the extent not inconsistent with Applicable Law, the City shall have the right to: (a) declare that all rights, title and interest to those portions of the System within Baltimore City (or outside Baltimore City but used exclusively for the System) belong to the City with all rights of ownership, including, but not limited to, the right to operate the System or to effect a transfer of the System to another Person for operation; or (b)(i) authorize removal of the System, including all associated repair of Public Ways and other public property, by another Person at the Franchisee's cost, and (ii) declare that, to the extent not inconsistent with Applicable Law, any portion of the System within Baltimore City (or outside Baltimore City but used

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exclusively to serve Persons within Baltimore City) not designated by the City for removal shall belong to and become the property of the City without compensation to the Franchisee and the Franchisee shall execute and deliver such documents, as City shall request, in form and substance acceptable to City, to evidence such ownership by the City; and

8. In the event Franchisee chooses to remove its System and fails to satisfactorily restore all areas to the condition in which they existed prior to the original construction of the System, City, at its option, may perform such work, and, if such work is performed within two (2) years after the revocation, termination, or expiration of this Agreement, collect the costs thereof from Franchisee.

Notwithstanding the foregoing, the Franchisee may dispose of any portion of the System (other than the Institutional Network) not designated by the City for removal during such six (6) month period; provided, however, that if the Franchisee fails to complete the removal of the portion(s) of the System designated for removal by the City within such period, then all such portion(s) of the System not disposed of and all amounts collected for any portion(s) of the System disposed of by the Franchisee during such period shall belong to the City, with no price due to the Franchisee.

For purposes of this Section 13.6, the System shall not be deemed to include any trademarks, service marks or any other intangible personal property of the Franchisee that is not necessary for the operation of a Cable System in Baltimore City. Without limiting the types of intangible personal property that are necessary for such operation, nothing in this paragraph shall be construed to exclude the Franchisee's list of Subscribers, their addresses, the Services that they receive and similar information from the meaning of the System as used in this Section 13.6.

- B. Acquisition or Transfer. Upon any termination, revocation or expiration and as an alternative to ordering removal of the System, the City shall have the right to, and may, in its sole discretion and in accordance with Section 627 of the Cable Act (47 U.S.C. § 547) (or any successor thereto) and other Applicable Law, acquire, or effect a transfer to a third party acceptable to the City, of all or any part of the System and all components thereof necessary to maintain and operate the System pursuant to the terms of this Agreement, provided that this requirement shall apply only to those portions of the System within Baltimore City (or outside Baltimore City but used exclusively to serve Persons within Baltimore City). The City shall notify the Franchisee ninety (90) Days after the termination, revocation or expiration of its intent to purchase or transfer the System. For a period of sixty (60) Days after such notice is given, the City and the Franchisee shall negotiate, in good faith, the terms and condition of the purchase of the System, including the purchase price, as detailed below.
- C. Price. The price to be paid to the Franchisee upon an acquisition or transfer by the City or a third party acceptable to the City shall depend upon the nature of the termination. If the Franchise expires without any request by the Franchisee pursuant to Section 626(a)(1) of the Cable Act (47 U.S.C. § 546(a)(1)) (or any successor thereto) that it be renewed, or if the renewal of the Franchise is denied, then the price shall be fair market value, determined on the basis of the System valued as a going concern but with no value allocated to the Franchise itself (*i.e.*, the fair market value of the System valued as a going concern, with a deduction for the value allocable to the Franchise itself). If the termination is due to the revocation of the Franchise for cause, including, but not limited to, revocation due to a breach of this Agreement by the Franchisee as provided in Section 13.4 or otherwise, then the price shall be an equitable price. In either case, the price shall take into consideration the effects of Sections 13.7 and 13.8.

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- D. Valuation Date and Appraisal. The date of valuation for purposes of the price determination pursuant to Section 13.6C shall be the Day before the date the City preliminarily elects to acquire or to effect a transfer of the System. If the City and the Franchisee cannot agree upon the purchase price referenced in Section 13.6C, the City shall have the right to require the convening of a panel of qualified cable system appraisers to determine the fair market value of the Cable System in accordance with the provisions of this Section 13.6D. Such panel, if required, shall be composed of one appraiser chosen by the City, one appraiser chosen by the Franchisee, and a third appraiser chosen by the first two appraisers. The Franchisee shall make necessary data and information available to the appraisers. All expenses of the appraisal, including the fees of the appraisers, shall be borne by the parties in equal shares. Within sixty (60) Days after the three appraisers have been selected, each shall independently appraise the value of such assets pursuant to Section 13.6B, and shall, without disclosing such value to the other appraisers, record and seal the appraised value in an envelope. Upon completion of all appraisals, the appraisers shall convene together and open and disclose to each other their sealed appraised values for such assets. The appraised value which is farthest from the average of the three disclosed figures shall be discarded and the average of the two remaining values shall be certified to the City and the Franchisee by all three appraisers as having been determined in accordance with this Subsection of this Agreement. The figure so certified shall be deemed by the Franchisee and the City to be the fair market value of such assets.

13.7 Franchisee's Obligations. In the event of any acquisition or transfer pursuant to Section 13.6 or Abandonment pursuant to Sections 13.5 and 13.6, the Franchisee shall:

- A. cooperate with the City or any third party in maintaining continuous and uninterrupted distribution of Services over the System, including, but not limited to, operating the System for a period of time specified by the City but not to exceed one (1) year;
- B. promptly execute all appropriate documents to transfer to the City or third party, free of any and all encumbrances, title to the System, all components thereof necessary to operate and maintain the System pursuant to the terms and conditions of this Agreement, as well as all contracts, leases, licenses, permits, rights-of-way and any other rights, contracts or understandings necessary to maintain the System and the distribution of Services over the System; provided that such transfers shall be made subject to the rights under the Maryland Uniform Commercial Code, Md. State Government Code, Titles 1-10, as amended, or any successor thereto, and, to the extent that any collateral consists of real property, under Baltimore City's real property law, of banking or lending institutions which are secured creditors or mortgagees of the Franchisee at the time of such transfers; and provided that the City shall have no obligation following said transfers to pay, pledge or otherwise commit in any way any general or any other revenues or funds of the City, other than the net operating revenues received by the City from its operation of the System, in order to repay any amounts outstanding on any debts secured by the System which remain owing to such creditors or mortgagees; and provided, finally, that the total of such payments by the City to such creditors and mortgagees, from the net operating revenues received by the City from its operation of the System, shall in no event exceed the lesser of: (a) the fair market value of the System on the date of the transfer of title to the City or (b) the outstanding debt owed to such creditors and mortgagees on said date. Nothing in this Section 13.7 shall be construed to limit the rights of any such banking or lending institutions which are not Affiliated Persons to exercise its or their rights as secured creditors or mortgagees at any time prior to the payment of all amounts due pursuant to the applicable debt instruments; and

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- C. promptly supply City with all necessary records to reflect the City's or third party's ownership of the System and to operate and maintain the System, including, without limitation, all Subscriber records and plant and equipment layout documents.

It is the intent of the parties that only the City may take action to enforce Subsection A of this Section 13.7.

13.8 Other Provisions. The City and the Franchisee shall negotiate in good faith all other terms and conditions of any such acquisition or transfer, except that, in the event of any acquisition of the System by the City:

- A. The City shall not be required to assume any of the debts or obligations of any collective bargaining agreements or any other employment contracts held by the Franchisee or any other obligations of the Franchisee or its officers, employees or agents, including, without limitation, any pension or other retirement or any insurance obligations;
- B. The City shall not be required to assume any Liabilities; and
- C. The City may lease, sell, operate or otherwise dispose of all or any part of the System in any manner.

In the event the City does assume any of the debts or obligations of the Franchisee, the payment terms shall be adjusted accordingly.

13.9 Termination.

- A. General. The termination of this Agreement shall occur upon the earliest to occur of: (i) the revocation of the Franchise granted pursuant to this Agreement as provided in Section 13.4; (ii) an Abandonment of the System; or (iii) subject to Section 626 of the Cable Act (47 U.S.C. § 546) (or any successor thereto), the expiration of the Term of the Franchise as set forth in Section 2.3, or otherwise.
- B. Termination Not a Waiver. The termination of this Agreement (in any way specified in Section 13.9(A)) shall not, for any reason, operate as a waiver or release of any obligation or Liability of the Franchisee or any other Person, as applicable, incurred or accrued prior to the date of such termination, and shall include, without limitation, the obligations of this Section 13.9B and Sections 6.5, 10, 11.1, 11.11, 11.22, 12, 13, 14.9, 14.12, 14.14, and 14.27, shall survive the termination of this Agreement. If the Franchisee continues to operate all or any part of the System after the expiration of the Term of the Franchise, without renewal, then (i) this Section 13.9B shall not be construed to waive or release any obligation or Liability of the Franchisee arising out of such continued operations; and (ii) the Franchisee shall comply with the terms and conditions of this Agreement, including, but not limited, to all compensation and other payment provisions of this Agreement. Any such continued operation shall in no way be construed as a renewal or other extension of this Agreement or the Franchise granted pursuant to this Agreement.
- C. Effect of Termination. In the event of a termination as set forth in Section 13.9A, the Term of the Franchise shall expire and the Franchise shall be revoked; all rights of the Franchisee in the Franchise shall cease, with no value allocable to the Franchise itself; and the rights of the City and the Franchisee to the System, or any part thereof, shall be determined as provided in Sections 13.5 through 13.8.

13.10 Performance Bond.

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- A. Establishment. To guarantee the timely completion of any Significant Construction undertaken during the Term of this Agreement, to ensure that the operation of the System continues in an orderly and uninterrupted manner in the event of a default by the Franchisee, and for the other purposes specified in Section 13.2C, the Franchisee shall arrange for, and shall maintain throughout the Term of this Agreement, a performance bond solely for the protection of the City, with a corporate surety and trust company that: (i) is listed as a certified company in the most recent version, as of the Effective Date, of the Department of the Treasury's Listing of Approved Sureties (Department Circular 570), or any successor thereto; (ii) has a per-bond underwriting limitation, as set forth in such Listing, of not less than Twenty Million Dollars (\$20,000,000); and (iii) is otherwise acceptable to the City Solicitor.

Before any change in the performance bond (including, but not limited to, its issuer, amount or terms and conditions, whether or not such change is explicitly contemplated by this Section 13.10A) takes effect, (i) the City Solicitor shall have approved the form of the new bond if the form is being changed, such approval not to be unreasonably withheld or denied; and (ii) the Franchisee shall furnish the new bond to the City Solicitor, with a copy to MOCC, DPW, and DOT.

- B. Amount. The amount of the performance bond during any Significant Construction of the System shall be in an amount not less than one hundred ten percent (110%) of the estimated costs of the Significant Construction, as approved by the City. The bond shall remain in effect until ninety (90) Days after the City has acknowledged the completion of the Significant Construction.
- C. Indemnification. The performance bond shall indemnify the City, up to the full face amount of the bond, for: (i) the cost to complete the Upgrade, Significant Construction, or any other construction, upgrade, rebuild or enhancement of the System in the Franchise Area and to maintain the operation of the System following a termination of this Agreement; (ii) any loss or damage to any municipal structure during the course of any work on the System; (iii) any other costs, losses, or damages incurred by the City as a result of the Franchisee's failure to perform its obligations pursuant to this Agreement, irrespective of whether such failure is or is not negligent, intentional or otherwise; and (iv) the removal of all or any part of the System from the Public Ways; provided, however, that the City may not seek recourse against such bond for any costs or damages for which the City has previously been compensated in full through a withdrawal from the Security Fund or otherwise by the Franchisee. The requirements of this Section 13.10C shall apply to both the initial and replacement bonds described in Sections 13.10A and 13.10B.
- D. Form. Any performance bond provided under this Section shall be in a form approved by the City Solicitor and shall be furnished to the City Solicitor, with a copy to MOCC, DPW, and DOT, on or before the Effective Date. Such bond shall contain the following endorsement:

"It is hereby understood and agreed that this bond may not be cancelled or not renewed by the surety nor may the intention to cancel or not to renew be stated by the surety until not less than sixty (60) Days after City has acknowledged the completion of the [describe Significant Construction] pursuant to the Franchise Agreement between the City and Comcast of Baltimore City, L.P. and, notwithstanding the foregoing, shall in no case be cancelled or not renewed by the surety until at least sixty (60) Days' prior written notice to the City Solicitor and MOCC of the surety's intention to cancel or not renew this bond is given."

- E. Responsibilities of the Franchisee If the Surety Cancels or Fails to Renew a Performance Bond. Prior to the effective date of any cancellation or failure to renew a performance bond by the surety, the

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Franchisee shall obtain a replacement performance bond from a corporate surety and trust company that meets the requirements set forth of Section 13.10A as of the effective date of such replacement performance bond, and is otherwise acceptable to the City Solicitor. Such replacement performance bond shall be in a form approved by the City Solicitor, such approval not to be unreasonably withheld or denied, and, prior to such effective date, shall have been furnished to the City Solicitor, with a copy to MOCC.

- F. Not a Limit on Liability. The acceptance by the City of the bond required by this Section 13.10 shall not limit the requirement of faithful performance by the Franchisee pursuant to this Agreement or the Liability of the Franchisee pursuant to this Agreement.

SECTION 14 MISCELLANEOUS PROVISIONS

14.1 Delays and Failures Beyond Control of Franchisee.

- A. General. Notwithstanding any other provision of this Agreement, the Franchisee shall not be liable for reasonable delay in the performance of, or failure to perform, in whole or in part, its obligations pursuant to this Agreement due to strike; war or act of war; riot; fire; flood or other act of God; unusually severe weather conditions considering the time of year; manufacturing delays or delays in delivery due to conditions that would otherwise relieve the Franchisee from liability under this Section; loss of utility service or facilities, except to the extent such loss should have been covered by the Franchisee's standby and backup power supplies required by Appendix A to this Agreement; any act, order, or decree of any governmental agency or judicial body; or any other event to the extent that the event is reasonably beyond the Franchisee's ability to anticipate or control.
- B. Partial Impact. In the event that any such delay in performance or failure to perform affects only part of the Franchisee's capacity to perform, the Franchisee shall perform to the maximum extent it is able to do so and shall take all steps within its power to correct such delays as rapidly as possible.
- C. Notice. The Franchisee shall notify MOCC by fax or telephone of the occurrence of any event covered by this Section within five (5) Business Days of the time at which the Franchisee learns of the occurrence.

14.2 Notice.

- A. Any notice or communication required or permitted to be given under this Agreement shall be in writing, signed by an authorized representative, and delivered (i) personally, (ii) by a reputable overnight courier, or (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid. Unless otherwise provided in this Agreement, notices shall be deemed received after the first to occur of (a) the date of actual receipt; or (b) the date that is one (1) Business Day after deposit with an overnight courier as evidenced by a receipt of deposit; or (b) the date that is three (3) Business Days after deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section 14.2, each party to this Agreement shall have the right to change the address or the addressee, or both, for all future notices and communications to them, but no notice of a change of addressee or address shall be effective until actually received.
- B. Notices and communications to the City shall be addressed to, and delivered at, the following address:

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Mayor's Office of Cable Communications
Attn: Executive Director
8 Market Place, Suite 200
Baltimore, Maryland 21202

With a copy to:

City Solicitor
101 City Hall
100 North Holliday Street
Baltimore, Maryland 21202

Notices and communications to the Franchisee shall be addressed to, and delivered at, the following address:

Comcast of Baltimore City, L.P.
5801 Metro Drive
Baltimore, Maryland 21215
Attention: General Manager

With a copy to:

Comcast Cable Communications, Inc.
1500 Market Street, 32nd Fl.
Philadelphia, PA 19102
Attn: Legal Department

- C. Notice from the City. Notwithstanding any other provision of this Section, any notice the City is required to give to the Franchisee pursuant to Section 13.2 of this Agreement for which a cure period is ten (10) Days or less must be served by personal delivery, overnight mail service, or facsimile transmission.

14.3 Public Notice. The minimum public notice of any public meeting relating to the Franchise shall be by publication at least once in two (2) newspapers of general circulation in the area not less than seven (7) nor more than twenty-one (21) Days prior to the meeting, posting in all customer service centers in the City, and by announcement on at least two (2) Channels on the Cable System between the hours of 7:00 p.m. and 9:00 p.m., for five (5) consecutive Days prior to the meeting.

14.4 Appendices. The Appendices A through F attached to this Agreement, are, unless otherwise specified, incorporated in this Agreement by reference and expressly made a part of this Agreement.

14.5 Entire Agreement. This Agreement, including all Appendices attached, contains the entire understanding and agreement between the City and the Franchisee with respect to the subject matter of this Agreement. All prior negotiations, drafts of this Agreement or any part thereof, understandings, and agreements, including, without limitation, all written or oral statements or representations of any official, employee, agent, attorney, consultant, or independent contractor of the City or Franchisee, are merged in and superseded by this Agreement. The Franchisee shall comply with the terms and conditions of the Previous Franchise Agreement, as amended, for any period between the date of execution by the Franchisee and the Effective Date. The parties agree that the I-Net Transfer and Modification Agreement dated _____, 2004, by and between the parties is not merged in or superseded by this Agreement.

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14.6 Modification. Except where this Agreement specifies that a provision may be modified without the approval of both parties, no provision of this Agreement may be modified unless and until such change is reduced to writing, duly authorized and executed by the authorized representatives of each of the parties, and delivered.

14.7 Severability. If any section, subsection, sentence, clause, provision, or other portion of this Agreement is declared to be invalid or unenforceable, in whole or in part, for any reason, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such declaration of invalidity or unenforceability of such section, subsection, sentence, clause, provision, or other portion shall not affect the validity of any of the remaining portions of this Agreement, which other portions shall continue in full force and effect. If any material provision of this Agreement is found to be unenforceable in a final judicial or administrative proceeding, the parties shall enter into good faith negotiations with the intent of reaching an agreement that would place all parties to this Agreement, and Cable System users and Subscribers, substantially in the same position as if this Agreement were fully enforceable.

14.8 Preemption. In the event that federal or state laws, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, then the provision shall be read to be preempted to the extent and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule, or regulation is subsequently repealed, rescinded, amended, or otherwise changed so that the preempted provision is no longer preempted, such provision shall immediately return to full force and effect, and shall thereafter be binding on the parties, without the requirement of further action on the part of the City.

14.9 Governing Law. This Agreement shall be deemed to be executed in the State of Maryland, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with the laws of the State of Maryland, without regard to its conflicts of laws principles, as applicable to contracts entered into and to be performed entirely within that jurisdiction.

14.10 Priority of Maryland Laws. To the extent the rules and regulations promulgated by the City, and the administrative and judicial decisions interpreting such rules and regulations, answer a question left to Applicable Law under this Agreement, such rules, regulations, and decisions shall take precedence over any other source of Maryland law.

14.11 Action Taken by City. Any action to be taken by the City and/or MOCC pursuant to this Agreement shall be taken in accordance with Applicable Law, as such Law may be amended or modified throughout the Term of this Agreement.

14.12 Venue. The City and the Franchisee, on its behalf, agree that, except to the extent inconsistent with Section 635 of the Cable Act, 47 U.S.C. § 555, or any successor provision, any and all claims asserted by or against the City arising under this Agreement or related to this Agreement shall be heard and determined either in a court of the United States located in Baltimore City or in the Circuit Court for Baltimore City.

14.13 Additional Representations and Warranties. In addition to the representations, warranties, and covenants of the Franchisee to the City set forth elsewhere in this Agreement, the Franchisee represents and warrants to the City and covenants and agrees that, as of the Closing:

- A. Organization, Standing, and Power. The Franchisee is a limited partnership, duly organized, validly existing, and in good standing under the laws of the State of Colorado, and in good standing under the laws of the State of Maryland and is duly authorized to do business in the State and the City. The Franchisee has all requisite power and authority to own or lease its properties and assets, to conduct its businesses as currently conducted and to execute, deliver, and perform this Agreement and all

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other agreements entered into or delivered in connection with or as contemplated hereby. Certified copies of the Franchisee's organizational documents, as amended to date, have been delivered to the City and are complete and correct. The Franchisee is qualified to do business and is in good standing in each jurisdiction in which it conducts business.

- B. Authorization; Non-Contravention. The execution, delivery, and performance of this Agreement and all other agreements entered into in connection with the transactions contemplated hereby have been duly, legally, and validly authorized by all necessary action on the part of the Franchisee, and the Franchisee has furnished the City with a certified copy of the resolutions of the Board of Directors of Comcast Cablevision of the South, Inc., the general partner of the Franchisee, authorizing the execution and delivery of this Agreement. This Agreement and all other agreements entered into in connection with the transactions contemplated hereby have been duly executed and delivered by the Franchisee and constitute, or upon execution and delivery will constitute, the valid and binding obligations of the Franchisee, and are enforceable, or upon execution and delivery will be enforceable, in accordance with their respective terms, subject to the qualifications that the availability of the remedy of specific enforcement, of injunctive relief or of other equitable relief is subject to the discretion of the court before which any proceeding therefor may be brought, and that the enforcement of the rights and remedies created hereby is subject to bankruptcy, insolvency, reorganization, and similar laws of general application affecting the rights and remedies of creditors and secured parties, provided that nothing in the foregoing qualifications is intended to diminish or affect the rights and remedies of the City under this Agreement at law or in equity. The Franchisee has obtained the requisite authority to approve, authorize, execute, and deliver this Agreement and to consummate the transactions contemplated hereby and no other proceeding or other action is necessary on the part of the Franchisee to approve and authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. The Franchisee has not made any representations, warranties, or agreements inconsistent with or with respect to the subject matter of this Agreement. Neither the execution and delivery of this Agreement by the Franchisee nor the performance by the Franchisee of its obligations contemplated by this Agreement will:
1. conflict with, result in a material breach of or constitute a material default under (or with notice or lapse of time or both result in a material breach of or constitute a material default under):
 - a. any governing document of the Franchisee or, to the Franchisee's knowledge, any shareholders' agreement or other similar agreement among security holders or other owners of the Franchisee; or
 - b. any statute, regulation, agreement, judgment, decree, court or administrative order or process or any commitment to which the Franchisee is a party or by which it (or any of its properties or assets) is subject or bound;
 2. result in the creation of, or give any party the right to create, any material lien, charge, encumbrance or security interest upon the property and assets of the Franchisee that would have a material adverse effect on the operation of the Cable System or the financial condition of the Franchisee or the Cable System; or
 3. terminate, modify or accelerate, or give any third party the right to terminate, modify or accelerate, any provision or term of any contract, arrangement, agreement, license agreement or commitments, except for any event which individually or in the aggregate would not have

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a material adverse effect on the business, properties or financial condition of the Franchisee or the Cable System.

- C. Consent. No consent, approval or authorization of, or declaration or filing with, any public, governmental or other authority, including, without limitation, the FCC or any other federal agency or any City, state, county or municipal agency, authority, board, commission, or council, and, if applicable, public service commissions and other entities, on the part of the Franchisee is required for the valid execution and delivery of this Agreement or any other agreement or instrument executed or delivered in connection herewith.
- D. Compliance with Law. The Franchisee is in material compliance with all Applicable Law and the Franchisee has obtained all government licenses, permits, and authorizations necessary for the operation and maintenance of the Cable System.
- E. Litigation; Investigations.
1. Except as disclosed in a certificate which has been provided by the President of the Atlantic Division of Comcast Cable Communications, Inc. (or another officer of the Franchisee or its parents who is acceptable to MOCC) and approved by MOCC and the City Solicitor prior to the Closing, there is no civil, criminal, administrative, arbitration or other proceeding, investigation or claim, including, without limitation, proceedings with respect to unfair labor practice matters or labor organization activity matters or involving the granting of a temporary or permanent injunction, pending or threatened against the Franchisee at law or in equity or before any foreign, federal, City, state, county, municipal or other governmental department, commission, board, bureau, agency or instrumentality or any arbitrator(s), that, if decided adversely to the Franchisee, would:
 - a. have a material adverse effect on the business, operation, properties, assets or financial condition of the Franchisee or the Cable System, or
 - b. question the validity or prospective validity of this Agreement, of any essential element upon which this Agreement depends or of any action to be taken by the Franchisee.
 2. The Franchisee is not subject to any outstanding order, writ, injunction or decree which materially and adversely affects or will affect the business, operation, properties, assets or financial condition of the Cable System.
- F. Full Disclosure. Without limiting the specific language of any other representation and warranty in this Agreement, the Franchisee warrants and represents that, as of the Effective Date, all information furnished by the Franchisee is accurate and complete in all material respects and does not contain any untrue statement of a material fact or omit any material fact necessary to make the statements therein not misleading, including, but not limited to the information contained in:
1. this Agreement and its Appendices;
 2. any other document executed on the Effective Date;
 3. the most recently supplied financial information about the Franchisee;
 4. the most recently supplied design, as-built and construction sequence maps; and

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5. documents submitted in connection with any transfer of Control authorized by Section 11 of this Agreement.
- G. Fees. Franchisee has paid all franchise, license or other fees and charges which have become due pursuant to any prior franchise or permit and has made adequate provisions for any such fees and charges which have accrued.
- H. Licenses and Permits.
1. Franchisee has duly secured all material permits and licenses in connection with the design, construction, operation, maintenance, repair, upgrade, rebuild or enhancement of the Cable System, or any part of the Cable System, from, and has filed all required registrations, applications, reports and other documents with, the FCC.
 2. The Franchisee acknowledges and agrees that no event has occurred which (i) could result in the revocation or termination of any such license or authorization; (ii) could materially and adversely affect any rights of the Franchisee; (iii) permits, or after notice or lapse of time or both would permit, revocation or termination of any such license; or (iv) materially and adversely affects or, so far as the Franchisee can now foresee, will materially and adversely affect the Cable System or any part of the Cable System.
 3. The Franchisee has obtained all material leases, easements and equipment-rental or other agreements necessary for the maintenance and operation of the Cable System as now conducted.
- I. Ownership Interests. Appendix F represents a current, complete, and accurate description of the ownership structure of the Franchisee and a current, complete, and accurate list of all Persons which hold, directly or indirectly, a five percent (5%) or greater interest in the Franchisee, and all Persons in which the Franchisee, directly or indirectly, holds a five percent (5%) or greater interest.
- J. Additional Covenants. Until the termination of this Agreement and the satisfaction in full by the Franchisee of its obligations under this Agreement, in consideration of the Franchise granted in this Agreement, the Franchisee agrees that it will comply with the following affirmative covenants, unless the City otherwise consents in writing:
1. Compliance with Laws; Licenses and Permits. The Franchisee shall have the sole responsibility for obtaining all permits, licenses and other forms of approval or authorization necessary to construct, operate, maintain, upgrade, rebuild, enhance, replace or repair the Cable System, or any part of the Cable System. Consistent with Section 11.2 and Section 14 of this Agreement, the Franchisee shall comply with:
 - a. all Applicable Laws (including, but not limited to, those of the FCC and any other federal, state, or local agency or authority of competent jurisdiction); and
 - b. all Applicable Laws or other directives of the City, including MOCC, issued pursuant to this Agreement or Applicable Law.
 2. Maintain Existence. The Franchisee will preserve and maintain its existence, its business and all of its rights and privileges necessary or appropriate for the normal conduct of its business. The Franchisee shall maintain its good standing in the State of Maryland and continue to

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qualify to do business and remain in good standing in each jurisdiction in which it conducts business.

3. Financial Condition. The Franchisee shall, throughout the term of this Agreement and thereafter, for as long as the Franchisee is required to construct, operate, maintain, upgrade, rebuild, and enhance the Cable System pursuant to this Agreement, maintain adequate financial resources to perform all obligations pursuant to this Agreement.
4. Condition of Cable System. All of the material properties, assets and equipment of the Cable System are, and all such items added in connection with any construction, upgrade, rebuild, or enhancement will be, maintained in good repair and proper working order and condition throughout the Term of the Agreement and for any time period in which the Franchisee continues to operate the Cable System.
5. Inconsistent Contracts. The Franchisee shall not enter into any contract, compliance with which would prevent the Franchisee from performing its obligations under this Agreement.

These representations, warranties, covenants, and agreements shall not be affected or waived by any inspection or examination made by or on behalf of the City.

14.14 Survival of Representations and Warranties. After the Term of the Agreement and any extension of the Agreement, the City may seek any lawful remedy for any breach by the Franchisee or any Affiliated Person of any representation or warranty made by such Person and contained in this Agreement; provided, however, that the breach occurred during the Term of the Agreement or any extension of the Agreement; or, for a representation or warranty specifically limited to being true as of the Effective Date, that the breach occurred as of the Effective Date.

14.15 No Waiver; Cumulative Remedies. Subject to the conditions and limitations established in this Agreement, no failure on the part of the City or the Franchisee to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right, nor, except as otherwise provided in this Agreement, shall any single or partial exercise of any such right preclude any other right. Except as otherwise provided in this Agreement, the rights and remedies provided in this Agreement are cumulative and not exclusive of any remedies provided by law or in equity, and nothing contained in this Agreement shall impair any of the rights of the City under Applicable Law, subject in each case to the terms and conditions of this Agreement. A waiver of any right or remedy by either party at any one time shall not affect the exercise of such right or remedy or any other right or other remedy by such party at any other time. No waiver shall be effective unless explicit and in writing. The failure of the City to take any action in the event of a material breach by the Franchisee shall not be deemed or construed to constitute a waiver of or otherwise affect any right of the City to take any action permitted by this Agreement at any other time in the event that such material breach has not been cured, or with respect to any other material breach by the Franchisee; provided that this sentence is not intended to change or affect the application of the last sentence of Section 626(d) of the Cable Act, 47 U.S.C. § 546(d), or any successor to such sentence.

14.16 Cooperation. The parties recognize that it is in their mutual best interest to cooperate with each other in accordance with the terms and provisions of this 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 agent designated for this purpose by the other. That agent will use his or her best efforts to facilitate the particular action requested.

14.17 No Opposition. By execution of this Agreement, the Franchisee:

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- A. accepts the validity of the terms and conditions of this Agreement, including the Appendices, in their entirety; and
- B. waives and relinquishes, to the maximum extent permitted by Applicable Law, any and all rights it has as of the Effective Date, or may have had prior to the Effective Date, in law or in equity, to assert in any manner, at any time or in any forum, that this Agreement, the Franchise, or the processes and procedures pursuant to which this Agreement was entered into and the Franchise was granted, are not consistent with Applicable Law as of the Effective Date.

14.18 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and permitted transferees and assigns. All of the provisions of this Agreement apply to the Franchisee, its successors, and assigns.

14.19 No Recourse Against the City. The City and its officials, boards, commissions, officers, employees, agents, attorneys, consultants or independent contractors shall have no liability for any loss, expense, or damage arising out of any provision or requirement of the Franchise, the enforcement of the Franchise, or the regulation of Cable Service, except as provided by Section 635a of the Cable Act (47 U.S.C. §555a) and as otherwise provided by Applicable Law.

14.20 Interpretation. This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to the Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

14.21 Headings and Interpretation. The headings contained in this Agreement are to facilitate reference only, do not form a part of this Agreement, and shall not in any way affect the construction or interpretation of this Agreement.

14.22 Terms. Terms such as “hereby,” “herein,” “hereof,” “hereinafter,” “hereunder,” and “hereto” refer to this Agreement as a whole and not to the particular sentence or paragraph where they appear, unless the context otherwise requires. The term “may” is permissive; the terms “shall” and “will” are mandatory, not merely directive. All references to any gender shall be deemed to include all others, as the context may require. Terms used in the plural include the singular, and vice versa, unless the context otherwise requires. “Number” shall include “amount” and vice versa.

14.23 Days and Time; Computation of Time.

- A. Days and Time. Any reference in this Agreement to “day” or “days” shall mean calendar days and not Business Days. If the date for giving or receiving of any notice or the performance of any obligation required by this Agreement falls on a Saturday, Sunday, or federal or State of Maryland holiday, then the notice or obligation may be given or performed on the next Business Day after such Saturday, Sunday, or federal or State of Maryland holiday. Any reference to time of day in this Agreement shall refer to local time for the City.
- B. Computation. Unless otherwise provided, the first Day to be counted under this Agreement when a period of time begins with the occurrence of an act, event, or default is the Day after the Day on which the act, event, or default occurs. When computing a period of time, the last Day of such period is included in the computation, and any required action must be taken on or before that Day. It is immaterial whether the first Day of a time period is a Holiday.

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14.24 No Agency. The Franchisee shall conduct the work to be performed pursuant to this Agreement as an independent contractor and not as an agent of the City. No liability or benefits, such as worker's compensation, pension rights or liabilities, insurance rights or liabilities, or other provisions or liabilities, arising out of or related to a contract for hire or employer/employee relationship, shall arise or accrue to either party or to either party's agents or employees as a result of the performance of this Agreement.

14.25 Delegation of City Rights.

- A. Reservation and Notice. Except where this Agreement specifies that an action is to be taken by the Board or Council, the City reserves the right to delegate and re-delegate, from time to time, any of its rights or obligations under this Agreement to any body, organization, or official. Any such delegation by the City shall be effective upon written notice by the City to the Franchisee of such delegation. Upon receipt of such notice by the Franchisee, the Franchisee shall be bound by all terms and conditions of the delegation not in conflict with this Agreement.
- B. Not an Amendment. Any such delegation, revocation, or re-delegation, no matter how often made, shall not be deemed an amendment to this Agreement or require any consent of the Franchisee.
- C. Fact-Finding. Nothing in this Section shall be construed to prevent the Board or Council from delegating any fact-finding function, including, but not limited to, the hearing of evidence, in support of a decision that must be made by the Board or Council under this Agreement, provided that the Board or Council is the entity that shall adopt the final findings of fact and conclusions of law for the City, subject to any subsequent judicial process under Applicable Law.

14.26 No Third Party Beneficiaries. Nothing in this Agreement shall create, or be construed to create, any third party beneficiary rights in any person or entity not a signatory to this Agreement.

14.27 Time of the Essence. Time is of the essence in the execution and performance of all terms and provisions of this Agreement.

[signatures on following page]

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

MAYOR AND CITY COUNCIL OF BALTIMORE

By: _____
Mayor

ATTEST:

Custodian of Seal

COMCAST OF BALTIMORE CITY, L.P.

By: _____

Its: _____

WITNESS/ATTEST:

Approved as to Form and Legal Sufficiency:

Approved:

City Solicitor

City Purchasing Agent

Approved by the Board of Estimates:

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APPENDIX A SYSTEM CHARACTERISTICS

Section 1. Glossary of Technical Terms.

For the purposes of this Appendix A, the following terms shall have the meanings ascribed to them in Section 1 of this Agreement or the following meanings, without regard to whether such terms are capitalized within Appendix.

ADDRESSABLE: The ability of a signal security device such as a Converter or Set-Top Box to permit, via control from people at a remote location (*e.g.*, a cable operator's customer service representatives), which Channels or Signals are passed through to Subscribers.

AURAL CARRIER: A radio frequency signal generated within a Modulator or transmitter and used to carry audio/sound programming.

BANDWIDTH: The difference between the highest frequency part and the lowest frequency part of a signal or portion of the Spectrum.

BASEBAND: The video and audio electrical Signal outputs from television cameras and microphones before the Signals are modulated by a Modulator or transmitter onto a radio frequency Carrier for distribution over long distances.

CARRIER: A radio wave altered within a Modulator or transmitter to carry a Signal. See Aural Carrier and Visual Carrier.

CHANNEL BLOCKING: The control of whether one or more Channels are permitted to be passed from the System through a Subscriber's Converter or Set-Top Box to the television Receiver or other Subscriber equipment.

COAXIAL CABLE: A transmission medium consisting of a metallic electrical conductor surrounded by an insulation material that is covered by a second electrical conductor typically referred to as the shield. Originally used as the transmission medium for most, if not all, parts of a cable network, Coaxial Cable is now generally used only at the latter ends of cable television systems because Fiber Optic Cable provides better performance over long distances.

COAXIAL DISTRIBUTION FEEDER LEG: The Coaxial Cables that take signals from the Trunk Line to the Subscriber area and to which Subscriber Taps are attached. Synonymous with Feeder Line.

CODEC: Coder Decoder; Compression Decompression device; a device that converts signals between analog and digital states and/or compresses and decompresses digital signals.

COMPRESSION: See Digital Compression.

CONDITIONAL ACCESS: A system by which the Franchisee permits only certain Subscribers who pay for a particular programming service (*e.g.*, a premium cable channel like HBO) to receive that service. Conditional Access typically is performed by use of Addressable Converters and Set-Top Boxes.

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CONVERTER: A device that permits programming carried on a cable television system to be viewed (or heard in the case of audio programming) on regular television receivers. Converters are necessary for Subscribers without cable-ready television sets because cable television systems carry Channels on different frequencies than they are broadcast over the air. Converters also may be necessary to enable Subscribers to receive programming to which there is Conditional Access (depending on the type of Conditional Access) if so, the Converter functions as a Descrambler. A Set-Top Box is a type of Converter.

DOCSIS: Data Over Cable Service Interface Specifications. Specifications of requirements for transmission of digital/data signals, such as access to the Internet, over cable television systems. Currently, there are a few different sets of DOCSIS specifications.

DECODER: A device that converts digital signals to analog Signals.

DEMODULATOR: A device that converts radio frequency signals to Baseband Signals.

DESCRAMBLER: A device that removes the distortion added to programming for purposes of Conditional Access.

DIGITAL COMPRESSION: Altering a digital signal so it can be transmitted or stored in less Spectrum space. Digital Compression results in the loss of a portion of the signal although the most important parts are preserved.

DISTRIBUTION SYSTEM: The part of a Cable System used to carry Signals from the Headend to subscribers' equipment. Sometimes applied, more narrowly, to the part of a Cable System after the Trunk Lines and before the Tap.

DOWNSTREAM: The direction of Signals on the System from any location and going toward a Subscriber.

DROP CABLE: Coaxial Cable from the Tap to the Subscriber's building.

ELECTROMAGNETIC SPECTRUM: All the radio frequencies that are or may be used for radio communications; frequently called "frequency spectrum" or just "Spectrum."

ENCODER: A device that converts analog signals to digital signals.

ETHERNET: One of several types of standards for the transmission of data.

FEEDER LINE: *See* Coaxial Distribution Feeder Leg.

FIBER NODE: Equipment that converts optical radio frequency (light) Signals delivered on Fiber Optic Cables to electrical radio frequency Signals to be carried on Coaxial Cable.

FIBER OPTIC CABLE: A transmission medium which uses very thin strands of glass or plastic to transmit optical radio frequency (light) signals as opposed to other, metal-based wires or cables (including Coaxial Cable) which transmit electrical radio frequency Signals. Fiber Optic Cables offer much greater capacity (for a given size cable or wire) and data transmission rates than traditional mediums.

FIBER OPTIC LINK: A transmission link using Fiber Optic Cables between two points with a laser transmitter (or other light transmitter) at one point and an optical Receiver at the other.

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HEADEND: The control center of a cable television system, where incoming Signals (whether received from other sources or produced locally by the cable operator) are amplified, converted, processed, and combined into a common cable for transmission to Subscribers. The Headend usually has antennas, preamplifiers, frequency converters, Demodulators, Modulators, processors, and other related equipment.

HIGH-DEFINITION TELEVISION (“HDTV”): Television transmission standards replacing the NTSC standards to provide increased performance.

HIGH-SPEED ETHERNET SWITCHES: Devices used to interconnect digital data transmission links operating at Ethernet high-speed rates, frequently located at cable television system Headends and Hubs.

HUB: Larger geographic cable systems often have multiple Hubs located between the Headend and the Taps, with each Hub serving a portion of the franchise area. Each Hub is linked to the main Headend with a signal transmission link such as a Fiber Optic Link, high-capacity Coaxial Cable or microwave radio transmission and reception equipment. A Hub usually is located in a building and may contain equipment such as fiber optic receivers and transmitters, amplifiers, Modulators, Demodulators and associated equipment.

HVAC: Heating, Ventilation and Air Conditioning system and equipment.

HYBRID FIBER-COAXIAL (“HFC”): A description of a Distribution System that uses a combination of Fiber Optic Link and Coaxial Cable technologies and equipment.

MODULATOR: The electronic equipment required to combine video and audio signals from a studio, satellite receiver, microwave receiver or another source and convert the signals to radio frequency signals for distribution on a cable system. (Modulation is the process of encoding information onto a radio wave (or “Carrier”) by altering one of its basic characteristics (*i.e.*, amplitude, frequency and phase) in relation to the input signal.) Also, a very low-powered television signal generator used to provide signals for distribution on a cable television system.

NODE: A point of connection in a network. As used in Appendix A, “Node” refers to Fiber Nodes.

NODE SERVICE AREA: The portion of the Franchise Area within which service is provided to subscribers from a given Fiber Node.

NATIONAL TELEVISION STANDARDS COMMITTEE (“NTSC”): The standards for traditional television broadcasts. Following these standards, NTSC channels consist of 6 MHz of Bandwidth to carry video and audio programming information.

PASSIVE DEVICE: A device or piece of equipment that does not require electrical power to operate.

PASSIVE FILTER: A device, which does not require electrical power to operate, that controls whether certain signals can be received. Passive Filters sometimes are used as a form of Conditional Access.

PASSIVE: See Passive Device.

PROCESSOR: A piece of equipment that usually transforms signals from one part of the Electromagnetic Spectrum, such as a UHF television signal, to another portion of the Electromagnetic Spectrum for distribution over cable television systems. In some cases, a Processor may be used, without transforming the signals to a different portion of the Electromagnetic Spectrum, to control or combine signals for viewing and hearing by subscribers or to resolve technical problems such as interference.

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RECEIVER: An electronic device that permits programming to be viewed or heard on other devices, usually by converting radio frequencies into visual or audio signals, whether of a lower radio frequency or Baseband. For cable television, the Receiver usually is part of the Subscriber's television set.

RING TOPOLOGY: A network configuration in which the transmission interconnections run among multiple locations so that the locations and their transmission paths among them resemble a ring.

ROUTER: A data communications device that functions like a bridge between networks or portions of networks but can also find the best route between or within networks.

SCALABLE: Capable of being increased to serve additional subscribers or carry more services relatively easily or with a minimum of additional equipment.

SCRAMBLE: A signal security technique for distorting a programming signal to make it unviewable and/or unlistenable except to persons with a properly authorized Decoder or Descrambler.

SEGMENTATION: A process by which one Node is made the equivalent of multiple Nodes at the same location by dividing the incoming and/or outgoing transmission paths among additional equipment.

SET-TOP BOX: A Converter with advanced or additional features.

SIDEBAND: New frequencies created as part of the amplitude Modulation process for television video signal transmission.

SPECTRUM: See Electromagnetic Spectrum.

STAR TOPOLOGY: A network configuration in which the transmissions run from a central point to multiple outlying locations (and vice versa), so the transmission paths collectively resemble the shape of a star.

SWITCHER: A device used to select and control which programming is passed through system facilities. Switchers primarily are found at the Headend and Hub facilities.

TAP: A device in the Distribution System where the interconnection to the Drop Cable to the Subscriber's building takes place.

TERMINAL DEVICE: Equipment at either end of a transmission link, such as a transmitter, Receiver, Modulator, Demodulator, or Processor.

TIER FILTER: A device that controls whether a subscriber may receive certain groups (or "tiers") of programming, such as the Basic and Expanded Basic programming tiers.

TRANSCODER: A device that converts digital signals from one standard, interface or Compression ratio to another. A Transcoder permits two pieces of equipment that operate at different standards, interfaces, or Compression ratios to send signals to each other.

TRANSPONDER: A device that receives a Downstream signal and then generates a signal from local data for transmission over the Upstream portion of a cable television system. The cable operator may use Transponders for ongoing monitoring of the status of equipment in remote portions of its network or for remote performance evaluation during tests.

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TRAP: A device that either permits or restricts certain frequencies and signals to be passed through. A Trap may be used to keep a Subscriber from receiving a particular programming service, either because he or she does not subscribe to the service or because he or she does not wish to receive it as part of a package of services to which he or she does subscribe.

TREE AND BRANCH COAXIAL SYSTEM: A Distribution System made up of Coaxial Cable whose interconnection pattern resembles a tree with branches. The Headend, Hubs, and Nodes are located in the root area of the tree. Distribution of signals continues up the Trunk Lines, which are the trunk of the tree. Feeder Lines, like branches, connect the Trunk Lines to the subscriber Taps at the leaves.

TRUNK LINE: The portion of a Coaxial Cable Distribution System between the Headend, Hubs or Nodes and the Feeder Line.

TWO-WAY: The ability of a cable television system to transmit signals in both the Downstream and Upstream directions.

UPSTREAM: The direction of Signals on the System from any location and going toward a Headend, Hub, or other distribution facility of the System.

VERTICAL BLANKING INTERVAL (“VBI”): The time during which the electron gun that causes a picture to display on a television screen moves from bottom to top to begin to scan the next image. During this time, the television signal is not used for video information and may be used to transmit performance test signals, as well as other data such as captions, Web data, and current stock market prices.

VIDEO-ON-DEMAND (“VOD”): The ability of a cable television system to provide television programming immediately when ordered by a Subscriber rather than at a time determined by the programmer or cable operator.

VIDEO-ON-DEMAND (“VOD”) SERVER: The computer and memory storage devices on which the cable operator stores programs available for VOD to Subscribers.

VISUAL CARRIER: A radio frequency signal generated with a Modulator or transmitter and used to carry video programming.

Section 2. Technical Design.

2.1 Cable System. The system shall conform to all applicable FCC technical performance standards, as amended from time to time and the system shall have the personnel, facilities and equipment sufficient to ensure that Franchisee’s cable system remains in compliance.

2.2 Overview of System Upgrade Commitments.

2.2.1 The Franchisee shall upgrade its plant in Baltimore City, Maryland, constructing a hybrid fiber-coaxial plant (“HFC”) for Signal distribution. The Upgraded System shall be capable of passing frequencies of at least eight hundred sixty (860) megahertz (MHz) cable bandwidth and shall be Two-Way active. The Upgraded plant shall be able to support a minimum Analog Channel capacity of eighty (80) Analog Channels. The System shall be capable of providing over two hundred (200) Digital Services. Fiber optic conductors shall be widely deployed, reaching neighborhood nodes.

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2.2.2 The Franchisee shall employ a fiber-to-the-node architecture, with nodes serving an average of one thousand five hundred (1,500) homes passed. Based on the Franchisee's System design, the typical node size will be lower than this average.

2.2.3 Nodes shall be sufficiently scalable to meet any future service requirements and such scalability can be accomplished with minimal further construction. In order to better increase signal quality and improve the reliability of the System, the System shall employ a maximum of six (6) amplifiers in a cascade after the node. Of these six (6) amplifiers, a maximum of two (2) line extender amplifiers, on average, shall be used. However, based on the Franchisee's System design, the typical number of amplifiers in a cascade will be lower.

2.2.4 The System shall have the capacity to offer a variety of Digital Services to Subscribers, including television and audio programming on digitally compressed Channels, Two-Way Internet access, high-definition television ("HDTV") and other emerging and advanced Services. The System shall have backup power to assure reliability.

2.2.5 The System shall have two-way addressable capability, and the capability to transmit targeted programming to a group of selected Subscribers in encrypted format on a designated channel.

2.3 Fiber optic links may transport program Signals from local broadcast television stations. The Franchisee may also use fiber optic links to bring in satellite and other programming from neighboring cable systems. Receivers, demodulators, transcoders, modulators, scramblers, processors, switchers, monitors and test equipment are some of the equipment types to be found in the headend.

2.4 The headend Signals shall be transported to other facilities termed hub sites. There shall be multiple hub sites, including the one located at the headend, located throughout the System. The hub sites house laser transmitters and optical receivers that communicate with the nodes. Digital set-top box data demodulators, cable modem routers, video-on-demand servers and high-speed Ethernet switches may also be housed in the hub facility.

2.5 A fiber optic path shall interconnect the hub facilities. This path topology shall provide redundant paths to protect against a disruption associated with a fiber cut. Signals are sent both clockwise and counterclockwise around this path. Each hub site, therefore, shall receive Signals from either direction. Automatic switching equipment shall exist at each hub site to select the alternate route if the primary route fails (this alternate route is hereinafter referred to as the "Backup Route"). As a result of this redundancy, any single point of damage to the fiber path will not result in the loss of Signal to the hub site. Fiber optic cables connect each hub facility to the nodes it serves in a star topology.

2.6 The node is the demarcation point where the optical fibers terminate and the coaxial cable signals originate in the HFC network architecture. The tree and branch coaxial cable system shall be divided into a number of smaller coaxial systems. The area served by one of these systems is dependent upon the reach of a given coaxial distribution feeder leg.

2.7 Node segmentation is a process used to provide more bandwidth to and from a given node service area; this would be desired when there is significant growth in the number of Subscribers using this bandwidth. The Franchisee shall segment the nodes in order to prevent degradation in the quality of service to unacceptable levels. Several methods exist to segment the node service area, for example: additional bandwidth may be provisioned to allow more communications Channels, the node may be equipped with additional Upstream transmitters, and another node may be placed near the existing node.

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2.8 As noted above, the System shall be constructed with sufficient fiber to allow for node scalability with minimal further construction.

2.9 Signal Distribution Techniques.

2.9.1 Signal distribution will take the package of analog and digital Signals, generated by the headend, and send the Signals to the hubs by fiber optic links. Redundancy switches at the hubs shall allow the selection of the Backup Route when required. The hubs shall send the Signals to the nodes by fiber optic links.

2.9.2 Nodes will receive the optical radio frequency Signals from a hub, and convert them to electrical radio frequency Signals for injection into the coaxial cables. The coaxial network of cable, amplifiers and taps will provide a Signal into the drop cable that enters the Subscriber's premises.

Section 3. System Bandwidth and Capacity.

3.1 Distribution Lines/Equipment.

3.1.1 Most of the existing coaxial trunk and feeder cable will be retained. Additional cable shall be added where needed as dictated by System design or for replacement of defective cable.

3.1.2 All System passives and Subscriber taps shall be rated for at least one (1) Ghz.

3.1.3 Amplifiers shall be at least eight hundred sixty (860) MHz units. All of the power supplies throughout the distribution system shall be a minimum of eighty-seven (87) volt standby units.

3.2 Two-Way Capability.

3.2.1 The entire Upgraded System shall be activated for Two-Way transmission. As the Upgrade for each node service area is completed, that node service area shall be activated for Two-Way transmission.

3.2.2 Signals in the five (5) MHz to forty (40) MHz spectrum of the coaxial cable system are transformed into optical Signals at the node. The node optical radio frequency Signals are received at the hubs and converted back to electrical radio frequency Signals. This Upstream information is communicated to the digital set-top box demodulators, the cable modem routers and other equipment.

3.3 Standby Power.

3.3.1 All headend and hub facilities shall have auxiliary power generators capable of powering the headend and hub equipment in the event of a commercial power failure for at least twenty-four (24) hours. All sensitive electronic equipment, including routers, switches, satellite receivers, modulators, optical receivers, and optical transmitters, shall be powered by an uninterruptible power source ("UPS").

3.3.2 The generators and commercial power shall recharge the batteries in the UPS. The cable plant distribution system electronics (including, but not limited to, nodes and amplifiers) shall also have standby power supplies in the event commercial power is interrupted.

3.3.3 All of the standby power supplies throughout the distribution system shall be a minimum of eighty-seven (87) volt standby units. These power supplies shall contain fully charged batteries that allow

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the unit to generate cable power when the utility power is interrupted. These power supplies shall be able to power the distribution system for two (2) hours or more as nominally rated.

3.3.4 Each standby power supply will be electronically monitored by January 1, 2007. The monitoring devices shall communicate data on commercial power interruptions to the network operations center and shall communicate the condition of the batteries. As a result, if a power outage is anticipated to be in excess of two (2) hours, trucks equipped with power generators shall be dispatched to provide power to the nodes and amplifiers in excess of the battery run time.

3.4 System Monitoring. The Franchisee shall implement status monitoring at all system hubs and OTN's by January 1, 2007. The status monitoring system will, among other things, monitor signal level, equipment telemetry, and environmental status and alert the Franchisee when errors occur. The network operations center shall monitor the network twenty-four (24) hours a Day, seven (7) Days a week.

3.5 Subscriber Premises Equipment. (E.g., set-top boxes, Two-Way Modems)

3.5.1 Both analog addressable and digital addressable set-top boxes shall be available to Subscribers.

3.5.2 It is anticipated that cable modems for Two-Way Internet service will adhere to Data Over Cable Service Interface Specification ("DOCSIS") standards. The System shall be able to support DOCSIS compliant cable modems. The Franchisee anticipates that alternative cable modem standards may become widely used in the future. The Franchisee shall take into consideration Subscriber usage of other standards when deciding on future standards for its Two-Way cable modems.

3.6 Parental Control Options.

3.6.1. The Subscriber set-top box shall have the capability for the Subscriber to block out any Analog Channel or Digital Television Channel so chosen. The Subscriber will enter a password to view the Channels that he or she has chosen to block. In the future, alternative or additional technology may be employed to accomplish this Signal security function.

3.6.2 It is anticipated that the vertical blanking interval information generated by a program supplier for V-chip technology can be used by Subscriber purchased equipment to further aid the Subscriber's control over programming.

3.6.3 In addition to these mechanisms available to parents to block out programming. There are additional Signal security mechanisms that available in the System that can limit the delivery of programming to the Subscriber's home.

3.6.4 Service Delivery Techniques (e.g., Addressable) and Buy-Through Prohibition. The most flexible and secure delivery is by the encryption and the conditional access features of the digital set-top boxes. Premium Channel access, pay-per-view authorization and program package or tier authorization are made possible by this technology.

3.6.5 Passive filters in individual customer drops can accomplish basic and expanded tier security. Accordingly, a basic only customer may elect to purchase a pay-per-view Channel or a premium Channel in accordance with the federal buy through provisions as set forth in Section 623(b)(8) of the Cable Act (47 U.S.C. § 543(b)(8)) (or any successor thereto).

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APPENDIX B PEG SIGNAL INPUT POINTS

Permanent

1. 8 Market Place
2. 100 N. Holliday (City Hall)
3. 200 E. North Avenue (School Headquarters)
4. 620 Fallsway (Emergency Operations Center 1)
5. 1201 E. Coldsprings (Emergency Operations Center 2)

Remote

1. 2600 W. North Avenue (Coppin College)
2. 2600 E. Northern Parkway (School Technology Center)
3. Camden Yards/Ravens Stadium Complex (State Emergency Operations Center)
4. University of Maryland College Park
5. Johns Hopkins University
6. Morgan State University

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APPENDIX C FACILITIES RECEIVING COURTESY CABLE SERVICE

| CUST CLASS | ADDRESS | NAME |
|------------|------------------------------|-----------------------|
| FIRE HOUSE | 4522 HARFORD RD | AT114 ENGINE 42 |
| FIRE HOUSE | 1407 KEY HWY | BALTO CITY FIRE MNT |
| FIRE HOUSE | 414 N CALVERT ST APT 2 | BALTO FIRE DEPT |
| FIRE HOUSE | 3724 ROLAND AVE | ENGINE 21 |
| FIRE HOUSE | 800 LIGHT ST | ENGINE CO 2 |
| FIRE HOUSE | 15 S EUTAW ST APT A | ENGINE CO 23 |
| FIRE HOUSE | 3525 WOODBROOK AVE | ENGINE COMPANY 52 |
| FIRE HOUSE | 15 S EUTAW ST APT B | ENGINE FIRE HOUSE |
| FIRE HOUSE | 1229 BUSH ST | ENGINE TRUCK 23 |
| FIRE HOUSE | 1908 HOLLINS ST | ENGINE14 FIREHOUSE |
| FIRE HOUSE | 4315 MANNASOTA AVE | ENGINE27 FIREHOUSE |
| FIRE HOUSE | 2249 EDMONDSON AVE | ENGINE36 FIREHOUSE |
| FIRE HOUSE | 520 S CONKLING ST | ENGINE41 FIRESTATION |
| FIRE HOUSE | 2 UPLAND RD | ENGINE44 FIREHOUSE |
| FIRE HOUSE | 608 SWANN AVE | ENGINE53 FIREHOUSE |
| FIRE HOUSE | 4312 PARK HTS AVE | FIRE DEPARTMENT 29 |
| FIRE HOUSE | 5714 EASTERN AVE | FIRE STATION 124 |
| FIRE HOUSE | 3906 LIBERTY HTS AVE | FIRE STATION 40 |
| FIRE HOUSE | 2700 GLEN AVE | FIRE STATION 45 |
| FIRE HOUSE | 1601 BROENING HWY | FIRE STATION 50 |
| FIRE HOUSE | 4427 PENNINGTON AVE | FIRE STATION 57 |
| FIRE HOUSE | 2425 ANNAPOLIS RD | FIRE STATION 58 |
| FIRE HOUSE | 1503 W LAFAYETTE AVE | FIRE STATION 8 |
| FIRE HOUSE | 2608 WASHINGTON BLVD | FIRE- STATION 47 |
| FIRE HOUSE | 410 E LEXINGTON ST APT 2 | FIRE DEP COMMUN ROOM |
| FIRE HOUSE | 5500 REISTERSTOWN RD | FIRE DEP ENGINE 46 |
| FIRE HOUSE | 1100 HILLEN ST APT 1 | FIRE DEP ENGINE 6 |
| FIRE HOUSE | 1100 WALTERS AVE | FIRE DEP ENGINE WE43 |
| FIRE HOUSE | 430 MAUDE AVE | FIRE ST STATION 35 |
| FIRE HOUSE | 6512 HARFORD RD | FIREHOUS ENGINE 56 |
| FIRE HOUSE | 646 N HIGHLAND AVE | FIREHOUS FIREHOUSE-51 |
| FIRE HOUSE | 405 MCMECHEN ST | STATION ENGINE 16 |
| FIRE HOUSE | 5821 BELAIR RD | THE FIRE DEPT 54 |
| FIRE HOUSE | 1223 N MONTFORD AVE | TRUCK FIRE DEPT |
| FIRE HOUSE | 3123 GREENMOUNT AVE | TRUCK FIREHOUSE |
| FIRE HOUSE | 3220 FREDERICK AVE | TRUCK FIRESTATN 30 |
| FIRE HOUSE | 1201 E COLD SPRING LN APT UP | TRUCK 29 ENGINE 4 |
| FIRE HOUSE | 3130 W NORTH AVE | WALBROOK FIRE STATION |
| GOVERNMENT | 15 S EUTAW ST APT C | AERIAL TOWER 102 |
| GOVERNMENT | 201 W BALTIMORE ST | BALTIMOR ARENA |
| GOVERNMENT | 414 N CALVERT ST APT 1 | CITY BALTO |
| GOVERNMENT | 2331 N FULTON AVE | DEPT PUBLIC WRKS |
| GOVERNMENT | 32 MARKET PL APT 200B | MAYOR OFFICE |
| GOVERNMENT | 32 MARKET PL APT 200C | MAYORS OFFICE |
| GOVERNMENT | 100 HOLLIDAY ST | MAYOR'S OFFICE |

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| CUST CLASS | ADDRESS | NAME |
|-------------------|-------------------------------|------------------------|
| GOVERNMENT | 32 MARKET PL APT 200E | MAYOR'S OFFICE CABLE |
| GOVERNMENT | 32 MARKET PL APT 200D | MOCC AUDIO VISUAL |
| GOVERNMENT | 32 MARKET PL APT 200A | MOCC MAYOR'S OFC |
| GOVERNMENT | 1201 E COLD SPRING LN APT LOW | OFFICE DISASTER&DEF |
| GOVERNMENT | 111 N CALVERT ST | OFFICE TELECOMM |
| GOVERNMENT | 620 FALLSWAY | SAFETY X-ING GUARD |
| POLICE | 3355 KESWICK RD | NORTHERN POLICE DIST |
| POLICE | 3560 3RD ST | PAL BROOKLYN-O'MA |
| POLICE | 1201 N ROSEDALE ST | PAL ROSEMONT |
| POLICE | 3000 E MADISON ST | POLICE ATHLETIC LEAG |
| POLICE | 3000 E MADISON ST | POLICE ATHLETIC LEAG |
| POLICE | 2525 KIRK AVE | POLICE DEPT |
| POLICE | 1900 ARGONNE DR | POLICE DEPT |
| POLICE | 1620 EDISON HWY | PRECINCT EASTDISTRICT |
| POLICE | 5710 EASTERN AVE | SOUTH POLICE DIST |
| POLICE | 10 CHERRY HILL RD | SOUTHERN DISTPOLICE |
| POLICE | 424 FONT HILL AVE | SW POLIC STATION |
| POLICE | 1034 N MOUNT ST | WESTERN DISTPOLICE |
| REC CENTER | 300 W 29TH ST | REC CENT BARCLAY |
| REC CENTER | 1401 FILLMORE ST REC | REC CENT COLSTREAM |
| REC CENTER | 100 E HEATH ST REC | REC CENT ELLA BAILEY |
| REC CENTER | 4633 FURLEY AVE | REC CENT FURLEY PS #20 |
| REC CENTER | 2304 GREENMOUNT AVE | REC CENT GREENMOUNT |
| REC CENTER | 700 N CALHOUN ST | REC CENT HARLEM PARK |
| REC CENTER | 31 S SCHROEDER ST | REC CENT JAMES MCHENRY |
| REC CENTER | 1400 E BIDDLE ST | REC CENT MADISON SQUAR |
| REC CENTER | 1221 W 36TH ST REC | REC CENT ROOSEVELT |
| REC CENTER | 600 N PATTERSON PK AV | REC CENT TENCH TILGHMA |
| SCHOOL | 1300 GORSUCH AVE | ABBOTTST ELEM SCHOOL |
| SCHOOL | 800 POPLAR GROVE ST | ALEXANDE HAMILTON SCH |
| SCHOOL | 3701 SINCLAIR LN | ARCHBSPH CURLEY H SCH |
| SCHOOL | 3705 W ROGERS AVE | ARLINGTO ELEM SCHOOL |
| SCHOOL | 5001 E EAGER ST | ARMSTEAD GARDENS ELEM |
| SCHOOL | 2700 SEAMON AVE | ARNETT BROWN SCHOOL |
| SCHOOL | 2400 ROUND RD | ARUNDEL ELEMENTARY |
| SCHOOL | 3935 HILTON RD | ASHBURTO ELEM MIDDLE S |
| SCHOOL | 3220 THE ALAMEDA | BALTIMOR CITY COLLEGE |
| SCHOOL | 3006 W COLD SPRING LN | BALTIMOR JR ACADEMY |
| SCHOOL | 2900 BARCLAY ST | BARCLAY SCHOOL |
| SCHOOL | 4301 10TH ST | BAYBROOK ELEM SCH |
| SCHOOL | 301 S BEECHFIELD AVE | BEECHFIE ELEM SCH |
| SCHOOL | 1406 N ELLAMONT ST | BELMONT ELEMSCH |
| SCHOOL | 1201 CAMBRIA ST | BENJAMIN FRANKLIN SCH |
| SCHOOL | 220 N BENTALOU ST | BENTALOU ELEM |
| SCHOOL | 1400 N CAROLINE ST | BERNARD HARRIS ELEM |
| SCHOOL | 3500 FOSTER AVE | BISHOP NEMAN SCHOOL |
| SCHOOL | 1301 MCCULLOH ST | BOOKER WASH SCHOOL |
| SCHOOL | 822 W LAKE AVE | BOYS LATIN SCH |

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| CUST CLASS | ADDRESS | NAME |
|-------------------|------------------------------|------------------------|
| SCHOOL | 3536 BREHMS LN | BREHMS LANE ELEM |
| SCHOOL | 3701 FERNHILL AVE | CALLAWAY ELM SCHL |
| SCHOOL | 2625 E NORTHERN PKWY | CALVARY LUTHERAN SCH |
| SCHOOL | 4201 PENNINGTON AVE | CALVARY TEMPLE SCHOOL |
| SCHOOL | 1100 WHITMORE AVE | CALVERTO MIDDLE SCH |
| SCHOOL | 3501 HILLSDALE RD | CALVIN RODWELL ELM |
| SCHOOL | 801 S HIGHLAND AVE | CANTON MIDDLE SCHOOL |
| SCHOOL | 3225 WILKENS AVE | CARDINAL GIBBONS SCHL |
| SCHOOL | 2501 SEABURY RD | CARTER WOODSON SCH |
| SCHOOL | 2201 PRESSTMAN ST | CARVER VOC-TECH |
| SCHOOL | 2800 EDISON HWY | CATHOLIC HIGH SCHL |
| SCHOOL | 4910 PARK HTS AVE | CC JACKSON |
| SCHOOL | 2000 CECIL AVE | CECIL ELEMENTARY |
| SCHOOL | 200 N CENTRAL AVE | CHARLES CARROLL SCH |
| SCHOOL | 1526 N FREMONT AVE APT A | CHARLES HALL ELM SCHL |
| SCHOOL | 801 BRIDGEVIEW RD | CHERRY HILL ELEM SCH |
| SCHOOL | 5301 ERDMAN AVE | CLAREMNT SCHOOL |
| SCHOOL | 1409 N COLLINGTON AVE | COLLING- TON SQ ELEM |
| SCHOOL | 2600 W NORTH AVE | COPPIN STATE COLLEGE |
| SCHOOL | 6100 CROSS CNTRY BL | CROSS COUNTRY ELEM |
| SCHOOL | 4301 W BAY AVE | CURTIS BAY ELE |
| SCHOOL | 201 E 21ST ST | DALLAS NICHOLAS ELEM |
| SCHOOL | 5025 DICKEY HILL RD | DICKEY HILL ELM SCHL |
| SCHOOL | 1300 HERKIMER ST | DIGGS JOHNSON SCH |
| SCHOOL | 500 N CAROLINE ST | DUNBAR MIDDLE SCH |
| SCHOOL | 1400 ORLEANS ST | DUNBAR SENIOR HIGH |
| SCHOOL | 2001 LINDEN AVE | EAGER HOWARD ELEM |
| SCHOOL | 2835 VIRGINIA AVE | EDGECOMB CIRCELEM |
| SCHOOL | 1900 EDGEWOOD ST | EDGEWOOD ELEMSCH |
| SCHOOL | 4501 EDMONDSON AVE | EDMOND WESTSIDE SCH |
| SCHOOL | 501 N ATHOL AVE | EDMONDSO HIGH SCH |
| SCHOOL | 2500 E NORTHERN PKWY STE 236 | ELE CECIL |
| SCHOOL | 181 N BEND RD | ELEM NORTHBEND |
| SCHOOL | 181 N BEND RD | ELEM NORTHBEND |
| SCHOOL | 1400 EXETER HALL AVE APT 102 | ELEMENTA COLDSTREAM |
| SCHOOL | 1101 N WOLFE ST | ELMER HENDERSON ELE |
| SCHOOL | 1624 EUTAW PL | EUTAW MARSHBURN |
| SCHOOL | 2848 W LAFAYETTE AVE | F CHARLS MIDDLE SCH |
| SCHOOL | 2555 HARFORD RD | FAIRMONT HARFORD HIGH |
| SCHOOL | 3801 FALLSTAFF RD | FALLSTAF MIDDLE SCHL |
| SCHOOL | 1035 S KENWOOD AVE | FATHER KOLBE SCHOOL |
| SCHOOL | 1040 WILLIAM ST | FED HILL ELEM SCHL |
| SCHOOL | 6720 PULASKI HWY | FIRE ACADEMY |
| SCHOOL | 3701 ELDORADO AVE | FOREST PARK HIGH |
| SCHOOL | 2701 E OLIVER ST | FORT WORTHINGTON |
| SCHOOL | 1425 E FORT AVE | FRANCIS SCOTT KEY |
| SCHOOL | 100 N CALHOUN ST | FRANCIS WOOD ALT HIGH |
| SCHOOL | 6001 FRANKFORD AVE APT 118 | FRANKFRD INTERM SCHOOL |

Council Bill 04-1504

| CUST CLASS | ADDRESS | NAME |
|-------------------|----------------------|------------------------|
| SCHOOL | 1400 W LEXINGTON ST | FRANKLIN SQUARE ELEM |
| SCHOOL | 2301 GWYNNS FLS PKY | FREDERIC DOUGLAS HIGH |
| SCHOOL | 2501 FREDERICK AVE | FREDERIC ELEM SCHL |
| SCHOOL | 5114 N CHARLES ST | FRIENDS UPPR SCHL LIB |
| SCHOOL | 4633 FURLEY AVE | FURLEY ELEMENTARY |
| SCHOOL | 1200 PENNSYLVANIA AV | FURMAN TEMPLETON ELM |
| SCHOOL | 5300 BELAIR RD | GARDENVI ELEM SCHL |
| SCHOOL | 2800 AILSA AVE | GARRETT HGTS ELE SCH |
| SCHOOL | 3910 BARRINGTON RD | GARRISON MIDDLE SCH |
| SCHOOL | 245 S WOLFE ST | GEN WOLF ELEMENTRY SCH |
| SCHOOL | 701 GOLD ST | GEORGE KELSON ELEM |
| SCHOOL | 4411 GARRISON BLVD | GEORGE MCMECHEN SCH |
| SCHOOL | 800 SCOTT ST | GEORGE WASH ELEM |
| SCHOOL | 1311 N GILMOR ST | GILMORE ELEM SCH |
| SCHOOL | 6211 WALTHER AVE | GLENMOUN ELEM SCH |
| SCHOOL | 5801 YORK RD | GOVANS ELEMENTARY |
| SCHOOL | 707 PARK AVE | GRACE ST PETERS SCH |
| SCHOOL | 6300 ODONNELL ST | GRACE- LAND PARK SCH |
| SCHOOL | 4501 GREENSPRING AVE | GREEN SPRING MIDDLE |
| SCHOOL | 4520 YORK RD | GUILFORD ELEM SCHL |
| SCHOOL | 6101 OLD HARFORD RD | HAMILTON ELMSCHOOL |
| SCHOOL | 5609 SEFTON AVE | HAMILTON MIDDLE SCHOOL |
| SCHOOL | 3608 CHESTNUT AVE | HAMPDEN ELMSCHOOL |
| SCHOOL | 101 S ELLWOOD AVE | HAMPSTEA HILL MIDDLE |
| SCHOOL | 500 S LINWOOD AVE | HAMPSTED HILL SCHOOL |
| SCHOOL | 1001 W SARATOGA ST | HARBOR CITY LRN CTR |
| SCHOOL | 4411 6TH ST | HARBOR VIEW SCHOOL |
| SCHOOL | 1919 N BROADWAY | HARFORD HTSELMSCHL |
| SCHOOL | 1401 W LAFAYETTE AVE | HARLEM PARK ELEM |
| SCHOOL | 1500 HARLEM AVE | HARLEM PARK MID SCH |
| SCHOOL | 1807 HARLEM AVE | HARRIET TUBMAN SCHL |
| SCHOOL | 4517 HAZELWOOD AVE | HAZELWOO ELEM SCHL |
| SCHOOL | 231 S EATON ST | HIGHLAND TOWN ELEM SCH |
| SCHOOL | 3223 E PRATT ST | HIGHLAND TOWN SCHOOL |
| SCHOOL | 3301 CARLISLE AVE | HILTON ELEMSCH |
| SCHOOL | 1500 IMLA ST | HOLABIRD ELESCHOOL |
| SCHOOL | 932 GORSUCH AVE | HOLY SPRIT ELM SCH |
| SCHOOL | 5701 YORK RD | HOPE ACADEMY |
| SCHOOL | 2400 W MOSHER ST | JAMES MOSHER ELEM |
| SCHOOL | 100 N CHESTER ST | JOHN ROGERS E SCHL |
| SCHOOL | 701 RAPPOLLA ST | JOHN RUHRAH ELEM |
| SCHOOL | 1101 VALLEY ST | JOHNSTON SQUARE ELEM |
| SCHOOL | 900 DRUID HILL AVE | JOSEPH BRISCOE SCH |
| SCHOOL | 1201 N ROSE ST | KATHARIN SCHOOL |
| SCHOOL | 6400 E PRATT ST | LADY OF FATIMA SCH |
| SCHOOL | 850 BRADDISH AVE | LAFAYETT ELEMSCH |
| SCHOOL | 2921 STRANDEN RD | LAKELAND ELEM-MIDDLE |
| SCHOOL | 2625 E FEDERAL ST | LAKEWOOD ELEM SCHOOL |

Council Bill 04-1504

| CUST CLASS | ADDRESS | NAME |
|-------------------|-------------------------------|-----------------------|
| SCHOOL | 5011 ARBUTUS AVE | LANGSTON ELEM HUGHES |
| SCHOOL | 500 W BALTIMORE ST | LAW UNIV MARYLAND |
| SCHOOL | 2200 SINCLAIR LN | LAWRENCE PAQUIN SCH |
| SCHOOL | 1235 SHERWOOD AVE | LEITHWLK ELEMSCHOOL |
| SCHOOL | 2801 N DUKELAND ST | LEMMEL MIDDLE SCH |
| SCHOOL | 733 W LEXINGTON ST | LEXINGTO TERR ELEM |
| SCHOOL | 3901 MAINE AVE | LIBERTY ELEM SCH |
| SCHOOL | 1501 N ASHBURTON ST | LILLIE JACKSON SCH |
| SCHOOL | 301 N PULASKI ST | LOCKERMA BUNDY ELEM |
| SCHOOL | 1600 ARLINGTON AVE | LOIS MURRAY ELEM |
| SCHOOL | 1601 E LOMBARD ST | LOMBARD MIDDLE SCHOOL |
| SCHOOL | 200 WINSTON AVE | LOYOLA NOTRE DAME |
| SCHOOL | 1731 E CHASE ST | LUTHER MITCHELL PRIM |
| SCHOOL | 621 WILDWOOD PKWY | LYNDHURS ELEMENTARY |
| SCHOOL | 3601 OLD FREDRICK RD | MADONNA ELEM SCH |
| SCHOOL | 2810 SHIRLEY AVE | MALCOLM X SCHOOL |
| SCHOOL | 300 PONTIAC AVE | MAREE FARRING ELEM |
| SCHOOL | 100 E 26TH ST | MARGARET BRENT SCHOOL |
| SCHOOL | 3750 GREENSPRING AVE | MARTIN L KING ELEM |
| SCHOOL | 3510 W MULBERRY ST | MARY RODMAN ELEM |
| SCHOOL | 1600 N PAYSON ST | MATHEW HENSON ELEM |
| SCHOOL | 31 S SCHROEDER ST | MCHENRY ELEM |
| SCHOOL | 4300 BUCHANAN AVE | MEDFIELD HEIGHTS SCH |
| SCHOOL | 3500 HILLEN RD | MERVO SENIOR HIGH |
| SCHOOL | 1634 GUILFORD AVE | MILDRED MONROE ELEM S |
| SCHOOL | 2040 E 32ND ST | MONTEBEL ELEMENTARY |
| SCHOOL | 6201 FRANKFORD AVE | MORAVIA PARK ELEM |
| SCHOOL | 2601 TOLLEY ST | MORRELL PARK ELEM |
| SCHOOL | 121 MCMECHEN ST | MT ROYAL ELE-MIDDLE |
| SCHOOL | 4403 FREDERICK AVE | MT SAINT JOSEPH SCH |
| SCHOOL | 6900 PARK HTS AVE | NORTH- WESTERN HIGH |
| SCHOOL | 2201 PINEWOOD AVE | NORTHERN HIGH SCHL |
| SCHOOL | 5001 MORAVIA RD | NORTHEST MIDDLE SCH |
| SCHOOL | 5201 LOCH RAVEN BLVD | NORTHWOO ELEMENTRY |
| SCHOOL | 2500 E NORTHERN PKWY STE 109 | OFFICE O INSTR TECH |
| SCHOOL | 201 S CONKLING ST | OUR LADY POMPEI |
| SCHOOL | 844 ROUNDVIEW RD | PATAPSCO ELEM |
| SCHOOL | 100 KANE ST | PATTERSO HIGH |
| SCHOOL | 3500 W NORTHERN PKWY | PIMLICO MIDDLE SCH |
| SCHOOL | 1400 W COLD SPRING LN | POLYTECH SENIOR HIGH |
| SCHOOL | 1400 EXETER HALL AVE APT 100A | PRINCIPL OFFICE |
| SCHOOL | 4501 OLD FREDRICK RD | PSALMIST CHRISTNSCHL |
| SCHOOL | 1000 N MONTFORD AVE | RAYNER BROWN ELEM |
| SCHOOL | 701 RAPPOLLA ST APT REC | RECREATI CENTER |
| SCHOOL | 2400 WINDSOR AVE | ROBERT COLEMAN SCHL |
| SCHOOL | 1300 W 36TH ST | ROBERT POOLE MID SCH |
| SCHOOL | 4300 SIDEHILL RD | ROGNEL HGHTS ELEM |
| SCHOOL | 5207 ROLAND AVE | ROLAND ELEMSCHOOL |

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| CUST CLASS | ADDRESS | NAME |
|-------------------|---------------------------|------------------------|
| SCHOOL | 5204 ROLAND AVE | ROLAND PARK COUNTRY |
| SCHOOL | 2777 PRESSTMAN ST | ROSEMONT ELEMENTARY |
| SCHOOL | 6820 FAIT AVE | S EAST MIDDLE SCHL |
| SCHOOL | 6726 YOUNGSTOWN AVE | SACRED HEART-MARY |
| SCHOOL | 4410 FRANKFORD AVE | SAINT ANTHONY SCH |
| SCHOOL | 5302 HARFORD RD | SAINT DOMINIC'S SCH |
| SCHOOL | 801 ARGONNE DR | SAINT ELIZABETH SCH |
| SCHOOL | 507 W PRESTON ST | SAMUEL COOLERIDGE EL |
| SCHOOL | 424 S PULASKI ST | SAMUEL MORSE ELEM |
| SCHOOL | 3434 OLD FREDRICK RD | SARAH ROACH ELEM |
| SCHOOL | 900 WOODBOURNE AVE | SCHOOL CHINQUAPIN |
| SCHOOL | 712 CATHEDRAL ST | SCHOOL FOR THE ARTS |
| SCHOOL | 1201 S CATON AVE | SETON KEOUGH HIGH |
| SCHOOL | 150 WEST ST | SHARP LEADENHALL |
| SCHOOL | 2800 BRENDAN AVE | SHRINE LITTLE FLOWER |
| SCHOOL | 5800 SMITH AVE | SHRINE SACRED HEART |
| SCHOOL | 3880 SINCLAIR LN | SINCLAIR LN ELEM |
| SCHOOL | 200 FONT HILL AVE | SOUTH WESTERN HIGH |
| SCHOOL | 1100 COVINGTON ST | SOUTHERN HIGH SCHOOL |
| SCHOOL | 501 E CHASE ST | ST FRANC CHARLES HALL |
| SCHOOL | 410 JEFFREY ST | ST ROSE LIMA |
| SCHOOL | 30 S GILMOR ST | STUART HILL ELEM |
| SCHOOL | 600 N PATTERSON PK AV | TENCH TILGHMAN SCH |
| SCHOOL | 601 N CENTRAL AVE | THOMAS HAYES ELEM |
| SCHOOL | 605 DRYDEN DR | THOMAS JEFFERSON ELE |
| SCHOOL | 100 E HEATH ST | THOMAS JOHNSON ELEM |
| SCHOOL | 5001 SINCLAIR LN | THURGOOD MARSHALL MIDD |
| SCHOOL | 1420 N CHARLES ST | UNIVERSI BALTIMORE |
| SCHOOL | 811 W LANVALE ST | UPTON SCHOOL |
| SCHOOL | 701 E 34TH ST | VENABLE HIGH SCHOOL |
| SCHOOL | 1207 PINE HTS AVE | VIOLET ELEM SCH |
| SCHOOL | 2000 EDGEWOOD ST | WALBROOK SR HIGH |
| SCHOOL | 820 E 43RD ST | WALTER CARTER SCHL |
| SCHOOL | 1801 SULGRAVE AVE | WASHINGTON WASHELEMSCH |
| SCHOOL | 3400 ELLERSLIE AVE | WAVERLY ELEM SCH |
| SCHOOL | 201 N BEND RD | WEST BALTO MIDDLE |
| SCHOOL | 524 N CHARLES ST APT 1800 | WEST MINSTER HOUSE |
| SCHOOL | 4600 FALLS RD | WESTERN HIGH SCHOOL |
| SCHOOL | 2401 NEVADA ST | WESTPORT ELEMENTARY |
| SCHOOL | 2235 N FULTON AVE | WESTSIDE ELEM SCHOOL |
| SCHOOL | 2001 N WARWICK AVE | WILLIAM BAER SCHOOL |
| SCHOOL | 200 N LAKEWOOD AVE | WILLIAM PACA ELE SCH |
| SCHOOL | 1200 N FREMONT AVE | WILLIAM PINDER ELEM |
| SCHOOL | 600 COOKS LN | WILLIAM YORK SCHOOL |
| SCHOOL | 4001 ALTO RD | WINDSOR HILLS ELEM |
| SCHOOL | 1101 WINSTON AVE | WINSTON MIDDLE SCH |
| SCHOOL | 5003 SINCLAIR LN | WOODBURN SCHOOL |
| SCHOOL | 7300 MOYER AVE | WOODHOLM ELESCHOOL |

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| CUST CLASS | ADDRESS | NAME |
|--|---|-------------------------|
| SCHOOL | 5931 YORKWOOD RD | YORKWOOD ELEM SCH |
| POLICE | 601 E. FAYETTE ST. | POLICE HEADQUARTERS |
| POLICE | 501 E. FAYETTE ST. | CENTRAL DISTRICT POLICE |
| GOVERNMENT | 417 E. FAYETTE ST. | HOUSING/TRANSPORTATION |
| GOVERNMENT | 210 GUILFORD AVE. | HEALTH DEPT |
| WAXTER SENIOR CENTER | 1000 CATHEDRAL STREET | |
| HOOPER ADC HATTON SENIOR CENTER | 2601A EAST BALTIMORE STREET | |
| OLIVER SENIOR CENTER | 2825 FAIT AVENUE, BALTIMORE | |
| SANDTOWN- WINCHESTER SCHOOL | OLD ADDRESS: 1401 EAST FEDERAL STREET NEW ADDRESS: 1700 NORTH GAY STREET OLD ADDRESS: 1114 NORTH MOUNT STREET NEW ADDRESS: 1601 BAKER STREET 200 E. NORTH AVE | SCHOOL HEADQUARTERS |

Council Bill 04-1504

**APPENDIX D
RATE CARD**

RateCard

Effective January 2004

Monthly Services

| | |
|--|---------------------|
| Limited | \$9.20 |
| Expanded | \$31.35 |
| Full Standard Service (Limited + Expanded Service) | \$40.55 |
| Basic Additional Outlets | Free |
| Addressable Converter Box | \$3.13 |
| Remote Control | \$0.22 |
| Monthly Program Guide | \$2.75 |
| Comcast IN Demand (Pay-Per-View) | Priced Individually |

Digital Services

| | |
|--------------------------|---------|
| Digital Service | \$14.95 |
| Digital Receiver | \$3.13 |
| Digital Universal Remote | \$0.22 |
| Digital A/D Access Fee | \$5.49 |
| Hispanic Tier | \$9.95 |

HDTV

| | |
|------------------------|---------|
| HDTV Installation | \$40.00 |
| HDTV Change of Service | \$40.00 |
| HDTV Equipment | \$5.00 |

Foreign Language Channels

| | |
|--------------------|---------|
| RTN (Russian) | \$14.95 |
| CTN (Chinese) | \$14.95 |
| Zee TV or TV Asia | \$14.95 |
| Zee TV and TV Asia | \$24.95 |

Premium Services

| | |
|----------|---------|
| HBO | \$16.50 |
| Showtime | \$15.50 |
| Cinemax | \$14.50 |
| Starz! | \$10.75 |

Installation & Service Rates

| | |
|--|---------|
| Hourly Service Charge (HSC) | \$31.00 |
| Change of Service (Trip) | \$13.95 |
| Administrative Fee/Service Charge (No Trip) | \$1.99 |
| Unwired Home / New Drop | \$46.50 |
| Prewired Home Installation | \$27.90 |
| Reconnect / Restart | \$24.24 |
| Relocate Outlet | \$18.95 |
| Additional Outlet Connection at Time of Installation | \$12.40 |
| Additional Outlet Connection Separate Trip | \$25.73 |
| Late Fee | \$5.00 |
| Non-Sufficient Funds Charge | \$20.00 |
| Name Change | \$5.00 |

Comcast is enhancing the cable system in Baltimore City. The rebuilt system will allow new products and services to be offered in the City. As each section of the City is upgraded customers living in that area will also be subject to a rebuilt increase of \$2.50 per month.



ChannelLine-Up & Rates

Baltimore City

Council Bill 04-1504

ChannelLineup: Digital

Effective January 2004

| | | | | | |
|-----|-----------------------------|----|---------|--|------|
| 101 | Weatherscan Local | DP | 174 | iN Demand HD1 | HD |
| 102 | ESPNews | DP | 176 | Starz! HD | HD |
| 105 | C-SPAN 3 | DP | 177 | Cinemax HD | HD |
| 109 | National Geographic Channel | DP | 178 | Showtime HD | HD |
| 110 | The Science Channel | DP | 179 | HBO HD | HD |
| 111 | Discovery Times | DP | 180 | WMAR HD | HD |
| 112 | Discovery Wings | DP | 181 | WBAL HD | HD |
| 113 | Discovery Home & Leisure | DP | 182 | WJZ-HD | HD |
| 114 | BBC America | DP | 190 | MPT - HD | HD |
| 119 | Women's Entertainment | DP | 200 | In Previews | DPPV |
| 120 | SoapNet | DP | 201-230 | INDEMAND | DPPV |
| 130 | Discovery Kids | DP | 241 | PPV (TVN 509 - Telenuestros) | DPPV |
| 131 | Noggin | DP | 242 | PPV (TVN 510 - Hot Body) | DPPV |
| 132 | Nick Too | DP | 243 | PPV (TVN 511 - Events/Eclectic) | DPPV |
| 133 | Nick Gas | DP | 244 | PPV (TVN 508 - Final Spin) | DPPV |
| 134 | WAM! | DP | 250 | Playboy | DPPV |
| 135 | Toon Disney | DP | 251 | Spice | DPPV |
| 138 | G4 | DP | 252 | Spice 2 | DPPV |
| 140 | MTV2 | DP | 253 | Pleasure | DPPV |
| 141 | MTV Español | DP | 254 | The Hot Network | DPPV |
| 142 | MTV Jams | DP | 260 | TV Games | DP |
| 143 | VH 1 Classic | DP | 280 | Shop NBC | DP |
| 144 | VH 1 Soul | DP | 290 | TBN | DP |
| 145 | VH1 Country | DP | 292 | Inspirational | DP |
| 146 | BET on Jazz | DP | 294 | Word Network | DP |
| 150 | Encore | DP | 301 | HBO | DPR |
| 151 | Encore (W) | DP | 302 | HBO 2 | DPR |
| 152 | Encore Action | DP | 303 | HBO Signature | DPR |
| 153 | Encore Action (W) | DP | 304 | HBO Family | DPR |
| 154 | Encore Mystery | DP | 305 | HBO Comedy | DPR |
| 155 | Encore Mystery (W) | DP | 306 | HBO (W) | DPR |
| 156 | Encore Love Stories | DP | 307 | HBO2 (W) | DPR |
| 157 | Encore Love Stories (W) | DP | 308 | HBO Signature (W) | DPR |
| 158 | Encore True Stories | DP | 309 | HBO Family (W) | DPR |
| 159 | Encore True Stories (W) | DP | 310 | HBO Zone | DPR |
| 160 | Encore Westerns | DP | 311 | HBO Latino | DPR |
| 161 | Encore Westerns (W) | DP | 312 | HBO Latino (W) | DPR |
| 165 | Sundance Channel | DP | 320 | Cinemax | DPR |
| 166 | Sundance Channel (W) | DP | 321 | MoreMax | DPR |
| 168 | International Channel | DP | 322 | Cinemax (W) | DPR |
| 170 | Flix | DP | 323 | More Max (W) | DPR |
| 171 | Flix (W) | DP | 324 | Action Max | DPR |
| 172 | Comcast SportsNet HD | HD | 325 | Thriller Max | DPR |
| 172 | iN Demand HD2 | HD | 326 | Action Max (W) | DPR |
| 173 | ESPN HD | HD | 327 | WMAX | DPR |
| | | | 328 | @MAX | DPR |
| | | | 329 | 5 StarMAX | DPR |
| | | | 330 | OuterMAX | DPR |
| | | | 340 | Showtime | DPR |
| | | | 341 | Showtime Too | DPR |

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| | | | |
|--------------------------|-----|---|-----|
| 342 Showtime 3 | DPR | 432 Soundscapes | DM |
| 343 Showtime (W) | DPR | 433 Classical Masterpieces | DM |
| 344 Showtime Too (W) | DPR | 434 Opera | DM |
| 345 Showtime 3 (W) | DPR | 435 Light Classical | DM |
| 346 Showtime Beyond | DPR | 436 Show Tunes | DM |
| 347 Showtime Extreme | DPR | 437 Contemporary Christian | DM |
| 348 Showtime Extreme (W) | DPR | 438 Gospel | DM |
| 349 Showtime Beyond (W) | DPR | 439 For Kids Only | DM |
| 350 TMC | DPR | 440 Sounds of the Seasons | DM |
| 351 TMC (W) | DPR | 441 Musica Latina | DM |
| 352 TMC Xtra | DPR | 442 Salsa y Merengue | DM |
| 353 TMC Xtra (W) | DPR | 443 Rock En Español | DM |
| 370 Starz! | DPR | 444 Latin Love Songs | DM |
| 371 Starz! Theater | DPR | 445 Mexicana | DM |
| 372 Black Starz! | DPR | 601 Discovery Español | H1 |
| 373 Starz! (W) | DPR | 602 CNN Español | H1 |
| 374 Starz! Family | DPR | 603 Fox Sports Español | H1 |
| 375 Starz! Cinema | DPR | 604 Toon Disney Español | H1 |
| 376 Starz! Cinema (W) | DPR | 605 MTV S | H1 |
| 401 Showcase | DM | 606 VH Uno | H1 |
| 402 Today's Country | DM | 607 TVE Internacional | H1 |
| 403 Classic Country | DM | 608 CineLatino | H1 |
| 404 Americana | DM | 609 Utilisima | H1 |
| 405 Bluegrass | DM | 610 HTV Musica | H1 |
| 406 R&B and Hip Hop | DM | 611-618 Hispanic Audio | H1 |
| 407 Classic R&B | DM | 630 RTN (Russian) | DSS |
| 408 Smooth R&B | DM | 635 CTN (Chinese) | DSS |
| 409 Rap | DM | 640 TV Asia | DSS |
| 410 Metal | DM | 641 Zee TV (Asian Indian) | DSS |
| 411 Rock | DM | 700 ESPN Now | DP |
| 412 Power Rock | DM | 701-704 Game Plan / Full Court / MLS | DSP |
| 413 Classic Rock | DM | 705-706 Game Plan / Full Court | DSP |
| 414 Alternative Rock | DM | 770 NHL / Reserved | DSP |
| 415 Electronica | DM | 771-780 NHL / MLB | DSP |
| 416 Dance | DM | 900 Digital Cable for Me | |
| 417 Progressive | DM | 912 High-Speed Internet Tutorial | |
| 418 Soft Rock | DM | | |
| 419 Hit List | DM | | |
| 420 Party Favorites | DM | | |
| 421 80's | DM | | |
| 422 New Wave | DM | | |
| 423 70's | DM | | |
| 424 Solid Gold Oldies | DM | | |
| 425 Singers & Standards | DM | | |
| 426 Big Band & Swing | DM | | |
| 427 Easy Listening | DM | | |
| 428 Smooth Jazz | DM | | |
| 429 Jazz | DM | | |
| 430 Blues | DM | | |
| 431 Reggae | DM | | |

ChannelKey

| | |
|---------------------------------|------------------------------------|
| DP = Digital Plus | DPPV = Digital Pay-Per-View |
| HD = High Definition Television | H1 = Hispanic Tier |
| DPR = Digital Premium | DSS = Digital Subscription Service |
| DM = Digital Music Channel | DSP = Digital Sports Packages |

Note: Bold Channels Available in Rebuild Areas Only

ChannelLineup: Analog

Effective January 2004

| | | | | | | | | |
|----|---------------------------|---|----|--------------------------|-----|----|---------------------------|---|
| 2 | Leased Access/Shop NBC | L | 27 | Pax-TV | E | 52 | Comedy Central | E |
| 3 | C-SPAN | L | 28 | Game Show Network | E | 53 | Lifetime | E |
| 4 | C-SPAN 2 | L | 29 | Outdoor Life | E | 54 | Food Network | E |
| 5 | Public Access City (BCAC) | L | 30 | Comcast INDEMAND | PPV | 55 | Spike TV | E |
| 6 | PEG (MBC) | L | 31 | TV One | E | 56 | CMT | E |
| 7 | Educational Channel | L | 32 | Showtime | P | 57 | MTV | E |
| 8 | CN8 | L | 33 | Encore | P | 58 | VH-1 | E |
| 9 | ESPN | E | 34 | HBO | P | 59 | MTV2 | E |
| 10 | Comcast SportsNet | E | 35 | Starz! | P | 60 | BET | E |
| 11 | USA | E | 36 | TMC | P | 61 | E! | E |
| 12 | WMAR-2 (ABC Baltimore) | L | 37 | Cinemax | P | 62 | Style Network | E |
| 13 | QVC | L | 38 | HGTV | E | 63 | The Golf Channel | E |
| 14 | WNUV-54 (WB Baltimore) | L | 39 | FX | E | 64 | ESPN Classic | E |
| 15 | WBFF-45 (FOX Baltimore) | L | 40 | TNT | E | 65 | ESPN 2 | E |
| 16 | WBAL-11 (NBC Baltimore) | L | 41 | TBS | E | 66 | TCM | E |
| 17 | WJZ-13 (CBS Baltimore) | L | 42 | Sci-Fi | E | 67 | AMC | E |
| 18 | HSN | L | 43 | History | E | 68 | The Weather Channel | E |
| 19 | WHUT -32 (PBS DC) | L | 44 | TLC | E | 69 | Court TV | E |
| 20 | ABC Family | L | 45 | Discovery | E | 70 | CNBC | E |
| 21 | Baltimore City TV 21 | L | 46 | Animal Planet | E | 71 | MSNBC | E |
| 22 | MPT-22 (PBS Annapolis) | L | 47 | Nickelodeon | E | 72 | CNN | E |
| 23 | WMDO-30 (Univision DC) | L | 48 | Disney Channel | E | 73 | Headline News | E |
| 24 | WUTB-24 (UPN Baltimore) | L | 49 | Cartoon Network | E | 74 | Fox News | E |
| 25 | TV Land | L | 50 | Bravo | E | 75 | INSP (5am-5pm) | E |
| 26 | WETA-26 (PBS DC) | L | 51 | A&E | E | 75 | TBN (5pm-5am) | E |
| | | | | | | 76 | EWTN | E |
| | | | | | | 77 | Discovery Health | E |
| | | | | | | 79 | Digital Sneek Peek | E |
| | | | | | | 80 | TV Guide Channel | L |

Experience the Benefits of Comcast Digital Cable

- Over 200 Channels
- Over 60 Commercial-Free Movie Channels including:
 - 12 screens of HBO
 - 12 screens of Showtime
 - 4 screens of The Movie Channel
 - 2 screens of Flix
 - 11 screens of Cinemax
 - 12 screens of Encore
 - 7 screens of Starz!
 - 2 screens of Sundance
- 45 Music Choice Channels
- Interactive Guide
- Parental Control
- No Dish to Buy
- Uses Your Existing TV!

ChannelKey

L = Limited Basic P = Premium Service
E = Expanded Basic PPV = Pay-Per-View

Note: Bold Channels Available in Rebuild Areas Only

Customer Service Centers

If you have any questions regarding installation, service policies or use of your cable service, please call customer service at 410-649-9000.

Baltimore City Lobby Location

5801 Metro Drive Mon-Fri 8:00am - 6:00pm
Baltimore, MD 21215 Sat 9:00am - 5:00pm
Sun Closed

1.888.COMCAST

www.comcast.com

Council Bill 04-1504

**APPENDIX E
FORM OF LETTER OF CREDIT**

IRREVOCABLE LETTER OF CREDIT NO. _____ AMOUNT: _____

EXPIRATION DATE: _____ DATE OF ISSUE: _____

[Name of Bank]

[Address]

To: City of Baltimore
[insert address]
Attention: *[insert title]*

WE HEREBY AUTHORIZE YOU TO DRAW AT SIGHT on the _____ UP TO
AN AGGREGATE AMOUNT OF _____ United States Dollars (\$_____) for
account of _____ (the "Customer").

Drafts under this Letter of Credit shall bear upon their face the words:

Drawn under _____
Credit No. _____ Dated: _____

and shall be in the form attached hereto as Exhibit A and shall be accompanied by one of the following documents executed by the City *[insert title]*, an individual designated as acting *[insert title]*, or the Assistant *[insert title]*:

(a) A written statement on the form attached hereto as Exhibit B stating that, conditioned upon proper notice to the City *[insert title]*, Letter of Credit No. _____ will expire within ___ days or less and that the Customer has failed to deliver to the City *[insert title]* evidence of a renewal of Letter of Credit No. _____; or

(b) A written statement on the form attached hereto as Exhibit C stating that Customer has failed to perform its obligations under the Franchise Agreement dated _____ by and between the City of Baltimore and *[name of Comcast entity]* ("Agreement"), has failed to comply with all rules, regulations, orders, permits and other directives of the City issued pursuant to the Agreement or Applicable Law (as defined in the Agreement), and/or has materially breached the Agreement and the Agreement is terminated for cause; or

(c) A written statement on the form attached hereto as Exhibit D stating that Customer has failed to make any payment required to be made to City pursuant to the Agreement within the time fixed in the Agreement, has failed to pay to the City any Liability payable to the City and relating to the System that is due and unpaid, has failed to pay to the City any costs, losses, damages, claims or expenditures which the City has been compelled to pay or incur by reason of any act or default of the Franchisee, and/or has failed to comply with any provision of the Agreement which City determines can be remedied by an expenditure of an amount in the Security Fund. All terms used herein have the meaning set forth in the Agreement.

EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN THIS LETTER OF CREDIT, THIS LETTER OF CREDIT IS SUBJECT TO THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS 1993 REVISION, INTERNATIONAL

Council Bill 04-1504

CHAMBER OF COMMERCE BROCHURE NO. 500" (THE "UNIFORM RULES"). IN THE EVENT OF A CONFLICT BETWEEN THIS LETTER OF CREDIT AND THE UNIFORM RULES, THIS LETTER OF CREDIT SHALL CONTROL.

WE HEREBY AGREE with the drawers of drafts drawn under and in compliance with the terms of this Letter of Credit, that:

1. Drafts drawn under and in compliance with this Letter of Credit shall be duly honored immediately upon presentation to the drawees if presented on or before the above-stated Expiration Date or presented at our office together with the original of this Letter of Credit on or before that date.
2. The amount of any draft drawn under this Letter of Credit must be endorsed on the reverse hereof by our bank.
3. If, within three days after any draft drawn under this Letter of Credit is presented to us in conformance with the terms of this Letter of Credit, we fail to honor same, we agree to pay all attorneys' fees, court costs and other expenses incurred by the City of Baltimore in enforcing the terms hereof.
4. This Letter of Credit shall expire on _____, 20____, as stated hereinabove; provided, however, that we shall notify the City *[insert title]* by certified mail, return receipt requested, at least thirty-five (35) days and not more than ninety (90) days prior to said expiration date, that this Letter of Credit is about to expire.
5. In no event shall this Letter of Credit or the obligations contained herein expire except upon the prior written notice required herein, it being expressly agreed that the above expiration date shall be extended as shall be required to comply with the prior written notice required herein.
6. No consent, acknowledgment, or approval of any kind from the Customer shall be necessary or required prior to honoring any draft presented in conformance with the terms of this Letter of Credit.
7. This Letter of Credit is irrevocable.

[Signature of Bank Officer]

[Signature of Bank Officer]

[Officer's Title]

[Officer's Title]

Council Bill 04-1504

EXHIBIT A TO FORM OF IRREVOCABLE LETTER OF CREDIT

FORM OF DRAFT

[To Be Supplied By Issuing Bank]

EXHIBIT B TO FORM OF IRREVOCABLE LETTER OF CREDIT

To:
Attn:
Re: Letter of Credit No. _____

Ladies and Gentlemen:

This is to advise you that Letter of Credit No. _____ dated _____ in the amount of \$_____ will expire within __ days or less and that _____ has failed to deliver to the City *[insert title]* evidence of a renewal of Letter of Credit No. _____.

Very truly yours,

City *[insert title]*

EXHIBIT C TO FORM OF IRREVOCABLE LETTER OF CREDIT

To:
Attn:
Re: Letter of Credit No. _____

Ladies and Gentlemen:

This is to advise you that Customer has failed to perform its obligations under the Franchise Agreement dated _____ by and between the City of Baltimore and _____ (“Agreement”), has failed to comply with all rules, regulations, orders, permits and other directives of the City issued pursuant to the Agreement or Applicable Law (as defined in the Agreement), or has materially breached the Agreement and the Agreement is terminated for cause.

Very truly yours,

City *[insert title]*

Council Bill 04-1504

EXHIBIT D TO FORM OF IRREVOCABLE LETTER OF CREDIT

To:
Attn:
Re: Letter of Credit No. _____

Ladies and Gentlemen:

This is to advise you that Customer has failed to make any payment required to be made to City pursuant to the Franchise Agreement dated _____ by and between the City of Baltimore and _____ (“Agreement”) within the time fixed in the Agreement, has failed to pay to the City any Liability payable to the City and relating to the System that is due and unpaid, has failed to pay to the City any costs, losses, damages, claims or expenditures which the City has been compelled to pay or incur by reason of any act or default of the Franchisee, and/or has failed to comply with any provision of the Agreement which City determines can be remedied by an expenditure of an amount in the Security Fund. All terms used herein have the meaning set forth in the Agreement.

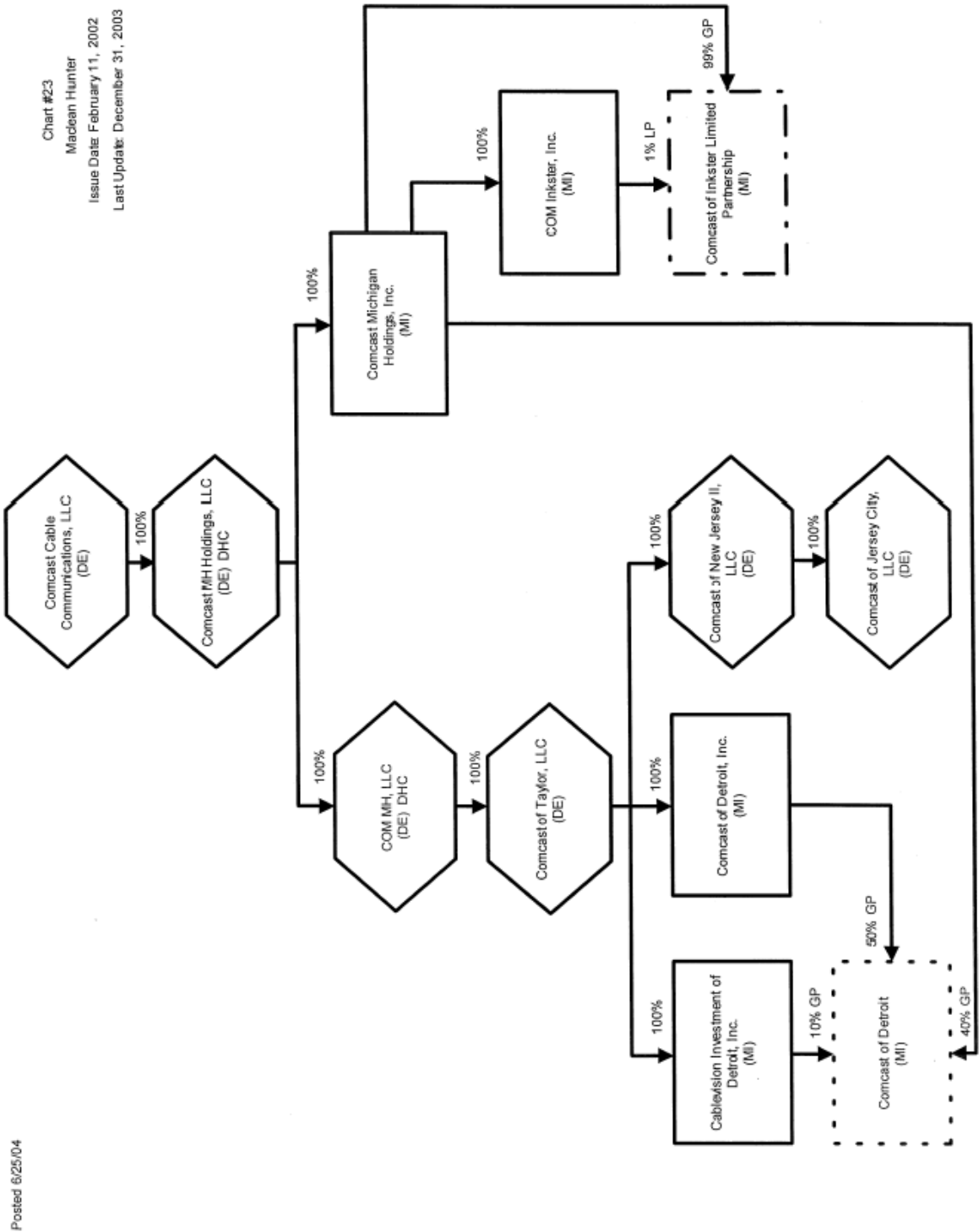
Very truly yours,

City *[insert title]*

Council Bill 04-1504

**APPENDIX F
OWNERSHIP INTERESTS**

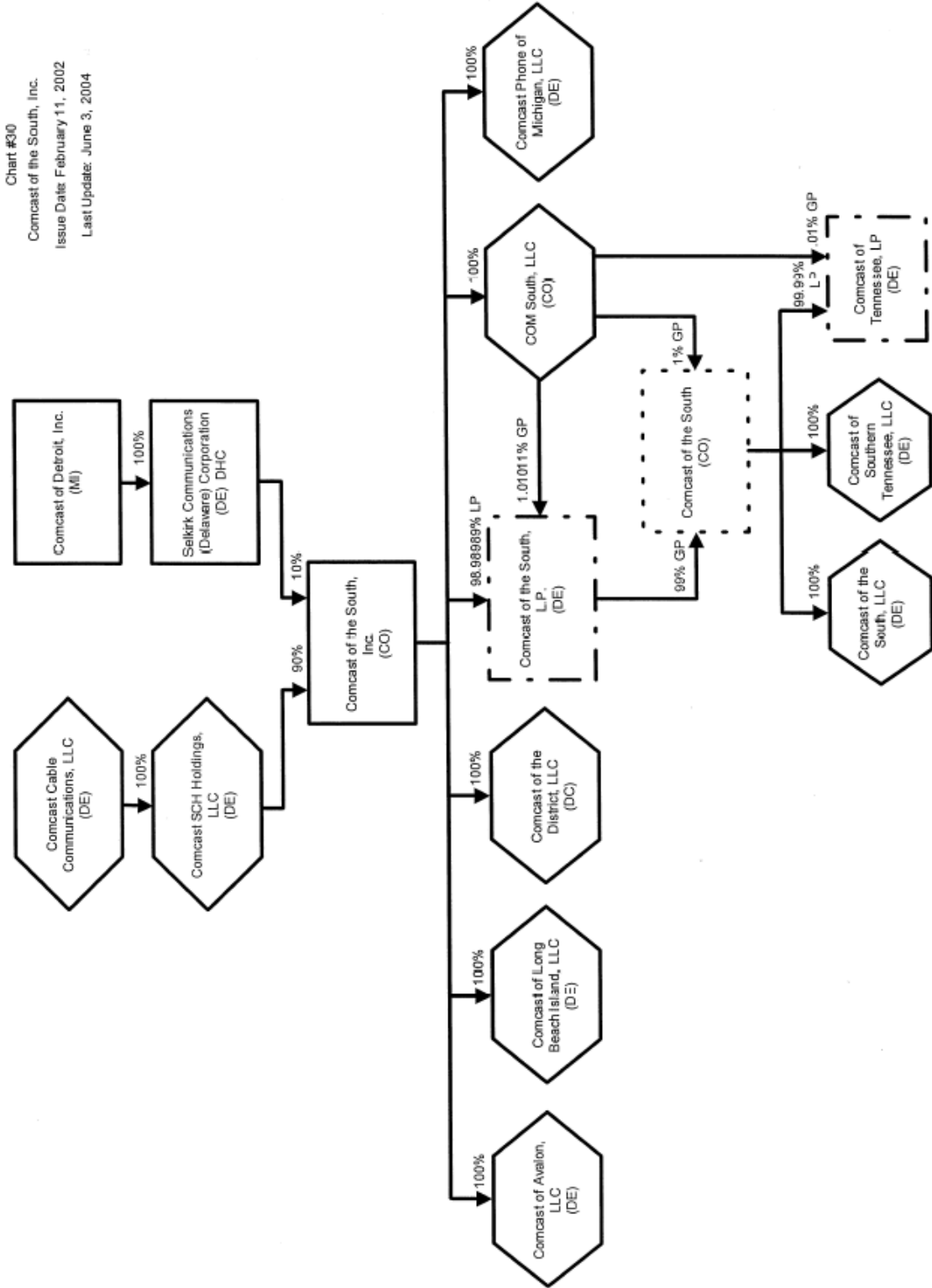
Council Bill 04-1504



Posted 6/25/04

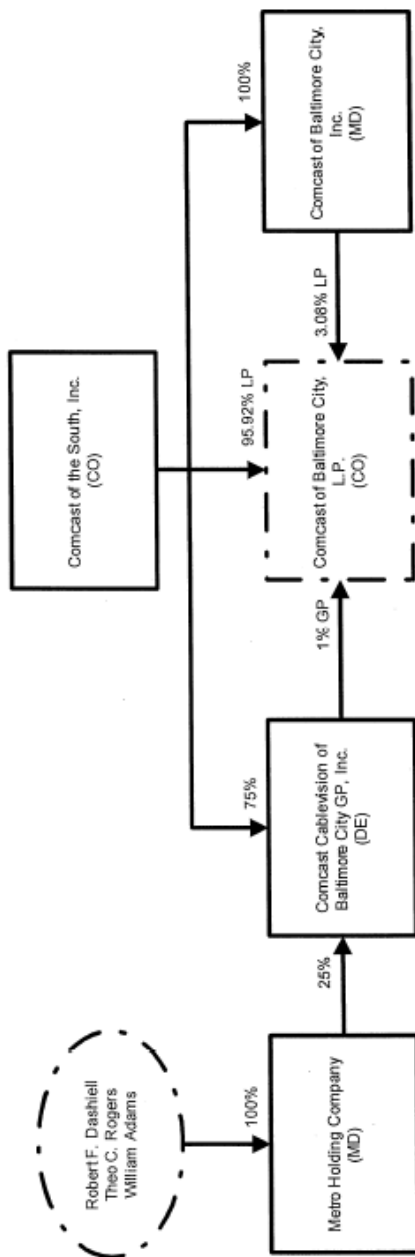
Council Bill 04-1504

Posted 6/25/04



Council Bill 04-1504

Chart #31
Baltimore City
Issue Date: February 11, 2002
Last Update: November 21, 2003



Posted 8/25/04