

## ARTICLE 3

### SYSTEM SPECIFICATIONS AND CONSTRUCTION

#### SECTION 3.1 – SERVICE AREA AND LINE EXTENSIONS ERROR! BOOKMARK NOT DEFINED.

(a) **Service Area.** Cable Service shall be made available to every residential dwelling and commercial unit within the Town of Gilford as indicated on the map highlighted in green on Exhibit B, as of the effective date of this Agreement.

(b) **Reporting.** The Franchisee shall be required to keep a record of (1) all requests from Gilford residents who want to subscribe to Cable Services; (2) all decisions made by MetroCast in response to such requests, to include a statement of connection fees to be paid by a Subscriber, if applicable; and (3) a list of completed line extensions since the effective date of this Agreement along with updates to the map attached hereto as Exhibit B. The Franchisee shall provide copies of such records to the Franchising Authority at no charge on an annual basis, on or before April 1 of each year, and upon request of the Franchising Authority. It is expressly understood that records pertaining to subscription requests provided to the Franchising Authority shall not include details on levels of service or specific programming requests.

(c) **Line Extension Requirements and Formulas.** Notwithstanding the provisions of Section 3.1 (a) above, the following terms and conditions shall apply to line extension requests:

- 1) At a minimum, the Franchisee shall provide for construction of one-half (1/2) mile of contiguous line extensions in each calendar year during the term of this Agreement. The actual location of such line extensions shall be left to the discretion of the Franchisee, but the costs for construction shall not be billed to any Subscribers or the Franchising Authority. Upon request of the Franchisee, the Franchising Authority may waive this requirement upon demonstration of complete build-out or for other reasons attributable to economic feasibility.
- 2) The Franchisee shall provide for construction of all necessary line extensions for Cable Service to residential and/or commercial units at no cost to Subscribers or the Franchising Authority upon written request of five (5) or more potential Subscribers who are situated within one-half (1/2) mile of

existing Cable Service facilities and are willing to agree to pay for at least a Basic Service subscription for a minimum of one (1) year in accordance with the existing billing practices of the Franchisee in effect at the time construction begins.

- 3) In areas where there are requests for line extensions for Cable Service from four (4) potential Subscribers who are situated within one-half (1/2) mile from existing Cable Service facilities, the Franchisee shall provide for construction of all necessary line extensions for Cable Service to residential and/or commercial units upon receipt of forty percent (40%) of the actual construction costs as may be determined by the Franchisee, to be paid by the Subscribers and/or Franchising Authority, provided each Subscriber is also willing to agree to pay for at least a Basic Service subscription for a minimum of one (1) year in accordance with the existing billing practices of the Franchisee in effect at the time construction begins.
- 4) In areas where there are requests for line extensions for Cable Service from three (3) potential Subscribers who are situated within one-half (1/2) mile from existing Cable Service facilities, the Franchisee shall provide for construction of all necessary line extensions for Cable Service to residential and/or commercial units upon receipt of sixty percent (60%) of the actual construction costs as may be determined by the Franchisee, to be paid by the Subscribers and/or Franchising Authority, provided each Subscriber is also willing to agree to pay for at least a Basic Service subscription for a minimum of one (1) year in accordance with the existing billing practices of the Franchisee in effect at the time construction begins.
- 5) In areas where there are requests for line extensions for Cable Service from fewer than three (3) potential Subscribers who are situated within one-half (1/2) mile from existing Cable Service facilities or a minimum of ten (10) potential Subscribers who are situated more than one-half (1/2) mile from existing Cable Service facilities but less than one-half (1/2) mile, on average, between each dwelling, the Franchisee shall provide for construction of all necessary line extensions for Cable Service to residential and/or commercial

units upon receipt of eighty percent (80%) of the actual construction costs as may be determined by the Franchisee, to be paid by the Subscribers and/or Franchising Authority, provided each Subscriber is also willing to agree to pay for at least a Basic Service subscription for a minimum of one (1) year in accordance with the existing billing practices of the Franchisee in effect at the time construction begins.

- 6) In the event of any requests for Cable Service requiring line extensions that do not meet the requirements set forth in the preceding paragraphs, the Franchisee may, using its sole discretion, decline to construct such line extensions, or in the alternative, agree to such installations provided that all reasonable costs related thereto are paid in advance by the Subscriber(s), under such terms and conditions as may be mutually acceptable to each party.
- 7) For the purposes of this Agreement, the one-half (1/2) mile increments referenced herein shall be measured by cable length to be added within a Street or Public Way, and shall not include any individual dwelling connections.
- 8) Nothing herein shall require the Franchisee to pay for the actual cost of line extensions to any individual dwelling beyond three hundred feet (300') from the cable located in the street. Such costs may be assessed against the Subscriber(s) under such written terms and conditions that are mutually acceptable to each party, except for the costs that would have otherwise been absorbed by the Franchisee for the installation of three hundred feet (300') of cable.
- 9) The Franchisee shall in no case externalize, pass through and/or line itemize any line extension costs beyond those costs previously assumed by the Subscriber(s) or Franchising Authority pursuant to the applicable provisions of this Agreement.
- 10) The Franchisee shall start construction on new line extensions as soon as practicable, but no later than ninety (90) days after receipt of installation fees, any necessary easements and authorization to use any poles in such areas, provided that the Franchisee shall expeditiously seek all necessary permits and

the progression of construction shall proceed towards completion without unnecessary delay (except for force majeure) in accordance with cable industry standards. The Franchisee shall, upon request of the Franchising Authority, provide a written report to explain its failure to meet the time frames specified herein.

### **SECTION 3.2 – SUBSCRIBER CONNECTIONS**

(a) The Franchisee shall, within fifteen (15) days of written request by the occupant of a dwelling, connect the Cable System to a dwelling at standard installation charges if the dwelling is within three hundred aerial feet (300') of the nearest Feeder Cable, provided that no special trenching or boring is required and the dwelling is properly internally wired to meet the Franchisee's specifications to prevent signal leakage.

(b) Dwellings located over three hundred feet (300') from the nearest Cable Feeder or requiring special trenching shall be considered non-standard installations and may be subject to additional charges except for the costs that would have otherwise been absorbed by the Franchisee for the installation of three hundred feet (300') of cable.

(c) Neither Franchisee nor any of its employees, agents, representatives, contractors, subcontractors, or consultants, nor any other Person, shall discriminate or permit discrimination between or among any Persons in the availability of Cable Services provided in connection with the Cable System in the Franchise Area. It shall be the right of all Persons to receive all available Cable Service provided on the Cable System so long as such Person's financial or other obligations to Franchisee are satisfied and no Subscriber shall be refused service arbitrarily.

### **SECTION 3.7 – ACCESS CHANNELS**

(a) Franchisee shall provide up to two (2) local Access Channels for broadcasting over the Cable System by the Town or its designee(s), one (1) to be used for government programming and one (1) to be used for educational programming, plus there shall be one (1) channel allocated amongst all of the members of the Lakes Region Cable Television Consortium, (to include the communities of Alton, Belmont, Deerfield, Franklin, Gilford, Gilmanton, Laconia, Meredith, Northfield, Northwood, and Tilton), to be shared for public access programming.

(b) Throughout the duration of this Agreement, the Franchisee shall provide all necessary labor, equipment and bandwidth to install and operate a local Access Channel dedicated to government programming from an origination point designated by the Franchising Authority for broadcasts exclusively to Subscribers in the Town of Gilford. The Town shall be responsible for costs associated with the purchase, installation and operation of the compatible equipment necessary to broadcast such government programming by sending a cable ready signal to the origination point. In the event that the Town chooses not to broadcast government programming, the Franchisee may utilize the channel that would be otherwise dedicated to government programming, provided, however, the Franchising Authority may, upon ninety (90) days written notice to the Franchisee, resume (or start) its government programming over a dedicated local Access Channel (and origination point) provided at no cost by the Franchisee.

(c) Throughout the duration of this Agreement, the Franchisee shall provide all necessary labor, equipment and bandwidth to install and operate a local Access Channel dedicated to educational programming from an origination point designated by the Franchising Authority for broadcasts exclusively to Subscribers in the Town of Gilford. The Town shall be responsible for costs associated with the purchase, installation and operation of the compatible equipment necessary to broadcast such educational programming by sending a cable ready signal to the origination point. In the event that the Town chooses not to broadcast educational programming, the Franchisee may utilize the channel that would be otherwise dedicated to educational programming, provided, however, the Franchising Authority may, upon ninety (90) days written notice to the Franchisee, resume (or start) its educational programming over a dedicated local Access Channel (and origination point) provided at no cost by the Franchisee.

(d) Nothing herein shall preclude the Franchising Authority from combining its origination point(s) for government and/or educational Access Channels with the origination point(s) of another Franchising Authority served by the Franchisee; thereby reducing the total number of origination points to be provided by the Franchisee.

(e) Throughout the duration of this Agreement, the Franchisee shall provide all necessary labor, equipment and bandwidth to install and operate a regional Access Channel dedicated to public access programming from an origination point situated in the Huot Technical Center in Laconia for broadcasts exclusively to Subscribers in the communities that are member

of the Lakes Region Cable Television Consortium as noted above. The Franchising Authorities shall be responsible for costs associated with the purchase, installation and operation of the compatible equipment necessary to broadcast such public access programming by sending a cable ready signal to the origination point. In the event that the regional public access channel ceases to operate, the Franchisee may utilize the channel that would be otherwise dedicated to public access programming, provided, however, the Franchising Authority may, upon ninety (90) days written notice to the Franchisee, resume (or start) public access programming over a dedicated local Access Channel (and origination point) provided at no cost by the Franchisee. Furthermore, the parties recognize that the bandwidth allocated for the public access programming channels that is shared jointly amongst several communities as otherwise set forth herein may be operated and managed by a separate entity on behalf of the members of the Lakes Region Cable Television Consortium as a designee of each Franchising Authority. The Franchisee shall, to the fullest extent reasonable, cooperate with the agents and representatives of such designees in the exercise of the duties and responsibilities as an Access Channel for public access programming provider as otherwise set forth in this Agreement.

(f) In the event the Franchising Authority chooses to relocate an origination point after having been previously installed by the Franchisee, the Franchising Authority shall provide a minimum of thirty (30) days written notice to the Franchisee and all costs for such relocation shall be paid by the Franchising Authority.

(g) Effective January 1, 2014, Access Channels shall be designated as follows: government programming on Channel 26, public access programming on Channel 25, educational programming on Channel 24. The Franchisee shall not move or otherwise relocate the Access Channel positions as set forth herein, except upon thirty (30) days written notice to the Franchising Authority. The Franchisee shall use its best efforts, in good faith, to minimize any such channel relocation.

(h) The Franchising Authority shall be responsible for the picture quality of all Access Channel programming at the demarcation point, which shall be at the output of the device that the Franchising Authority shall purchase after first obtaining the Franchisee's prior approval that such device meets the Franchisee's compatibility requirements. The Franchisee shall be responsible to provide and maintain the picture quality along with all necessary equipment and bandwidth, including upgrades and replacements due to obsolescent technology, from the

origination points. The Franchisee shall monitor the Access Channels to ensure the picture quality and video signals are maintained at standards commensurate with applicable FCC technical standards.

(i) The Franchisee shall not exercise editorial control over the content of any Access Channels, except as may otherwise be specifically allowed by law. In addition, use of channel capacity for Access Channels, to the extent applicable, shall be provided in accordance with federal law, 47 U.S.C. § 531, and as further set forth herein. Franchisee shall freely provide the Franchising Authority, upon request, technical advice on equipment to be used for Access Channel production and transmission Access Channel programming.

(j) Franchisee shall provide the Franchising Authority with an annual cash payment in the amount of four dollars (\$4.00) per Gilford Subscriber, as measured by the most recent annual report of the Franchisee provided to the Franchising Authority, to be used as a technology grant in support of Access Programming, payable on or before April 1 of each year. None of the costs associated with the requirements of this Section 3.7 shall be passed through to Subscribers, or line-itemed on Subscribers' bills or externalized in any way by Franchisee.