Cable Franchise Agreement

by and between

The Village of Rockville Centre, NY

and

Cablevision Systems Long Island Corporation

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THIS CABLE FRANCHISE AGREEMENT (the "Franchise" or "Agreement") is entered into by and between the Village of Rockville Centre, a validly organized and existing political subdivision of the State of New York (the "Local Franchising Authority" or "LFA") and Cablevision Systems Long Island Corporation, a corporation duly organized under the applicable laws of the State of New York (the "Franchisee").

WHEREAS, the LFA wishes to grant Franchisee a renewal of its nonexclusive franchise to construct, install, maintain, extend and operate a cable system in the Franchise Area as designated in this Franchise;

WHEREAS, the LFA is a "franchising authority" in accordance with Title VI of the Communications Act, (see 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended;

WHEREAS, Franchisee has completed an upgrade of its existing telecommunications and information services network through the installation of a hybrid coaxial-fiber network ("Fiber Network") in the Franchise Area which transmits the Non-Cable Services pursuant to authority granted by Section 27 of the New York Transportation Corporations Law, as amended, and Title I1 of the Communications Act, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

WHEREAS, the Fiber Network occupies the Public Rights-of-way within the LFA, and Franchisee desires to use portions of the Fiber Network to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's Cable System is adequate in a full public proceeding affording due process to all parties;

WHEREAS, the LFA has found Franchisee to be financially, technically and legally qualified to continue to operate the Cable System;

WHEREAS, the LFA has found that Franchisee is and has been in substantial compliance with all terms and provisions in its existing franchise and applicable law;

WHEREAS, the LFA has determined that in accordance with the provisions of the Cable Law, this Franchise complies with NY PSC's franchise standards and the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the LFA and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the LFA's grant of a renewal franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service

Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS

Except as otherwise provided herein, the definitions and word usages set forth in the Cable Law are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1. *Access Channel:* A video Channel, which Franchisee shall make available to the LFA without charge for Public, Educational, or Governmental noncommercial use for the transmission of video programming as directed by the LFA.

1.2. *Affiliate:* Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.3. *Basic Service:* Any service tier which includes the retransmission of primary local television broadcast signals as well as the PEG Channels required by this Franchise or NY PSC rules.

1.4. *Bundled Service:* The offering of Cable Services with any Non-Cable Service offering for a single aggregate price.

1.5. *Cable Law:* Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended, to the extent authorized under and consistent with federal law.

1.6. *Cable Service* or *Cable Services:* Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. $522(6), as amended.

1.7. *Cable System* or *System:* Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. **8** 522(7), as amended.

1.8. *Channel:* A portion of the electromagnetic frequency spectrum which is used in the Cable System and which is capable of delivering a television channel.

1.9. *Communications Act:* The Communications Act of 1934, as amended.

1.10. *Control:* The ability to exercise *de facto* or *de jure* control over day-today policies and operations or the management of Franchisee's affairs.

1.11. *Educational Access Channel:* An Access Channel available for noncommercial use solely by local public schools and public school districts in the Franchise

Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area.

1.12. *FCC:* The United States Federal Communications Commission, or successor governmental entity thereto.

1.13. *Force Majeure:* An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's Fiber Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.14. *Franchise Area:* The incorporated area (entire existing territorial limits) of the LFA, and such additional areas as may be annexed or acquired.

1.15. *Franchisee:* Cablevision Systems Long Island Corporation and its lawful and permitted successors, assigns and transferees.

1.16. *Government Access Channel:* An Access Channel available for the sole noncommercial use of the LFA.

1.17. *Gross Revenue:* All revenue, as determined in accordance with generally accepted accounting principles, which is derived by Franchisee from the operation of the Cable System to provide cable Service in the Service Area.

1.17.1. Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for: (i) Basic Service; (ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including without limitation Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters, remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee; (iii) video-on-demand and pay-per-view; (iv) revenues from the sale or lease of access channel(s) or channel capacity; and (v) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation shall be based on the number of Subscribers in the Service Area divided by the total number of subscribers in relation to the

relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue.

1.17.2. Gross Revenue shall not include:

1.17.2.1. revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System; bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected); refunds, rebates or discounts made to Subscribers or other third parties; any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, 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 shall be included in Gross Revenue; the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer; the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted herein; any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable franchise fees); any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barters, services or other items of value shall be included in Gross Revenue); sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming; directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing; or any fees or charges collected from Subscribers or other third parties for any PEG Grant or Franchise Grant payments; and

1.17.2.2. except as otherwise provided in Subsection 1.17.1, any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders. Should revenue from any service provided by Franchisee over the Cable System be classified as a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall

include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment.

1.18. *Information Services:* Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. §153(20), as amended.

1.19. *Internet Access:* Dial-up or broadband access service that enables Subscribers to access the Internet.

1.20. *Local Franchise Authority (LFA)*: The Village of Rockville Centre, New York, or the lawful successor, transferee, or assignee thereof.

1.21. *Non-Cable Services:* Any service that does not constitute the provision of Video Programming directly to multiple Subscribers in the Franchise Area including, but not limited to, Information Services and Telecommunications Services.

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

1.23. *NY PSC:* The New York Public Service Commission.

1.24. *PEG*: Public, Educational, and Governmental.

1.25. *Person:* An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.26. *Public Access Channel:* An Access Channel available for noncommercial use solely by the residents in the Franchise Area on a first-come, first-served, nondiscriminatory basis.

1.27. *Public Rights-of-Way:* The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-way, as the same now or may thereafter exist, which are under the jurisdiction or control of the LFA. Public Rights-of-way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.28. *Service Area:* All portions of the Franchise Area where Cable Service is being offered, as described in **Exhibit B** attached hereto.

1.29. *Subscriber:* A Person who lawfully receives Cable Service over the Cable System with Franchisee's express permission.

1.30. *Telecommunication Services:* Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(46), as amended.

1.31. *Title VI:* Title VI of the Communications Act, Cable Communications, as amended.

1.32. *Transfer of the Franchise:*

1.32.1. Any transaction in which:

1.32.1.1. a fifty percent ownership or other interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.32.1.2. the rights held by Franchisee under the Franchise and the certificate of confirmation issued therefor by the NY PSC are transferred or assigned to another Person or group of Persons.

1.32.2. However, notwithstanding Sub-subsections 1.31.1.1 and 1.31.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.33. *Video Programming:* Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20), as amended.

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1. *Grant of Authority:* Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-way within the Franchise Area, in order to provide Cable Service, and acknowledges Franchisee's use of its Cable System for other lawful uses. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *The Fiber Network:* Upon delivery of Cable Service, by subjecting Franchisee's mixed-use facilities to the NY PSC's minimum franchise standards and the LFA's police power, the LFA has not been granted broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities; provided, however, that nothing herein shall be construed to limit the LFA's existing authority with respect to the Franchisee's mixed use facilities pursuant to applicable law, and lawful and applicable local laws, including any lawful right to compel relocation of such facilities in the event of road-widenings and other similar adjustments to the Public-Rights-of-way, consistent with the NY PSC rules and regulations and orders.

2.3. *Effective Date and Term:* This Franchise shall become effective on the date that the NY PSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises

and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked or terminated as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-way to provide Cable Services shall not be exclusive, and the LFA reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-way, or any portions thereof, to any Person, or to make any such use itself, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise and shall not interfere with existing facilities of the Cable System or Franchisee's Fiber Network.

2.5. *Franchise Subject to Federal Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of federal law as it may be amended, including but not limited to the Communications Act.

2.6. *No Waiver:*

2.6.1. The failure of the LFA on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require compliance or performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance of this Agreement, nor shall it excuse Franchisee from compliance or performance, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of the Franchisee on one or more occasions to exercise a right under this Franchise, the Cable Law or other applicable state or federal law, or to require performance under this Franchise, shall not be deemed to constitute a waiver of such right or a waiver of performance of this Agreement, nor shall it excuse the LFA from performance, unless such right or such performance has been specifically waived in writing.

2.7. Construction of Agreement:

2.7.1. The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545, as amended.

2.8. *Police Powers:* The LFA shall not subject the Franchisee to any local, laws that are inconsistent with this Franchise, provided, however, that nothing in this Franchise shall be construed to prohibit the LFA's reasonable, necessary and lawful exercise of the police powers, including, without limitation, in addition to the implementation and enforcement of the provisions of this Agreement and existing applicable laws and regulations, the enactment, adoption, implementation and enforcement of such additional laws and regulations as the LFA may deem necessary in the exercise of its police power; provided, however, that such laws and

regulations are reasonable, not materially in conflict with the privileges granted in this Franchise and consistent with all federal and state laws, regulations and orders.

2.9. *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to its preexisting condition.

2.10. *Restoration of Subscriber Premises:* The Franchisee shall ensure that Subscriber's premises are restored to their pre-existing condition if damaged by the Franchisee's employees or agents in any respect in connection with the installation, repair, or disconnection of Cable Service.

3. PROVISION OF CABLE SERVICE

3.1. *Service Area:*

3.1.1. *Service Area:* Franchisee shall continue to offer Cable Service to all residential areas of the Service Area, and may offer Cable Service to business areas as provided in paragraph 3.2 of this Agreement, except, in accordance with NY PSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density and other requirements set forth in Subsection 3.1.1.1. and Section 3.2. For purposes of Subsection 3.1.1, the Service Area shall be defined to be the Franchise Area.

3.1.1.1. *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than thirty-five (35) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active Fiber Network trunk or feeder line. Should, through new construction, an area within the Service Area meet the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2. *Availability* of *Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within one hundred fifty (150) feet of trunk or feeder lines not otherwise already served by Franchisee's Fiber Network. Franchisee shall be allowed to recover,

from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed one hundred fifty (150) feet or are in an area with a density of less than thirty-five (35) occupied residential dwelling units per mile and the actual costs incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than thirty-five (35) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility.

3.3. *Cable Service to Public Buildings:* Subject to Section 3.1, Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each primary or secondary school chartered or licensed by the State of New York and public library, and such other buildings used for municipal purposes as may be designated by the LFA as provided in **Exhibit A** attached hereto; provided, however, that if it is necessary to extend Franchisee's aerial trunk or feeder lines more than five hundred (500) feet solely to provide service to any such school or public building, the LFA shall have the option either of paying Franchisee's direct costs for such aerial extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than five hundred (500) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. For underground installations, Franchisee shall charge the recipient Franchisee's actual cost. Such costs shall be submitted to said recipient in writing, before installation is begun. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged.

3.4. *Contribution in Aid:* Notwithstanding the foregoing, Franchisee shall comply at all times, with the requirements of Section 895.5 of NY PSC rules and regulations.

4. SYSTEM FACILITIES

4.1. *Quality of Materials and Work:* Franchisee shall construct and maintain its System using materials of good and durable quality, and all work involved in the construction, installation, maintenance and repair of the Cable System shall be performed in a safe, thorough and reliable manner.

4.2. *System Characteristics:* During the term hereof Franchisee's Cable System shall meet or exceed the following requirements:

4.2.1. The System shall be designed and operated to provide for a minimum channel capacity of not less than 77 channels on the Effective Date.

4.2.2. The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for the selection or use of Cable Service.

4.3. *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods to the extent consistent with law and voluntarily agreed upon by Franchisee, or finally required by Order of the Public Service Commission (after exhaustion of any Franchisee challenges to same, if any).

4.4. *Emergency Alert System:* Franchisee shall comply with the Emergency Alert System ("EAS") requirements of the FCC and the State of New York, including the NY PSC's rules and regulations and the current New York EAS Plan, in order that emergency messages may be distributed over the System.

5. PEG SERVICES

5.1. *PEG Set Aside:*

5.1.1. In order to ensure universal availability of public, educational and government programming, Franchisee shall provide capacity on its Basic Service tier for up to one (1) dedicated Public Access Channel, one (1) dedicated Educational Access Channel, and up to one (1) dedicated Government Access Channel (collectively, "PEG Channels").

5.1.2. The programming to be carried on each of the PEG Channels set aside by Franchisee is reflected in **Exhibit C** attached hereto. The LFA hereby authorizes Franchisee to transmit such programming within and without LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. If a PEG Channel provided under this Article is not being utilized by the LFA, Franchisee may utilize such PEG Channel, in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose in accordance with Section 895.4 of the NY PSC rules and regulations.

5.1.3. Franchisee shall provide the technical ability to play back prerecorded programming provided to Franchisee consistent with this Section. Franchisee shall transmit programming consistent with the dedicated uses of PEG Access Channels. Franchisee shall comply at all times with the requirements of Section 895.4 of the NY PSC rules and regulations.

5.2. *PEG Access Interconnection*:

5.2.1. The LFA has designated two (2) LFA municipal sites within the Franchise Area for the interconnection of the Educational and Governmental Access facilities with the Cable System ("EG Access Interconnection Sites") and will designate not more than one (1) additional site within the Franchise Area for originating government access programming (the "Governmental Content Origination Point"), which EG Access Interconnection Sites and Governmental Content Origination Point are identified in **Exhibit D**. The EG Access Interconnection Sites and the Governmental Content Origination Point shall be fully accessible by Franchisee without any further legal obligation.

5.2.2. Consistent with NY PSC rules and regulations, Franchisee shall provide a link between its video channel aggregation point and the EG Access Interconnection Sites in order to permit the signals to correctly routed from the EG Access Interconnection Sites to the appropriate EG Access Channels for distribution to Subscribers.

5.2.3. As identified in **Exhibit D**, and subject to the successful completion of all required municipal site preparation work by the LFA and the provision of access to Franchisee for equipment, installation and provisioning, the LFA shall provide to Franchisee at the EG Access Interconnection Sites and the Governmental Content Origination Point a suitable video signal and a suitable audio signal for each of the Educational and Governmental Channel(s), including any signal from any EG content origination points provided or maintained by any other cable service provider in the Service Area. Franchisee, upon receipt of the suitable video signal, shall provide, install and maintain in good working order the equipment necessary for transmitting the Educational and Governmental signals to its video channel aggregation site for further processing for distribution to Subscribers. Franchisee's obligation with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of suitable required space, environmental conditions, electrical power supply, access, pathway and other facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill its obligations.

5.2.4. Additionally, the LFA has designated one (1) future LFA municipal site located at Molloy College within the Franchise Area for the interconnection of Educational and Governmental Access facilities with the Cable System (the "Future E/G Access Interconnection Site") at the following address: 1000 Hempstead Avenue, Rockville Centre, New York 115780. The Future E/G Access Interconnection Site shall be for the sole use of the LFA or its designee(s) and shall be fully accessible by Franchisee, upon reasonable advance notice, without any further legal obligation and fully functional for the intended purpose of originating LFA-owned EG access programming produced at Molloy College or produced elsewhere at the LFA's direction.

5.2.4.1. Subsequent to the second (2nd) anniversary of the Effective Date, and thereafter upon one hundred eighty (180) days written notice from the LFA, Franchisee shall, without charge to the LFA, provide an upstream EG Access Channel transmission connection between its video channel aggregation point (head end) and the Future E/G Access Interconnection Site in order to permit the signals to be correctly routed from the Future EIG Access Interconnection Site for distribution to Subscribers, subject to the following:

5.2.4.1.1. The LFA's written notice to Franchise confirming that: a) the Future E/G Access Interconnection Site is fully functional for its intended purpose and b) the LFA has secured an irrevocable commitment from the incumbent cable provider to provide an upstream E/G Access Channel transmission connection between its video channel aggregation point and the Future Educational Access Interconnection Site;

5.2.4.1.2. The successful completion of all required municipal site preparation work by the LFA or its designee(s); and

5.2.4.1.3. The provision of access to Franchisee for equipment, installation and provisioning. The LFA shall pay the cost of any facilities required in order to deliver the signals from the program origination points to the Future EIG Access Interconnection Site.

5.2.4.1.4. The LFA shall provide to Franchisee at the Future E/G Access Interconnection Site a suitable video signal and a suitable audio signal. Franchisee, upon receipt of the suitable video signal and a suitable audio signal, shall provide, install and maintain in good working order the equipment necessary for transmitting the signal to its video channel aggregation site for further processing for distribution to Subscribers. Franchisee's obligations with respect to such upstream transmission equipment and facilities shall be subject to the availability, without charge to Franchisee, of suitable required space, environmental conditions, electrical power supply, access, pathway, and facilities and such cooperation of the LFA as is reasonably necessary for Franchisee to fulfill such obligations.

The Franchisee shall transmit in a commercially reasonable manner the LFA'sEducational Access Channel originating at the South Side High School, or programming for such Channel originating at Molloy College or Skelos Field as set forth in Section 5.2 and **Exhibit D**.

5.3. *PEG Grant:* Franchisee shall provide to the LFA a grant (the "PEG Grant") in the total amount of SEVENTY SIX THOUSAND SIX HUNDRED DOLLARS ($76,600). Such PEG Grant shall be used solely by the LFA for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of PEG access facilities.

5.3.1. Except as set forth below in this Subsection 5.3.2, the Franchisee shall pay the PEG Grant as follows:

5.3.1.1. The first (1st) installment of TWENTY FIVE THOUSAND SIX HUNDRED DOLLARS ($25,600), shall be payable within ninety (90) days after the Effective Date; and

5.3.1.2. Final two (2) installments in the amount of TWENTY FIVE THOUSAND FIVE HUNDRED DOLLARS ($25,500) each shall be payable, respectively, within ninety (90) days after the first (1st) and second (2nd) anniversaries of the Effective Date of the Franchise Agreement.

5.3.2. Franchisee and the LFA agree that the obligations in Section 5.3 above are, at a minimum, the same total PEG financial obligation as contained in Section 5.3 of the LFA's franchise with Verizon New York Inc., dated June 30, 2008, and approved pursuant to the Order and Certificate of Confirmation issued by the NY PSC on July 18, 2008 in Case No. 08-V-0748 (Petition of Verizon New York Inc. for a Certificate of Confirmation for its Franchise with the Village of Rockville Centre, Nassau County). Additionally, the LFA agrees that it shall impose, at a minimum, the same total PEG financial obligation to the one contained in Section 5.3 above in the franchise agreements of any new providers of cable service in the Franchise Area, or such cash or cash equivalent requirements as may be appropriate to establish the "level playing field" required by law.

5.4. *Indemnity for PEG:* The LFA shall require all local producers and users of any of the PEG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the LFA from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of a PEG facility or Channel. The LFA shall establish rules and regulations for use of PEG facilities, consistent with, and as required by, 47 U.S.C. § 531.

5.5. *Recovery of Costs:* To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of the PEG Grant or any other costs arising from the provision of PEG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the forgoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection and any franchise-related costs to Subscribers.

6. FRANCHISE FEES

6.1. *Payment to LFA:* Franchisee shall pay to the LFA a Franchise Fee of five percent (5%) of annual Gross Revenue (the "Franchise Fee"). In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be made quarterly no later than sixty (60) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable.

6.2. *Supporting Information:* Each Franchise Fee payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation.

6.3. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise Fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due, but cannot exceed the date of records retention reflected in Article 7.

6.4. *Bundled Services:* If Franchisee provides a Bundled Service to Subscribers, the Franchise Fee shall be applied only to the value of Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders. The parties agree that tariffed telecommunications service rates that cannot be discounted by law or by regulation are to be excluded from the bundled discount allocation basis.

6.5. *Section 626 Treatment:* Franchisee agrees that it will not apply the Franchise Fee as an offset against the special franchise tax payable to the LFA pursuant to N.Y. Real Property Tax Law Section 626 beginning in the next full calendar month following the issuance by the NY PSC of an order confirming this agreement. The LFA agrees that it shall impose the same full and complete waiver of the special franchise tax offset upon all existing and new providers of Cable Service or cable service (as such term may be defined by other providers) in the Service Area to be expressed in writing in all existing (if amended prior to renewal) or future initial and renewal franchise agreements. Notwithstanding the above, if an existing or new cable provider uses its offset right against the special franchise tax during the term of this Agreement, then Franchisee may also use its offset right and the above waiver is no longer in effect. The operation of this Section 6.5 shall be strictly limited to Franchise Fees lawfully imposed upon Cable Service, and shall not be construed to affect the Franchisee's rights under any provision of State or Federal law regarding the provision of services other than Cable Service.

7. REPORTS AND RECORDS

7.1. *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Following the notice period set forth herein, Franchisee shall make such books and records available to the LFA at a mutually agreed upon location in the State of New York within reasonable geographic proximity to the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The LFA shall treat any information disclosed by Franchisee as confidential and shall only disclose it to employees, representatives, and agents thereof who have a need to know, or in order to enforce the provisions hereof. Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. § 551.

7.2. *Records Required:* Franchisee shall at all times maintain:

7.2.1. Records of all written complaints for a period of six (6) years after receipt by Franchisee. The term "complaint" as used herein refers to complaints about any aspect of the Cable System or Franchisee's cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

7.2.2. Records of outages for a period of six (6) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

7.2.3. Records of service calls for repair and maintenance for a period of six (6) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

7.2.4. Records of installation/reconnection and requests for service extension for a period of six (6) years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

7.2.5. A map showing the area of coverage for the provisioning of Cable Services.

7.3. *System-Wide Statistics:* Subject to the requirements of Section 895.1(t) of the NY PSC rules and regulations, any valid reporting requirement in the Franchise may be satisfied with system-wide statistics, except those related to Franchise Fees and consumer complaints.

7.4. *Audit:* Subject to the confidentiality requirements set forth in Section 7.1 of this Franchise and the LFA's imposition of identical obligations to those contained in this Section 6.3 on all cable service providers in the Service Area, Franchisee shall be responsible for making available to the LFA for inspection and audit, all records necessary to confirm the accurate payment of Franchise Fees, whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's Cable Services operation in the LFA subject to the payment of Franchise Fees under this Agreement, including, by way of illustration and not limitation, any entity that sells advertising on the Franchisee's behalf, Franchisee shall maintain such records for six (6) years, provided that, if the LFA commences an audit within that six (6) year period, Franchisee shall continue to maintain such records for the duration of any audit in progress at the end of that six (6) year period. The LFA shall conduct all audits expeditiously, and neither the LFA nor Franchisee shall unreasonably delay the completion of an audit. The LFA's audit expenses shall be borne by the LFA unless the audit determines that the payment to the LFA should be increased by five percent (5%) or more in the audited period, in which case the reasonable, documented out-of-pocket, costs of the audit, together with any additional amounts due to the LFA as a result of such audit, shall be paid by Franchisee to the LFA within sixty (60) days following written notice to Franchisee by the LFA of the underpayment, which notice shall include a copy of the audit report; provided, however, that Franchisee's obligation to pay or reimburse the LFA's audit expenses shall not exceed an aggregate of Ten Thousand Dollars ($10,000). If re-computation results in additional revenue to be paid to the LFA, such amount shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules (which as of the date of execution of this Agreement is nine percent (9%) per annum) per annum during the period such unpaid amount is owed. If the audit determines that there has been an overpayment by Franchisee, the Franchisee may credit any overpayment against its next

quarterly payment. The LFA shall not conduct an audit more frequently than once every three (3) years.

8. INSURANCE AND INDEMNIFICATION

8.1. *Insurance:*

8.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

8.1.1.1. Commercial General Liability Insurance in the amount of one million dollars ($1,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of Franchisee's Cable Service business in the LFA applicable to a standard form general liability insurance policy.

8.1.1.2. Automobile Liability Insurance in the amount of one million dollars ($1,000,000) combined single limit for bodily injury and property damage coverage.

8.1.1.3. Workers' Compensation Insurance in conformity with all legal requirements of the State of New York.

8.1.1.4. Employers' Liability Insurance at least in the following amounts: (A) Bodily Injury by Accident: $100,000; and (B) Bodily Injury by Disease: $100,000 employee limit; $500,000 policy limit.

8.1.1.5. Excess liability or umbrella coverage of not less than ten million dollars ($10,000,000).

8.1.1.6. The limits required above may be satisfied with a combination of primary and excess coverage.

8.1.2. The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance and Employer's Liability Insurance. The LFA is an additional insured under the excess liability or umbrella coverage to the extent it is named as an additional insured on the underlying primary policies.

8.1.3. Each of the required insurance policies shall be noncancellable except upon thirty (30) days prior written notice to the LFA. Franchisee shall not cancel any required insurance policy without submitting documentation to the LFA verifying that the Franchisee has obtained alternative insurance in conformance with this Agreement.

8.1.4. Each of the required insurance policies shall be with insurance companies qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition. In the event Franchisee's insurance carrier is downgraded to a rating of lower than

Best's A-, Franchisee shall have ninety (90) days to obtain coverage from a carrier with a rating of at least Best's A-.

8.1.5. Within thirty (30) days of the Effective Date, Franchisee shall deliver to the LFA proof of insurance, by means of an endorsement, including the LFA as an additional insured, effective as of the day of the initiation of Cable Service in the LFA, in conformity with the terns of this Agreement. In the event any such policy is replaced or extended during the term of this Agreement, within thirty (30) days of such replacement or extension Franchisee shall deliver such proof to the LFA with respect to such replacement or extended policy.

8.2. *Indemnification:*

8.2.1. Franchisee agrees to indemnify the LFA, and its officers, boards, elected officials and employees for, and hold them harmless from, all liability, damage, cost or expense arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees, or infringement of copyright or patent rights arising from Franchisee's provision of Cable Services over the Cable System other than PEG facilities and Channels, provided that the LFA shall give Franchisee timely written notice of a claim or action for which it seeks indemnification pursuant to this Subsection; and in any event, the LFA shall provide Franchisee with such written notice within a period of time that allows Franchisee to take action to avoid entry of a default judgment and does not prejudice Franchisee's ability to defend the claim or action. Notwithstanding the foregoing, Franchisee shall not indemnify the LFA for any damages, liability or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, attorneys, consultants, independent contractors or third parties or for any activity or function conducted by any Person other than Franchisee in connection with PEG Access or EAS.

8.2.2. With respect to Franchisee's indemnity obligations set forth in Subsection 8.2.1, Franchisee shall provide the defense of any claims brought against the LFA by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the LFA, which shall not be unreasonably withheld. Nothing herein shall be deemed to prevent the LFA from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the LFA, Franchisee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the LFA and the LFA does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the LFA shall in no event exceed the amount of such settlement.

8.2.3. The LFA shall hold harmless and defend Franchisee from and against and shall be responsible for damages, liability or claims resulting from or arising out of the willful misconduct or negligence of the LFA.

8.2.4. The LFA shall be responsible for its own acts of willful misconduct, negligence, or breach, subject to any and all defenses and limitations of liability provided by law. The Franchisee shall not be required to indemnify the LFA for acts of the LFA which constitute willful misconduct or negligence on the part of the LFA, its officers, employees, agents, attorneys, consultants, independent contractors or third parties.

9. TRANSFER OF FRANCHISE

9.1. *Transfer:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or for transactions otherwise excluded under Section 1.32 above.

10. RENEWAL OF FRANCHISE

10.1. *Governing Law:* The LFA and Franchisee agree that any proceedings undertaken by the LFA that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 12.11 below, the Cable Law and Section 626 of the Communications Act, 47 U.S.C. § 546, as amended.

10.2. *Needs Assessment:* In addition to the procedures set forth in Section 626 of the Communications Act, the LFA shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of Franchisee under the then current Franchise term. Such assessments shall be provided to Franchisee by the LFA promptly so that Franchisee will have adequate time to submit a proposal under 47 U.S.C. § 546 and complete renewal of the Franchise prior to expiration of its term.

10.3. *Informal Negotiations:* Notwithstanding anything to the contrary set forth herein, Franchisee and the LFA agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the LFA and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the LFA may grant a renewal thereof.

10.4. *Consistent Terms:* Franchisee and the LFA consider the terms set forth in this Article 10 to be consistent with the express provisions of 47 U.S.C. § 546 and the Cable Law.

11. ENFORCEMENT AND TERMINATION OF FRANCHISE

11.1. *Notice of Violation:* If at any time the LFA believes that Franchisee has not complied with the terns of the Franchise, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the

LFA shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the "Noncompliance Notice").

11.2. *Franchisee's Right to Cure or Respond:* Franchisee shall have sixty (60) days from receipt of the Noncompliance Notice to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such sixty (60) day period, initiate reasonable steps to remedy such noncompliance and notify the LFA of the steps being taken and the date by which Franchisee projects that it will complete cure of such noncompliance. Upon cure of any noncompliance, the LFA shall provide written confirmation that such cure has been effected.

11.3. *Public Hearing:* The LFA shall schedule a public hearing if the LFA seeks to continue its investigation into the alleged noncompliance (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above. The LFA shall provide Franchisee at least sixty (60) business days prior written notice of such public hearing, which will specify the time, place and purpose of such public hearing, and provide Franchisee the opportunity to be heard.

11.4. *Enforcement:* Subject to Section 12.11 below and applicable federal and state law, in the event the LFA, after the public hearing set forth in Section 11.3, determines that Franchisee is in default of any provision of this Franchise, the LFA may:

11.4.1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

11.4.2. Commence an action at law for monetary damages or seek other equitable relief; or

11.4.3. In the case of a substantial noncompliance with a material provision of this Franchise, seek to revoke the Franchise in accordance with Section 11.5.

11.5. *Revocation:* Should the LFA seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Section 11.3, the LFA shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the LFA has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

11.5.1. At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony

of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing.

11.5.2. Following the second public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions to the LFA in writing and thereafter the LFA shall determine (i) whether an event of default has occurred under this Franchise; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The LFA shall also determine whether it will revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to effect any cure. If the LFA determines that it will revoke the Franchise, the LFA shall promptly provide Franchisee with a written determination setting forth the LFA's reasoning for such revocation. Franchisee may appeal such written determination of the LFA to an appropriate court, which shall have the power to review the decision of the LFA *de novo.* Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Franchisee's receipt of the written determination of the LFA.

11.5.3. The LFA may, at its sole discretion, take any lawful action that it deems appropriate to enforce the LFA's rights under the Franchise in lieu of revocation of the Franchise.

11.6. *Abandonment of Service:* Franchisee shall not abandon any Cable Service or portion thereof without the LFA's prior written consent as provided in the Cable Law.

12. MISCELLANEOUS PROVISIONS

12.1. *Actions of Parties:* In any action by the LFA or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

12.2. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

12.3. *Preemption: In* the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, 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 provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4. *Force Majeure:* Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty

relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers, or where strict performance would result in practical difficulties and hardship being placed upon Franchisee that outweigh the benefit to be derived by the LFA and/or Subscribers.

12.5. *Notices:* Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee by providing written notice to the other party.

12.5.1. Notices to Franchisee shall be mailed to:

Cablevision Systems Corporation
1111 Stewart Avenue
Bethpage, NY 11714
ATTN: Vice President, Government Affairs, Suburban New York

12.5.2. with a copy to:

Cablevision Systems Long Island Corporation
1111 Stewart Avenue
Bethpage, NY 11714
ATTN: Legal Department

12.5.3. Notices to the LFA shall be mailed to:

Mayor, Village of Rockville Centre
PO Box 950
One College Place
Rockville Centre, NY 1157 1-0950

12.5.4. with a copy to:

Village Administrator, Village of Rockville Centre
PO Box 950
One College Place
Rockville Centre, NY 1 157 1-0950

12.6. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and they supersede all prior or

contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any local laws or parts of local laws that materially conflict with the provisions of this Agreement are superseded by this Agreement.

12.7. *Amendments and Modifications:* Amendments and/or modifications to this Franchise shall be mutually agreed to in writing by the parties and subject to the approval of the NY PSC, pursuant to the Cable Law.

12.8. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

12.9. *Severability:* If any section, subsection, sub-subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of my other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise.

12.10. *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

12.11. *Fiber Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee's Fiber Network including, without limitation, the Cable System and any capacity used for Cable Service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the Fiber Network or to relocate the Fiber Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services. This provision is not intended to contravene leased access requirements under Title VI or PEG requirements set out in this Agreement.

12.12. *NY PSC Approval:* This Franchise is subject to the approval of the NY PSC. Franchisee shall file an application for such approval with the NY PSC within sixty (60) days after the date hereof. Franchisee shall also file any necessary notices with the FCC.

12.13. *Rates and Charges:* The rates and charges for Cable Service provided pursuant to this Franchise shall be subject to regulation in accordance with federal law.

12.14. *Publishing Information:* LFA hereby requests that Franchisee omit publishing information specified in 47 C.F.R. $ 76.952 from Subscriber bills.

12.15. *Employment Practices:* Franchisee will not refuse to hire, nor will it bar or discharge from employment, nor discriminate against any person in compensation or in terms,

conditions, or privileges of employment because of age, race, creed, color, national origin, or sex.

12.16. *Customer Service:* Franchisee shall comply with the consumer protection and customer service standards set forth in Parts 890 and 896 of the NY PSC rules and regulations.

12.17. *No Third Party Beneficiaries:* Except as expressly provided in this Agreement, this Agreement is not intended to, and does not, create any rights or benefits on behalf of any Person other than the parties to this Agreement.

12.18. *LFA Official:* The Mayor of the LFA or representative of the Mayor is the LFA official that is responsible for the continuing administration of this Agreement.

12.19. *No Waiver* of *LFA's Rights:* Notwithstanding anything to the contrary in this Agreement, no provision of this Agreement shall be construed as a waiver of the LFA's rights under applicable federal and state law.

[SIGNATURE PAGE FOLLOWS]

Approved As To Form
Village Attorney

AGREED TO THIS 26 DAY OF MARCH, 2010.

VILLAGE OF ROCKVILLE CENTRE:

By: _____
Mary W. Bossart, Mayor

CABLEVISION SYSTEMS LONG ISLAND CORPORATION:

By: _____
Adam Falk, Vice President

EXHIBITS

Exhibit A: Municipal Buildings to be Provided Free Cable Service

Exhibit B: Service Area

Exhibit C: PEG Channels

Exhibit D: EG Access Interconnection Sites

EXHIBIT A

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

PUBLIC BUILDINGS	**ADDRESSES** (ROCKVILLE, NY 11570)
Village Hall	1 College Place
Building Department	110 Maple Avenue
Police Dept	34 Maple Avenue
Public Utilities	110 Maple Avenue
Water Department	142 Maple Avenue
Recreation Center	111 N Oceanside Road
Senior Center	50 S Park Avenue
DPW	10 Sunrise Highway
MLK Center	150 N Centre Avenue
Fire Prevention Office	1 College Place (Rear of Municipal Bldg)
Fire Headquarters	59 N Centre Avenue
Reliance Fire House	137 N Forest Avenue
Maple Ave Fire House	103 Maple Avenue
Defenders Fire House	39 S Centre Avenue
Woodlands Fire House	20 Driscoll Avenue
Auxiliary Police	Chester/Park Avenue
Jennie E. Hewitt School	446 DeMott Ave.
Riverside School	110 Riverside Drive
Floyd B. Watson School	277 North Centre Avenue
Francis F. Wilson School	25 Buckingham Road
South Side Middle School	67 Hillside Avenue
South Side High School	140 Shepherd Street
Administration Building	128 Shepherd Street
St. Agnes Cathedral Elementary School	70 Clinton Avenue
Public Library	221 N Village Avenue
Rosa Lee Young Childhood Center	180 N Village Avenue
Greenhouse	189 Sunrise Highway
William S. Covert School*	379 Willow Street
Skelos Athletic Center*	Peninsula Boulevard

* The parties acknowledge that this location is outside the Service Area and that the obligation to serve this location is a condition of Cablevision's franchise in the Town of Hempstead and not this franchise.

EXHIBIT B

FRANCHISE AREA/SERVICE AREA

The Service Area shall be the Franchise Area. The construction of the Franchisee's Fiber Network has been completed throughout the Franchise Area subject only to Subsection 3.1.1 and 3.2 of the Franchise, and accordingly it is not necessary to provide any additional details concerning the construction and/or deployment timetables and areas within the Service Area, nor is a map of the Service Area necessary.

EXHIBIT C

PEG CHANNELS

The Franchisee shall provide PEG Access Channels pursuant to the Cable Law.

EXHIBIT D

EG ACCESS INTERCONNECTION SITES

Subject to the requirements set forth in Section 5.2 of the Agreement, the following one (1) Governmental Access Interconnection Site originating a channel shall be operable on the Effective Date:

Village of Rockville Centre, Utilities Building, 110 Maple Avenue, Rockville Centre, NY 11570

Subject to the requirements set forth in Section 5.2 of the Agreement, the following one (1) Educational Access Interconnection Site originating a channel shall be operable on the Effective Date:

South Side High School, 128 Shepherd Street, Rockville Centre, NY 11570

At the above EG Access Interconnection Sites, the LFA will provide Franchisee, without restriction, with suitable video and audio signals for the EG Channels and the LFA is responsible for all content and equipment necessary to deliver such signals at the point of connection. The Governmental Access Interconnection Site shall serve as the aggregation point for the Governmental Content Origination Point designated below (the "Governmental Content Origination Point") feeding signals to the Government Access Channel. For purposes of permitting the LFA to select and switch feeds into an aggregation point, Franchisee shall provide the LFA, without charge, such capability at such aggregation point. Operation and maintenance of any equipment associated therewith shall be the responsibility of the LFA. At the Governmental Access Interconnection Site, the LFA will provide Franchisee, without restriction, with suitable video and audio signals from any and all additional Governmental content origination points which may be provided or maintained by any other cable service provider within the Service Area.

The LFA shall have a choice of two of the three identified below to designate as an additional Governmental Content Origination Point (in addition to any signals to originate from Molloy College) for the purpose of feeding a signal from such site to the Governmental Access Interconnection Site. Subject to the requirements set forth in Section 5.2 of the Agreement, the one (1) Governmental Content Origination Point shall be operable within one hundred eighty (180) days of written request by the LFA, which request shall be tendered no sooner than sixty (60) days after the Effective Date.

a) Senior Center, 50 South Park Avenue,
b) Skelos Field, Peninsula Blvd Rockville Centre, NY 11570; or
c) Recreation Center, 111 N. Oceanside Rd., Rockville Centre, NY 11570.