

ARTICLE 4

LOCAL ORIGINATION AND ACCESS

Section 4.1 LOCAL ORIGINATION AND ACCESS

(a) Licensee shall continue to operate a local programming studio (the "studio") in Amesbury, Massachusetts for the production and cablecasting of both Licensee produced local programming ("local origination programming") and access programming, including public, educational and governmental access programming, which local origination and access programming shall be on dedicated local channels in accordance with the terms hereof. Should the Licensee decide to relocate its studio from its current 194 Main Street, Amesbury address to another Amesbury location, rebuild and relocation costs shall not be passed through to subscribers as external costs added to rate regulated tiers, and said new facility would have studio space and facilities not less than at the current address and the current studio would be maintained for regular use until such new studio was fully operable.

(b) Licensee shall not reduce current studio operating expenditures allocated to Amesbury (unless approved in writing by the Issuing Authority and at the discretion of the Issuing Authority with such approval being effective for not more than one year and with any subsequent written approvals effective for not more than one year) and shall exercise best efforts not to

increase such expenditures, including operating expenses for studio staff and shall maintain current studio capital expenditure levels allocated to Amesbury, as adjusted for inflation, substantially equivalent to expenditure levels maintained under the prior license, such that there will be no net increase in Licensee's external costs for said studio expenses and no resulting increase in subscriber rates attributable to continued operation of said studio except for those increases resulting from new license requirements above those required under the prior license and for inflation adjustments. For reference purposes, Schedule 4.1(b) shows Licensee's actual local programming operating and capital expenditure levels for the prior four years, which levels shall be maintained herein.

(c) Licensee's studio staff shall include a full-time studio director who shall be responsible for coordinating the cablecasting of local origination and access programming, including the coverage of community events and matters of community interest and providing training and reasonable technical assistance to volunteer producers. Said full-time studio director may as needed be available for Merrimac, Salisbury and South Hampton local programming. Licensee shall offer access users at least the level of training provided as of the expiration of the prior License and shall include at least the curricula and subject matter as detailed in Schedule 4.1(c) attached hereto.

(d) Licensee shall be responsible for cablecasting the regularly scheduled Board of Selectmen (or City Council as applicable) and School Committee meetings if requested by the Board of Selectmen (or City Council) or School Committee as applicable. Licensee may satisfy its obligations hereunder with the assistance of volunteers if said volunteers are available and provide reliable coverage. Not later than one hundred twenty (120) days from the execution hereof Licensee shall upgrade the audio transmission of and audio equipment for Board of Selectmen coverage, including microphones, such that the audio equipment will be of a high audio quality and audio transmissions will be reasonably satisfactory to the Selectmen. Licensee shall within one hundred twenty (120) days from the execution hereof install and equip the Selectmen (or City Council, as applicable) meeting room with two remote controllable cameras and mounts and an accompanying remote controllable system and sufficient lighting. Licensee shall, at the request of the Issuing Authority, cover two (2) other municipal meetings per month, including but not limited to finance committee meetings and meetings of other municipal boards, committees and the like. For coverage of the foregoing second and subsequent additional municipal meeting(s) per month, \$1,000.00 per year of the Educational Telecommunications Program grant payable under Section 4.2 shall be earmarked for stipends for Amesbury public school students or staff performing the necessary camera and production work with said work to be undertaken with the cooperation of the School Department. Licensee's coverage of said two additional municipal meetings

shall be subject to said meetings occurring at either the Town Hall or School Committee fixed camera locations or at such other fixed camera locations as may be established during the term of this License.

(e) The local origination and access studio shall be under the management of the Licensee but subject to public, educational and governmental access in accordance with the terms hereof. Access channels shall be available for student, teacher, public and municipal use for educational, public and governmental access programming and training in accordance with the access provisions of this License and the Cable Act, 47 U.S.C. 531. Any resident of the Town, or any organization based in the Town, shall have the right to produce programming on the public access channel, and shall have access to facilities and equipment, upon completion of a training program, or upon certification of proficiency by Licensee staff, and shall have access to training, subject to rules, if any, established by the Issuing Authority and Licensee pursuant to this License. Public use of the access facilities and channels shall be on a first come first serve non-discriminatory basis. The number of operating hours for the studio shall be not less than thirty (30) hours per week including not less than 20 hours per week for public access as requested by public access users, including ten (10) hours after 5 p.m. with said hours after 5 p.m. available as requested by access users not less than five (5) business days in advance and, upon not less than seven days advance request, four hours on the first Saturday of the month in a non-holiday weekend. The use of

studio and channels for access purposes shall have the objective of providing a forum for local television and for providing a place for educational activity pertaining to television.

Licensee shall exercise best efforts to schedule local-origination and access programming such that access as well as local origination programming are cablecast at times most likely to be seen by viewers. The parties further agree that Licensee shall at least maintain its own local-origination programming at not less than two and one half (2 1/2) hours per week of original Licensee produced and cablecast local programming.

(f) An inventory of studio and mobile production equipment, including van, van equipment and modulators, as of the expiration of the prior license, is attached hereto as Schedule 4.1(f).

Licensee shall maintain and replace said equipment as needed to assure that the studio and the mobile production van equipment are maintained at a level at least equivalent to the inventory of the studio and the van equipment provided under the prior license. Such equipment shall be maintained at an industry performance level customary and usual for such equipment.

Consistent with the continuity of expenditure on studio equipment required under Section 4.1(b), Licensee shall within 180 days from the effective date hereof, provide dedicated studio and field/portable equipment. The equipment package shall consist of, among other things, camcorders and generators, including not less than \$45,700.00 of public access studio equipment and field equipment which shall be selected jointly by Licensee and a designee of the Issuing Authority. Existing access equipment and

van equipment including an AC Generator; Hi-8 Player/Recorder with Time Base Corrector; Audio/Video Switcher; cables and connectors as needed will be an additional part of the equipment package. In addition, Licensee shall provide \$5,000.00 for upgrading the van or on-site production equipment as determined jointly by Licensee and a designee of the Issuing Authority. Licensee shall install said new van equipment such that the production van can be used for customary production purposes. The van shall be available for the use of Licensee's Amesbury system upon seven days prior notice except in the case of an actual scheduling conflict within the Merrimac, Salisbury and South Hampton system, in which case the van shall be available not more than nine days from the original prior notice. The studio mobile production van shall be available to access producers in the presence of the studio director or the director's designee.

(g) Until the completion of the system rebuild provided for under License Section 3.1, Licensee shall continue to allocate two subscriber network downstream channels for local origination and access as follows: Said local-origination/access channel, currently Channel 12, shall be reserved for and dedicated to both community programming produced by Licensee and for public and municipal access programming ("local origination and access channel"); and said educational access channel, currently Channel 18, shall be reserved for and dedicated to educational access programming. Said local-origination/access channel shall be under the management of Licensee, subject to public and municipal

access rights in accordance with the federal Cable Act, 47 U.S.C. 531 and the terms hereof and Channel 18 shall be under the management of the Amesbury School Department for educational access. At any time subsequent to the completion of the system rebuild provided for under License Section 3.1, Licensee shall, if requested in writing by the Issuing Authority with said request explaining intended use(s), dedicate one (1) additional channel for public, municipal and/or educational access, as determined by the Issuing Authority, however, prior to the addition of any such access channels, the Licensee shall provide the Issuing Authority with a written statement of the specific effect on subscriber rates, if any, likely to be caused by the addition of such access channel. Unless otherwise indicated by the Issuing Authority, said additional channel shall be for Amesbury use only or said additional channel shall be such that it can be programmed with only Amesbury programming in Amesbury. Upon receipt of Licensee's statement on the effect of the additional access channel on rates, the Issuing Authority shall have the prerogative of rescinding or deferring said request for an additional access channel. Such additional access channel, if any, may be dedicated for public, educational or governmental uses on a composite or separate basis, as determined by the Issuing Authority.

(h) If after completion of the Rebuild, the Issuing Authority requires an additional downstream channel pursuant to Section 4.1(g) and uses it for the purposes of municipal access television programming, such channel may be used by municipal departments and agencies to inform subscribers about Town government, services and

issues. Such a municipal access channel shall be subject to such reasonable operating rules as the Issuing Authority may adopt. Prior to the Rebuild, the existing local origination/access channel shall be available for municipal access. No access program or additional access channel shall include paid political advertising.

(i) The cable system shall be capable of local origination and access cablecasting from the studio, public schools and other I-Net sites, or from other remote origination points which may be specified pursuant to Section 3.6 herein. Each local origination channel or access channel shall have the ability to transmit upstream to the headend via an effective and reliable I-Net upstream channel or via its own dedicated subscriber network upstream video channel.

(j) Licensee shall be responsible for the technical maintenance and signal quality of such downstream and upstream local channel transmissions notwithstanding the fact that Licensee is not responsible for the production quality of public or educational access productions nor is Licensee responsible for the access equipment not owned by Licensee. Signal transmission quality on such channels shall be commensurate with those which apply to Licensee's regular commercial channels and Licensee shall upon request provide copies of F.C.C. signal quality proofs of performance with respect to the local origination and access channels.

(k) After the rebuild, in addition to any access channel allocations in accordance with the above, Licensee shall, if requested by the Issuing Authority, provide an additional (fourth) access channel if a public, educational and/or municipal access channel, over a period of one hundred and twenty days, is programmed with locally produced or locally sponsored, non-duplicative video programming and non-duplicative character generator programming, 75% of the time between the hours of 12 p.m. to 10 p.m. on weekdays.

(l) The Licensee and the Issuing Authority may require members of the public to assume individual responsibility for any program-based liability including but not limited to liability for copyright infringement or defamation, and to hold the Town and Licensee harmless for same, subject to Cable Act and FCC requirements, however, individual local access producers shall not be required to obtain any insurance policy as a precondition of cablecasting nor shall the Licensee nor the Issuing Authority be obliged to engage in pre-screening of program content. It is the intent of the parties that producers be on notice that neither the Licensee nor the Issuing Authority assume editorial responsibility for such individual's local productions and therefore are not liable for the errors, if any, of such individual local access producers.

(m) To inform the public about use of the local studio facilities and channels, the Licensee shall conduct regular outreach to publicize same, including regular cablecasting notice of the availability of the equipment, facilities and of training. Said outreach shall also include Licensee mailing of a bill insert explaining the availability of public access facilities and training which shall be mailed to all subscribers one time per year.

(n) Licensee, the Issuing Authority and, where applicable, the Superintendent of Schools shall meet from time to time, upon the request of either party, to discuss and cooperatively implement the terms hereof.

(o) Consistent with the current underwriting standards for non-commercial television stations, notices of support and underwriting may be permitted within or adjacent to access programs and revenues for same may be used for local access productions.

Section 4.2 SUPPORT FOR EDUCATIONAL ACCESS:
 AMESBURY PUBLIC SCHOOLS EDUCATIONAL
 TELECOMMUNICATIONS PROGRAM

(a) Notwithstanding the payments made pursuant to the provisions of M.G.L. Chapter 166A, Section 9, Licensee shall, on or before March 15 of each year during the term of this License make a grant payment for educational cable access to the Educational Telecommunications Program of the Amesbury Public Schools ("ETP")

in the amount of one and one half (1 1/2) percent of Licensee's gross revenues per annum for the preceding calendar year. Such annual grant payment shall only be made at the option of the Issuing Authority, which option may be exercised annually by the Issuing Authority, at its sole discretion, and upon written notice to the Licensee during each year of the term of this License. In the exercise of their discretion to each year determine whether said ETP payment shall be paid to the School Department for educational access, the Issuing Authority may consider, among other things, the extent to which the Schools are prepared to use said funds for educational access purposes, the effect of said expenditure on rates and any other factors deemed relevant by the Issuing Authority. In exercising the foregoing option, the Issuing Authority may authorize Licensee's payment of all or a portion of the foregoing annual ETP payments. Such ETP grant payments shall be considered as part of Licensee's franchise fee commitments and shall be included in the franchise fee for purposes of any applicable federal limitation on franchise fees, provided that in any event all franchise fees in the aggregate shall not exceed the limit on franchise fees imposed by federal law.

(b) Any payments to the ETP shall be used to support the operation and utilization of an educational telecommunications program centered around use of the cable system and may include, but not be limited to, such items as audio-visual equipment, stipends or salaries of personnel associated with educational

media, telephone and other administrative costs, data transmission and ancillary equipment to be used in conjunction with the program. Said payments shall be disbursed to the Amesbury Public Schools in accordance with the directives of a three (3) person Cable Educational Access Committee appointed as follows: one member to be appointed by the Issuing Authority from the duly established Cable Advisory Committee; one member to be appointed by the Superintendent of Schools; and one member to be appointed by Licensee. Said members shall serve two (2) year terms or thereafter may stay on until such time as successors are appointed. Successor appointees likewise shall serve two (2) year terms and may stay on until such time as their successors are appointed. On or about March 15 of each year following the execution date of this License, said Cable Educational Access Committee shall annually submit to the Issuing Authority and Licensee a written report showing actual disbursements to the various public schools including a detailed statement explaining the allocation of funds, the access needs, interests and operations of the various schools and the actual use of said funds by the various schools during the prior year. If upon review of the Committee's annual ETP report as required herein, Licensee determines that the use of the funds, or a portion thereof, has not been reasonably related to educational cable access, Licensee may in writing request a hearing before the Issuing Authority on this matter. If the Issuing Authority agrees with the Licensee, it shall take measures to see that such funds are expended appropriately for educational access-related

purposes in the future. If upon receiving a subsequent ETP annual report as provided herein, Licensee again determines that the use of said funds, or a portion thereof, has not been appropriately used for access-related purposes, Licensee may in writing request an additional hearing on same before the Issuing Authority. If the Issuing Authority makes a finding in accordance with Licensee's determination, it shall direct Licensee to withhold an amount of ETP payments corresponding to the amount which is the subject of dispute, until such time as safeguards are in place to assure use of such funds for educational telecommunications access in accordance with the terms hereof. If following Licensee's second and consecutive request for Issuing Authority remedial action, the Issuing Authority disagrees with the Licensee concerning the appropriateness of the use of the funds, the matter may be referred to the Massachusetts Cable Television Commission upon written request of Licensee, or to such other arbiter as may be agreeable to the parties.

(c) To further support the Educational Telecommunications Program, Licensee shall make the following payment to this program which shall be used for capital expenditures, including educational access equipment and access facility improvements or access construction:

Within 90 days of the License effective date: \$75,000.00

(d) The School Department shall own and maintain all equipment purchased with funds provided pursuant to this License, however, Licensee's technical staff shall provide reasonable technical advice with respect to installation and use of equipment, studio design, electrical specifications and interconnection to the cable system. In no event shall said capital grants be counted against either the annual educational access grant required by Section 4.2(a), nor shall it be included in the calculation of any other license fee payment subject to the 5% federal cap on franchises under applicable law.

(e) Should Licensee fail to timely make any payment under clauses (a) and (c) above, and should such failure continue for a period of 10 days from written notice thereof, then it shall additionally be charged an interest penalty which shall accrue from the date payment is due at an annual rate not to exceed the prime rate of interest then current at the Chase Manhattan Bank of North America plus two percent. Payment of this interest penalty shall not preclude any other remedy available to the Issuing Authority under applicable law.

(f) The annual educational access grant required under Section 4.2(a) and the capital grant under 4.2(d) shall be paid into a special and restricted access grant or revenue account for use by the School Department, and not the general fund.

(g) To assure the ability of the Town's public schools to distribute educational programming to and from school buildings, the cable system or I-Net design shall be such that the primary educational access channel (currently Channel 18) shall be capable of transmitting educational programming specifically from Amesbury public schools to other Amesbury public schools or to the subscriber network. The Issuing Authority and Licensee further agree that the standard membership fee for MCET membership may, if directed by the Issuing Authority, be paid out of the one and one half percent educational access fee provided for under Section 4.2(a) above.

(h) If any section, sentence, paragraph, term or provision of this Section 4.2 is determined to be illegal, invalid or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory agency having jurisdiction thereof, such that any or all of the funding provided by Licensee to the Educational Telecommunications Program becomes unavailable, then the Issuing Authority shall have the right to direct the Licensee to make the aforesaid grant payments to a duly created private non-profit Educational Access Corporation. Such payments, however, shall be subject to the same terms and conditions, to the extent applicable, provided for in Section 4.2 of this License with respect to ETP, including the provisions that payments to ETP shall not, when added to all other franchise fees paid by Licensee, exceed the limitation provided for in Section 4.2(a).

(i) On or about March 15 of each year following the execution of this License, the Licensee shall provide the Cable Educational Access Committee financial statements prepared in accordance with Generally Accepted Accounting Principles showing actual gross revenues for the prior calendar year for purposes of calculating the annual one and one half percent educational access grant.

Section 4.3 PREPARING CERTAIN LOCATIONS FOR CABLECASTING

Licensee shall maintain, or if needed provide and install sufficient lighting and remote controllable camera mounts, cameras and remote control system at a location where School Committee meetings are held and continue to provide the School Department with one character generator and provide the Town one character generator for transmissions over the system's access channels, with the foregoing provided within 150 days from effective date of this Renewal License

Section 4.4 TRANSITION

Licensee agrees to "grandfather," that is to continue or not to remove, as applicable, any local origination or access equipment or facilities actually provided as of the expiration of the prior license, except where such removal of equipment or facilities is necessary for technical or safety reasons, or is replaced by equipment with equivalent capability, or as otherwise consented to by the Issuing Authority. Notwithstanding any omission to

expressly assign title or ownership of equipment to the Issuing Authority, if by any prior license or prior agreement title and ownership of any particular access equipment or facilities has been or was required to be assigned to the Issuing Authority, School Department or other municipal agency, nothing in this License shall rescind such assignment of title or ownership to the Issuing Authority, School Department or other municipal agency.

Section 4.5 INSTITUTIONAL NETWORK

(a) Licensee shall at a minimum provide at no expense to the Town, a 550 Mhz Institutional Network (I-Net) to be activated and operable as of the completion of the rebuild pursuant to Section 3.1, that is, twenty (20) months from the execution of this License, for municipal use by the Town and for use by the Licensee in accordance with the terms hereof. Said I-Net shall be capable of providing to the Town of Amesbury four (4) channels in the downstream direction and four (4) channels in the upstream direction. The Town, or its authorized agencies, shall have the exclusive right to program such I-net channels, subject to the limitation that the Town or its designees shall use the I-Net for municipal or non-commercial purposes and shall not interconnect with any public switched network without giving Licensee both advanced written notice and an opportunity to provide such service. Licensee shall have the use of the remainder of the aforesaid I-Net channels to be used as Licensee determines in its

sole discretion. If the Town demonstrates a need for additional I-Net channels, Licensee will make its best efforts to accommodate those needs by offering additional unused I-Net channel capacity also at no expense to the Town.

(b) The I-Net shall be capable of carrying video, audio, text and data transmission(s) between the public buildings and sites or non-profit locations to be connected to the I-Net as specified in Schedule 4.5(b) of this Renewal License and Licensee shall provide two-way loops enabling two-way communication between at least the Town Hall, School Administration Building, High School and the public library. Licensee shall make it technically possible for the I-Net to be utilized to enable the School Department to program into public school buildings, for, among other things, distribution of educational programming or administrative information to all public school buildings. The I-Net shall be further capable of transmitting, between non-residential public buildings and sites, for among other things, 1) electronic mail, 2) interactive teaching and 3) municipal training; provided, however, that the Licensee is not responsible for the provision of any customer premises equipment, including interfaces and decoders, and software to implement the same. I-Net capability shall be such that designated users shall be able to transmit to other I-Net locations using a modem or portable modulator and/or other necessary equipment. Through use of coding or otherwise, I-Net

users will be able to transmit data discretely to individual I-Net locations.

(c) Upon written request of the Issuing Authority, the Licensee shall provide, at no cost to the Town, one activated I-Net drop and two activated outlets to the I-Net locations designated in the attached schedule except that the High School (one of said locations) shall have two I-Net transmit outlets and three activated receive outlets. Additional outlets, if any, in excess of the above shall be installed by the Licensee subject to payment by the Town of the Licensee's actual costs for time and materials. Construction, installation and activation of each designated Drop and outlet shall be completed after construction of the I-Net (which is to occur 20 months from effective date) within ninety (90) days of designation and design approval by the Town, for aerial drops, and within one hundred twenty (120) days of designation and design approval by the Town, for underground drops, weather permitting, or such later date as may be mutually agreed upon by the parties. The Licensee shall discuss the location of each connection with the appropriate officials for each of the buildings or sites designated to receive a drop or Outlet, prior to the installation of such a drop or dutlet.

(d) The I-Net shall be interconnected with the Subscriber Network at the I-Net processing center in order that video signals originating from the I-Net sites can be sent upstream on an I-Net channel and then switched to a downstream Subscriber

Network channel. There shall be no charge to the Town for such switching from the I-Net to the Subscriber Network.

(e) The Licensee shall have the sole responsibility, at no cost to the Town, for maintaining the I-Net for the term of this Renewal License, except for equipment not directly under its control, but including all necessary inspections and performance tests. The Licensee shall be responsible, at no cost to the Town, for all switching of signals between the Subscriber Network and the I-Net and to the I-Net sites. Licensee's responsibility to effect such switching shall include the responsibility to provide headend and distribution plant equipment and software necessary and customary to effectuate such switching.

(f) The I-Net shall be operated in compliance with the System Technical specifications found in Schedule 3.21, attached hereto. In the event that there are technical problems with the I-Net, the Licensee and the Issuing Authority shall negotiate, in good faith, a resolution of any such problems, however, it shall remain Licensee's responsibility to maintain I-Net compliance with the foregoing F.C.C. technical standards. The Issuing Authority shall have the right to require a performance test of the I-Net distribution system, should such problem(s) persist and cost of same shall be borne by Licensee. If the Licensee has reasonable basis for believing a particular I-net signal problem is attributable to the end user and not to the distribution system, the Town will use due diligence to determine if the

problem results from user terminals, peripherals or other user causes.

(g) Within twelve (12) months of execution of this License, Licensee and the Issuing Authority shall jointly conduct a needs assessment and evaluation of I-Net utilization in the Town and shall prepare a written report on potential uses of the I-Net, necessary equipment for such uses and the costs thereof.

Following the third anniversary of the License, and not more than once every subsequent three years, Licensee shall, upon Issuing Authority request, provide an updated report on the potential uses of the I-Net and on related equipment and equipment costs. Throughout the term of this License, Licensee shall provide, upon request of the Issuing Authority, free training, to the extent of Licensee's ability, in the use of the I-Net to designated municipal agencies and users, as needed to enable said users to utilize the I-Net.

ARTICLE 5

SUBSCRIBER RIGHTS AND CONSUMER PROTECTION

Section 5.1 BUSINESS OFFICE

Licensee shall continue to maintain and operate its business office in Amesbury for general purposes including accepting payments, and receiving and resolving all complaints, including without limitation, those regarding service, equipment malfunctions or billing and collection disputes and for equipment drop-offs. The business office shall have a publicly listed local telephone number and its hours of service shall meet or exceed the F.C.C.'s requirements for service during normal business hours in accordance with the F.C.C. definition of normal business hours as set forth in 47 Code of Federal Regulations, s. 76.309 (c) (4) and in License Section 6.5 below. Customer service representatives will answer subscriber calls during normal business hours.

Section 5.2 CABLE SYSTEM OFFICE HOURS AND TELEPHONE ACCESS

(a) The cable operator will maintain a local, toll-free or collect call telephone access line which will be available to its subscribers 24 hours a day, seven days a week.

(i) Trained company representatives will be available to respond to customer telephone inquiries during normal business hours.

(ii) After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.

(b) Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis. For purposes of this section, the term normal operating conditions is defined in Section 5.5 below.

(c) Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time.

(d) Customer service center will be open at least during normal business hours, and will be conveniently located.

Section 5.3 INSTALLATIONS, OUTAGES AND SERVICE CALLS

Under normal operating conditions, each of the following four standards will be met no less than ninety five (95) percent of the time measured on a quarterly basis:

(a) Standard installations will be performed within seven (7) business days after an order has been placed. For the purposes of this section, "standard" installations are those that are located up to 200 feet from the existing distribution system.

(b) Excluding conditions beyond the control of the operator the cable operator will begin working on "service interruptions" promptly and in no event later than 24 hours after the interruption becomes known. The cable operator must begin actions to correct other service problems the next business day after notification of the service problem.

(c) The "appointment window" alternatives for installations, service calls, and other installation activities will be either a specific time or, at maximum, a four-hour time block during normal business hours (including evening hours at least one evening per week and weekend hours as per the F.C.C. definition of normal business hours set forth in Section 6.5). (The operator may schedule service calls and other installation activities outside of normal business hours for the express convenience of the customer.)

(d) An operator may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.

(e) If a cable operator representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer.

Section 5.4 COMMUNICATIONS BETWEEN CABLE OPERATORS AND CABLE SUBSCRIBERS

(a) Notifications to subscribers-

(1) The cable operator shall provide written information on each of the following areas at the time of installation of service, at least annually to all subscribers, and at any time upon request:

(i) products and services offered;

(ii) prices and options for all programming services and conditions of subscription to programming and other services (including clear information concerning Licensee's lowest cost service);

(iii) installation and service maintenance policies (including information concerning billing and termination procedures, procedures for ordering changes in or termination of services, and all refund policies, including the availability of rebates or credits for loss of service);

(iv) Instructions on how to use the cable service;

(v) channel positions of programming carried on the system; and,

(vi) billing and complaint procedures, including the address and telephone number of the local issuing authority.

(2) Customers will be notified of any changes in rates, programming services or channel positions as soon as possible through announcements on the cable system and in writing. Notice must be given to subscribers a minimum of thirty (30) days in advance of such changes if the change is within the control of the cable operator. In addition, the cable operator shall notify subscribers thirty (30) days in advance of any significant

changes on the other information required by the preceding paragraph.

(b) Billing-

(i) Bills will be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, basic and premium service charges and equipment charges. Bills will also clearly delineate all activity during the billing period, including optional charges, rebates and credits.

(ii) In case of a billing dispute, the cable operator must respond to a written complaint from a subscriber within thirty (30) days.

(c) Refunds- Refund checks will be issued promptly, but no later than either-

(i) the customer's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or

(ii) the return of the equipment supplied by the cable operator if service is terminated.

(d) Credits - Credits for service will be issued no later than the customer's next billing cycle following the determination that a credit is warranted.

Section 5.5 DEFINITIONS

For the purposes of Sections 5.2 - 5.4 the following terms shall have the following meanings.

(a) Normal business Hours- The term "normal business hours" means 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.

(b) Normal Operating Conditions- The term "normal operating conditions" means those service conditions which are within the control of the cable operator. Those conditions which are not within the control of the cable operator include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the cable operator include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the cable system.

(c) Service Interruption- The term "service interruption" means the loss of picture or sound on one or more cable channels.

Section 5.6 OTHER CUSTOMER SERVICE REQUIREMENTS

(a) Unless caused by a subscriber's failure to make the premises available to the Licensee at the time scheduled, failure to make the installation or service call as scheduled shall require the Licensee to offer a priority cable installation or service visit to the affected subscriber at a time mutually agreeable to the Licensee and said subscriber, but in no case

later than three (3) working days following the initial installation date, or 24 hours following the service date, unless mutually agreed to otherwise by said subscriber and the Licensee. The Licensee shall give priority for installations or service appointments to such subscribers.

(b) The Licensee shall remove all subscriber aerial drop cable(s), within fourteen (14) days of receiving a written request to do so from the owner of the residence in which a subscriber resides.

(c) The Licensee shall ensure that there are stand-by service personnel on call at all times after normal business hours. A live answering service or functionally equivalent service shall be required to notify the stand-by personnel of any emergency matter or three or more calls or a number of similar calls coming from the same area.

(d) System outages, deemed to occur upon the failure of service to a minimum of three (3) subscribers in the vicinity of each other, and cable conditions affecting the physical safety of any subscriber, shall be responded to immediately, twenty-four (24) hours a day by Licensee personnel. If requested by the Issuing Authority, Licensee shall supply a phone number to the Issuing Authority and the 911 director which is capable of reaching appropriate management personnel in the event that emergency repair service is needed. Licensee shall maintain a staff of

stand-by technicians who are ready to make the necessary repairs in the event of such an emergency.

(e) Licensee agrees to continue to provide 'On-time Installations and On-time Service Call' guarantees, except under extreme weather conditions, or other emergencies. Licensee promises to be 'On-time' (within twenty minutes) for installation appointments or the installation is free, and promises to be 'On-time' for service calls or the customer receives a monetary, credit (currently \$20.00).

Section 5.7 COMPLAINT RESOLUTION PROCEDURES

(a) In compliance with applicable law(s), the Licensee shall establish a procedure for resolution of billing and privacy disputes and complaints by Subscribers. The Licensee shall provide, on an annual basis, a written description of said procedures, including telephone numbers to call for complaints and other services, to all Subscribers, and the Issuing Authority. The Licensee shall also have periodic insertions in its subscribers' bills that inform subscribers of any such changes in complaint procedures.

(b) The Licensee shall periodically distribute "Customer Satisfaction Cards" to subscribers who receive a service visit and a summary of findings shall, upon request, be shared with the Town not less than once annually.

(c) The Issuing Authority or its designee(s) may investigate any complaints or disputes brought by subscribers arising from the

operations of the Licensee, provided said subscribers make a good faith effort to comply with the Licensee's procedures specified in paragraph (a) above for the resolution of complaints.

Section 5.8 EQUIPMENT COMPATIBILITY

(a) In order to assist subscribers who own "cable-ready" VCRs to interconnect such VCRs with their "cable-ready" television sets, and to assist subscribers in the interconnection of non-cable-ready VCRs and television sets, Licensee shall provide assistance to said subscribers concerning same. Upon request, Licensee shall provide one (1) "A/B switch" and a splitter to each such subscriber, at cost, including a reasonable return as specified by the F.C.C., or if not so specified, 11.25%, to facilitate such interconnection. Licensee shall notify subscribers about the availability of such "A/B" switch on an annual basis in accordance with Massachusetts consumer notification requirements. Use of such an A/B switch and splitter will allow any subscriber with a cable-ready VCR to record any channel while viewing an unscrambled channel, or vice-versa, without the need of a second converter.

(b) Licensee shall not charge a monthly additional outlet fee for VCRs connected to cable service in the same room when said VCRs do not have separate converters.

(c) In accordance with 207 CMR 10.03, the Licensee shall give notice in writing of its policies and practices regarding

equipment to potential subscribers before or at the time a subscription agreement is reached and annually to all existing subscribers. Thirty (30) days prior to changing one of its policies and/or practices regarding equipment, the Licensee shall notify, in writing, the Commission, the Issuing Authority and affected subscribers of the change, including a description of the changed policy and/or practice. The notice required under 207 CMR 10.03 shall include information on hooking up VCRs and other equipment, if any, connected to cable subscriber premises equipment; information concerning the availability of special equipment such as A/B switches and parental control devices available at cost, including specific information explaining options parents may have to block children's pay-per-view purchases; and information concerning known incompatibilities, if any, associated with the utilization of video cassette recorders and other equipment with cable service(s). .

Section 5.9 PARENTAL CONTROL CAPABILITY

The Licensee shall provide, upon request, subscribers with the capability to control the reception of any channels on the Cable Television System. Licensee shall continue to provide a device enabling parents to block out particular channels deemed by the parents to be objectionable.

Section 5.10 BILLING AND TERMINATION PROCEDURES

Licensee will comply with the consumer protection regulations of the Commission, 207 CMR 10.00 et seq., which regulations are attached hereto as Schedule 5.10 and are incorporated herein by reference and Licensee shall comply with the customer service and consumer regulations promulgated by the Federal Communications Commission. Where there is inconsistency between federal and state consumer regulations, the stricter shall apply.

Section 5.11 ADVANCE BILLING

Subscribers shall have the option of not being billed in advance by more than a one month period except in the case of demonstrated credit problems involving payment delinquency including more than one disconnection or seasonal situations where a greater period of advance billing is approved by the Commission.

Section 5.12 PROTECTION OF SUBSCRIBER PRIVACY

(a) Licensee will comply with all privacy provisions of applicable federal and state laws including, but not limited to, the provisions of Section 631 of the Cable Communications Policy Act of 1984 and Title 18 United States Code, Section 2520.

The Licensee shall be responsible for carrying out and enforcing the Cable Television System's privacy policy, and shall at all times maintain adequate physical, technical and administrative security safeguards to ensure that personal subscriber

information is handled and protected strictly in accordance with this policy. The Licensee shall notify all third parties who offer cable services in conjunction with the Licensee, or independently over the Cable Television System, of the Subscriber privacy requirements contained in this Renewal License.

(b) At the time of entering into an agreement to provide Cable Service to a subscriber and at least once a year thereafter, the Licensee shall provide all subscribers with the written notice required in Section 631(a)(1) of the Cable Act.

(c) In accordance with Section 631 of the Cable Act, Licensee and its agents or employees shall not, without giving subscribers an opportunity to prevent disclosure, disclose to any third party data identifying or designating any subscriber either by name or address. Said opportunity to prevent disclosure shall be provided to each subscriber annually through a written notice. A subscriber shall have the right, at any time, to request Licensee not to disclose to any third party data identifying the subscriber by name and address and Licensee shall abide by this request.

(d) In accordance with Section 631 of the Cable Act, Licensee or its agents or its employees shall not make available to any third party, including the Town, information concerning the viewing habits or subscription package decisions of any individual subscriber except as permitted by law. If a court authorizes or

orders such disclosure, the Licensee shall notify the subscriber not less than fourteen (14) calendar days prior to disclosure, unless such notification is prohibited by applicable law or is otherwise impractical.

**Section 5.13 SUBSCRIBER'S RIGHT TO INSPECT AND VERIFY
INFORMATION**

In accordance with Section 631 of the Cable Act:

(a) Licensee shall make available for inspection by a subscriber during regular business hours at its business office all personal subscriber information that Licensee maintains regarding said subscriber.

(b) A Subscriber may obtain from Licensee a copy of any or all of the personal subscriber information regarding him or her maintained by Licensee. Licensee may require a reasonable fee for making said copy.

(c) A Subscriber may challenge the accuracy, completeness, retention, use or dissemination of any item of personal subscriber information. Such challenges and related inquiries about the handling of Subscriber information, shall be directed to Licensee's General Manager. A Subscriber shall be provided reasonable opportunity to correct any error in such information.

Section 5.14 MONITORING

Neither Licensee or its agents nor the Town or its agents shall tap or monitor, arrange for the tapping or monitoring, or permit any other person to tap or monitor, any cable, line, signal, input device, or subscriber outlet or receiver for any purpose, with the exception of technical tests, without the prior written authorization of the affected subscriber or commercial user; provided, however, that Licensee may conduct systemwide or individually addressed "sweeps" solely for the purpose of verifying system integrity, checking for illegal taps, controlling return-path transmission, or billing for pay cable services or pay-per-view or other service-related activities. Licensee shall report to the affected parties and all appropriate authorities any instances of unauthorized monitoring or, monitoring or tapping of municipal data transmission, the Cable Television System, or any part thereof, of which it has knowledge. Licensee shall not record or retain any information transmitted between a subscriber or commercial user and any third party, except as required for lawful business purposes. Licensee shall destroy all subscriber information of a personal nature after a reasonable period of time except as authorized not to do so by the affected subscriber.

Section 5.15 EMPLOYEE IDENTIFICATION CARDS

All of Licensee's employees, including repair and sales personnel, entering a subscriber residence shall be required to show an employee photo identification card issued by the Licensee. In the event Licensee has knowledge of any incident or

individual(s) involving wrongful entry onto private property by use of any false cable company identification, including but not limited to verbal or documentary identification, Licensee shall forthwith notify appropriate police officials and diligently work with police and Town officials to adopt reasonable security measures to minimize the possibility of such false cable company identification.

Section 5.16 NON-DISCRIMINATION

Licensee shall not discriminate against any person in its solicitation, service or access activities, if applicable, on the basis of race, color, creed, religion, ancestry, national origin, geographical location within the Town, sex, disability, age, marital status, or status with regard to public assistance. Licensee shall be subject to all other requirements of Federal and State regulations concerning non-discrimination.

Section 5.17 ENCODING OF BASIC SERVICE

Licensee shall maintain the basic service tier unscrambled, subject to applicable law.

Section 5.18 WIRING BY SUBSCRIBER

(a) Subscribers, or a qualified contractor at the subscriber's expense, shall have the right to install cable for system interconnection only within any building which they own. Such interconnection shall not include connection to the active

system. Prior to installation the subscriber shall agree to indemnify the Licensee for any signal leakage caused by such connection. Such installation shall be conditioned upon and shall conform to:

(i) All applicable building and electrical codes.

(ii) The Licensee's published guidelines on file with the Issuing Authority, the Building Inspector, and the Wiring Inspector.

(b) Specifications for the cable and connectors to be used in the installation by the subscriber shall be approved by the Licensee prior to installation. The Licensee shall inspect the subscribers installation before cable service is provided to the subscriber. Any corrections required by the Licensee must be corrected to the Licensees guidelines and reasonable satisfaction, while such costs for corrections will be borne by the subscriber.

(c) Should the Licensee notify subscriber in writing that any part of the subscriber's self-installed connection is causing harm or interference to the cable system, the Licensee may require that the subscriber discontinue use of and disconnect said device. If such a notice is not practicable, the Licensee may temporarily discontinue service. In all such cases the Licensee shall promptly notify the subscriber in writing of the

discontinuance, and of his/her right to bring the actions of the Licensee to the attention of the Issuing Authority. If the Licensee makes a service/repair visit because of a reported problem and subsequently determines that the problem was caused by wiring and/or improper equipment installed by the subscriber, the Licensee may assess a maintenance service charge to the subscriber.

Section 5.19 VOLUNTARY DISCONNECTION OF SERVICE

Subscribers who request disconnection of addressable cable service shall not be billed for service subsequent to such request for termination of service. Subscribers who request full disconnection of cable service shall not be responsible for further charges for such service (other than for unreturned equipment) upon actual termination of service or five (5) business days notice to Licensee, whichever occurs first. Licensee shall make a good faith effort to fully disconnect service as soon as possible after requested to do so by a subscriber. Any credit due to subscriber upon full termination of a service shall be paid to subscriber within thirty (30) days.

Section 5.20 LICENSEE'S SURVEYS

Licensee shall not less than once every two years during the term hereof conduct a survey on subscriber viewership interests and, upon request of the Issuing Authority or its designee, Licensee shall share the results of these surveys with the Issuing Authority. Licensee shall, upon request of the Issuing

Authority, evaluate and explain viewership interest data which may enhance viewer satisfaction with the channel line-up.

ARTICLE 6

RATES AND PROGRAMMING

Section 6.1 BASIC SERVICE

To the extent required by applicable law, the Licensee shall provide a basic service which shall include at least broadcast television signals within the Town and the public, educational and municipal access channels, in accordance with the definition of basic service under the Cable Act of 1992.

Section 6.2 INITIAL RATES

For informational purposes, the initial rates for all programming, installation and equipment which shall be in effect on the effective date of the License are listed in Schedule 6.2 of this License. The Issuing Authority acknowledges that under the 1992 Cable Television Consumer Protection and Competition Act, certain costs of franchise requirements, including but not limited to public, educational and governmental access in excess of those pursuant to the prior license, may be passed through to the subscribers in accordance with federal law. Licensee warrants as a condition hereof that it has implemented or will implement any refunds or credits or rate adjustments ordered by the F.C.C. or by the Massachusetts Cable Television Commission required as of the effective date hereof, and Licensee agrees to report in writing on the status of any such rate proceedings, refunds, credits or adjustments.

Section 6.3 PROGRAMMING

Licensee has offered and shall provide the following categories of cable services:

- (1) All broadcast stations required to be carried by federal law;
- (2) public, educational and governmental access channel(s) required by Article 4 of this Agreement;
- (3) the broad categories of programming services comparable in quality, mix and level to those set forth in Schedule 6.3 of this License and incorporated herein by reference.

Section 6.4 DISCOUNT PROGRAMS

(a) Commencing sixty days after the effective date hereof, residents who are 65 years old, Medicaid eligible, and who are head of household or spouse of head of household; or who are 65 years old, head of household or spouse of head of household and are recipients of Supplemental Security Income or other public assistance afforded the disabled; or who are 65 years old, head of household or spouse of head of household and are below the poverty line as determined by the Department of Public Welfare; shall be entitled to a 10% discount on rates charged to them for the basic service component as well as the next or second tier of their cable services.

(b) As part of Licensee's senior citizen discount program, nursing home residents, if permitted by the affected nursing home, shall be offered bulk billing discounts with discounts

not less than 25% of the cost of basic service and the cost of the next or second tier of service and shall not be charged for change of room reconnect or room transfer fees.

Section 6.5 LEASED ACCESS

Pursuant to the Cable Act, 47 U.S.C. 532, Licensee shall make available channel capacity for commercial use by persons unaffiliated with Licensee.

Section 6.6 STEREO TV TRANSMISSIONS

By the time the System rebuild/upgrade has been completed and substantially all subscribers are switched over to the new channel lineup, licensee shall transmit all signals received in stereo in stereo form to the subscriber, except however, that Licensee need not transmit a signal in stereo if Licensee finds, and certifies to Issuing Authority if requested, that a particular stereo signal is of substandard stereo quality.

Section 6.7 CHANNEL LINE-UP

Licensee shall provide the Issuing Authority and the subscribers thirty day advance notice of channel line-up changes including all channel reassignments, or deletions within the control of Licensee or of which it has advance notice, where not in control of Licensee. When Licensee makes such changes, the Licensee shall provide subscribers with channel cards or comparable information indicating the new channel line-up. In the case of channel reassignments, if notice cannot be given in

advance, then it shall be given within thirty (30) days of such changes.

Section 6.8 REMOTE CONTROL DEVICES; CONVERTERS

Licensee shall allow Subscribers to purchase remote control devices from parties other than the Licensee and to utilize remote control devices which are compatible with the converter installed by Licensee. Licensee shall also allow subscribers to purchase their own tuning converters that are not designed for descrambling. Volume control addressable converters, subject to F.C.C. specifications, shall be available, except, however, subscribers may have the option of continuing use of converters without volume control.

Section 6.9 REBATES

In accordance with 207 CMR 10.09, Licensee shall grant a pro rata credit or rebate to any subscriber whose entire cable service is interrupted for twenty-four (24) or more consecutive hours, if the interruption was not caused by the subscriber and the Licensee knew or should have known of the service interruption. If an entire tier or premium service of a subscriber's cable service is interrupted for twenty-four (24) or more consecutive hours, the Licensee shall provide a pro rata credit or rebate for each tier or premium service interruption as provided in 207 CMR 10.09(1). Licensee shall grant a pro rata credit or rebate to a subscriber whose entire cable service is interrupted for a period less than 24 hours but not less than 12

hours where the subscriber shows he or she effectively lost service for a particular day.

Section 6.10 RE-REGULATION

The Issuing Authority reserves the right to regulate rates and charges to the extent allowed under the applicable federal and state law. Licensee shall provide the Issuing Authority with non-confidential legal filings and F.C.C. or State Cable Commission orders pertaining directly to Amesbury rates filed by Licensee in pending state or F.C.C. rate regulation proceedings.

Section 6.11 CABLE IN THE CLASSROOM

For so long as the cable industry continues its "Cable in the Classroom" educational programming consortium, Licensee will participate said Cable in the Classroom program and annually report to the Issuing Authority or School Department upon request, on educational services provided by Licensee such as Cable in the Classroom and other educational services not currently provided by Licensee, including but not limited to adult education cable services and the availability of other distance learning services. Licensee will participate in said Cable in the Classroom outreach by providing one set of Cable in the Classroom materials to each public school within the Town. One set of Cable in the Classroom materials will be regularly sent to the superintendent of the School Department.