

ORDINANCE NO. 1141

AN ORDINANCE OF THE CITY OF TEMPLE TERRACE, FLORIDA, GRANTING A CABLE TELEVISION FRANCHISE TO VERIZON FLORIDA INC.; AUTHORIZING EXECUTION OF SAID CABLE TELEVISION FRANCHISE (A COPY OF WHICH IS ATTACHED HERETO AND MADE A PART HEREOF); PROVIDING CERTAIN RIGHTS, PRIVILEGES AND CONDITIONS RELATING THERETO; PROVIDING A SEPARABILITY CLAUSE, EFFECTIVE DATE, AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH.

WHEREAS, the City of Temple Terrace is a "Franchising Authority" as defined by 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 Florida Statute 166.046; and

WHEREAS, Verizon Florida Inc. ("Franchisee") is in the process of installing a Fiber to the Premise Telecommunications Network ("FITPNetwork") that will occupy the Public Rights-of-Way within the City of Temple Terrace for the transmission of non-cable services pursuant to its status as a telecommunications carrier as set forth in Title II of the Communications Act and under authority granted by the State of Florida; and

WHEREAS, the FTTP Network, once installed, will enable the provision of cable service to the residents of Temple Terrace; and

WHEREAS, negotiations between the Franchising Authority and the Franchisee have resulted in an agreement entitled "An Agreement Between the City of Temple Terrace, Florida, and Verizon Florida Inc., Granting Nonexclusive Rights to Operate and Provide Cable Services Within the City of Temple Terrace, Florida and Setting Forth Terms and Conditions Relating to the Exercise of Those Rights" ("Franchise Agreement"), which agreement comports with the requirements of Florida Statute 166.046; and

WHEREAS, in accordance with Florida Statute 166.041 and Article II of the City's Charter, First Reading of the Franchise Agreement was held on May 3, 2005; and

WHEREAS, in accordance with Florida Statute 166.041 and Article II of the City's Charter, Second and Final Reading of the Franchise Agreement was held on May 17, 2005; and

WHEREAS, in accordance with Florida Statute 166.041 and Article II of the City's Charter, notice of public hearing before the City Council to consider the proposed cable franchise agreement was properly published in the Tampa Tribune, a newspaper of general circulation, on May 7, 2005; and

WHEREAS, the Franchising Authority's staff has reviewed the legal, technical and financial qualifications of the Franchisee to operate and provide cable service within the City and has examined each of the requirements and criteria set forth by federal, state, and local law with respect to granting an additional cable television franchise, as well as any applicable provisions in the existing franchise; and

WHEREAS, following a thorough evaluation of Franchisee's proposal to provide cable service in Temple Terrace, Florida, after receiving the comments of interested parties at a public hearing affording due process to all parties, in deliberation of the entire record regarding this matter before it, including other pertinent information, and specifically considering each of the requirements and criteria enumerated in Florida Statute 166.046, 47 U.S.C. § 541(a), and all other applicable provisions of law, as well as any applicable provisions in the existing franchise, the Franchising Authority determines that it is in the public

interest to approve the proposed cable television franchise agreement and authorize and direct the execution of the proposed Franchise Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF TEMPLE TERRACE, FLORIDA:

Section 1. The "Whereas" clauses set forth above shall be deemed true and correct and shall be deemed a part of this Ordinance as if they had been set forth in full in the body of this Ordinance.

Section 2. The Franchising Authority concludes that the cable-related needs and interests of the City of Temple Terrace, Florida, and the Franchisee's legal, technical, and financial qualifications to operate and provide cable service within the City have been examined and considered, as have each of the requirements and criteria enumerated in Florida Statute 166.046, 47 U.S.C. § 541(a), all other applicable provisions of law, as well as any applicable provisions in the existing franchise.

Section 3. The Franchising Authority determines that it is in the public interest to grant a nonexclusive franchise to operate and provide cable service to Verizon Florida Inc.

Section 4. The Franchising Authority authorizes the grant of a nonexclusive franchise to the Franchisee to operate and provide cable service within the City. This authorization is made in accordance with the applicable provisions of Title VI of the Communications Act and made in accordance with Florida Statute 166.046. A copy of the Franchise Agreement in the form in which it is attached hereto as Exhibit "A" was considered in a public hearing on May 17, 2005 and is directed to be retained in the office of the City Clerk for the purpose of public inspection.

Section 5. That certain Franchise Agreement in the form presented to the City Council at this public hearing is approved, and the City Manager is authorized and directed to execute that agreement on behalf of the Franchising Authority following its execution by the Franchisee.

Section 6. If any part of this ordinance is declared invalid by a court of competent jurisdiction, such part or parts shall be severable and the remaining part or parts shall continue to be in full force and effect.

Section 7. This ordinance shall take effect immediately upon its passage, approval, and being posted or published as required by law.

Section 8. All ordinances or parts of ordinances not specifically in conflict herewith are hereby continued in full force and effect, but all ordinances or parts of ordinances in conflict herewith are hereby repealed.

PASSED AND ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE TERRACE, FLORIDA, THIS 17th DAY OF May, 2005.

APPROVED BY THE MAYOR THIS 17th DAY OF May, 2005.

(CORPORATE SEAL)

ATTEST:

Melissa E Burns

MELISSA E. BURNS, CMC
CITY CLERK

Joseph A. Affronti, Sr.
JOSEPH A. AFFRONTI, SR., MAYOR

ORDINANCE EXHIBIT 'A'

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THIS CABLE FRANCHISE AGREEMENT (the "Franchise" or "Agreement") is entered into by and between the City of Temple Terrace, Florida, a municipal organization duly organized under the applicable laws of the State of Florida (the Local Franchising Authority or "LFA") and Verizon Florida Inc., a corporation duly organized under the applicable laws of the State of Florida (the "Franchisee").

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

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 Florida Statute 166.046; and

WHEREAS, Franchisee is in the process of installing a Fiber to the Premise Telecommunications Network ("FTTP Network") in the Franchise Area for the transmission of Non-Cable Services pursuant to authority granted by the Florida Public Service Commission; and

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the LFA, and Franchisee desires to use portions of the FTTP Network once installed to provide Cable Services (as hereinafter defined) in the Franchise Area; and

WHEREAS, the LFA has identified the future cable-related needs and interests of the LFA and its citizens, has considered the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee's plans for its Cable System are adequate, and has considered, at a duly noticed public hearing and in accordance with 166.046, Florida Statutes: (a) The economic impact upon private property within the Franchise Area; (b) The public need for such Franchise, if any; (c) The capacity of Public Rights-of-Way to accommodate the Cable System; (d) The present and future use of the Public Rights-of-Way to be used by the Cable System; (e) The potential disruption to existing users of the Public Rights-of-Way to be used by the Cable System and the resultant inconvenience which may occur to the public; (f) The financial ability of the franchise applicant to perform; (g) Other societal interests as are generally considered in cable television franchising; and (h) Such other additional matters, both procedural and substantive, as the City may, in its sole discretion, determine to be relevant; and

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

WHEREAS, the LFA has determined that 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 franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service Area of the LFA 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 applicable Federal and State 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 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 local television broadcast signals as well as the PEG Channels required by this Franchise.

1.4. *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).

1.5. *Cable System or System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7), meaning Franchisee's facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple Subscribers within the Service Area. The Cable System shall be limited to the optical spectrum wavelength(s), bandwidth or future technological capacity that is used for the transmission of video programming directly to Subscribers within the Franchise/Service Area and shall not include the tangible network facilities of a common carrier subject in whole or in part to Title II of the Communications Act or of an Information Services provider.

1.6. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4).

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

1.8. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of corporate affairs.

1.9. *Educational Access Channel*: An Access Channel available for the use [solely] of the local public schools in the Franchise Area and other higher level educational institutions in the Franchise Area as specified by the LFA in Exhibit A to this Agreement.

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

1.11. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control. This includes, but is not limited to, acts of God, incidences of terrorism, war or riots, labor strikes or civil disturbances, floods, earthquakes, fire, explosions, epidemics, hurricanes, tornadoes, governmental actions and restrictions, work delays caused by waiting for utility providers to service or monitor utility poles to which Franchisee's Cable System is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.12. *Franchise Area*: The incorporated area (entire existing territorial limits) of the LFA and such additional areas as may be included in the corporate (territorial) limits of the LFA during the term of this Franchise.

1.13. *Franchisee*: Verizon Florida Inc., and its lawful and permitted successors, assigns and transferees.

1.14. *Government Access Channel*: An Access Channel available for the use solely of the LFA and other local governmental entities located in the Franchise Area.

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

1.16. *Interactive On-demand Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(12).

1.17. *Local Franchise Authority (LFA)*: The City of Temple Terrace or the lawful successor, transferee, or assignee thereof.

1.18. *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, Interactive On-demand Services and Telecommunications Services.

1.19. *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.

1.20. *Normal Operating Conditions*: Those service conditions which are within the control of the Franchisee. Those conditions which are not within the control of the Franchisee 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 within the control of the Franchisee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System. See 47 C.F.R. § 309(c)(4)(ii).

1.21. *PEG*: Public, educational, and governmental.

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

1.23. *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.

1.24. *Service Area*: All of the areas within the Franchise Area as defined in section 1.12. To the extent that the Franchise Area is expanded due to annexation, the Service Area shall include those portions of the annexed area for which Franchisee's FTTP Network facilities are deployed and in which the Franchisee is offering Cable Services.

1.25. *Service Interruption*: The loss of picture or sound on one or more cable channels.

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

1.27. *Telecommunications Facilities*: Franchisee's existing Telecommunications Services and Information Services facilities and its FTTP Network facilities.

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

1.29. *Title II*: Title II of the Communications Act.

1.30. *Title VI*: Title VI of the Communications Act.

1.31. *Transfer of the Franchise*:

1.31.1. Any transaction in which:

1.31.1.1. an 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

1.31.1.2. the rights held by Franchisee under the Franchise are transferred or assigned to another Person or group of Persons.

1.31.2. 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.

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

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1. *Grant of Authority*: Subject to the terms and conditions of this Agreement, 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. 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. *LFA Does Not Regulate Telecommunications*: The LFA's regulatory authority under Title VI of the Communications Act is not applicable to the construction, installation, maintenance or operation of the Franchisee's FTTP Network to the extent the FTTP Network is constructed, installed, maintained or operated for the purpose of upgrading and/or extending Verizon's existing Telecommunications Facilities for the provision of Non-Cable Services. The LFA retains its regulatory authority under Title VI of the Communications Act regarding Cable Service or Cable Services as such terms are defined in section 1.4 above.

2.3. *Term*: This Franchise shall become effective on the date that the Franchisee first provides Cable Service on a commercial basis directly to multiple Subscribers in the Franchise Area (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 fifteen (15) years from the Effective Date unless the Franchise is earlier revoked 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 right it grants 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 themselves, 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 FTTP Network.

2.5. *Level Playing Field*: The parties shall comply with Section 166.046, Florida Statutes.

2.6. *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.

2.7. *No Waiver:*

2.7.1. The failure of the LFA on one or more occasions to exercise a right or to require compliance or performance under this Franchise or any other applicable law shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance by the LFA nor to excuse Franchisee from complying or performing, unless such right or such compliance or performance has been specifically waived in writing.

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

2.8. *Construction of Agreement:*

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

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

2.8.3. Should any change to state law have the lawful effect of materially altering the terms and conditions of this Franchise, then the parties shall modify this Franchise to the mutual satisfaction of both parties to ameliorate the negative effects on the Franchisee of the material alteration. If the parties cannot reach agreement on the above-referenced modification to the Franchise, then Franchisee may terminate this Agreement without further obligation to the LFA or, at Franchisee's option, the parties agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association.

2.9. *Police Powers:* Nothing in the Franchise shall be construed to prohibit the reasonable, necessary and lawful exercise of the LFA's police powers. However, if the reasonable, necessary and lawful exercise of the LFA's police power results in any material alteration of the terms and conditions of this Franchise, then the parties shall modify this Franchise to the mutual satisfaction of both parties to ameliorate the negative effects on the Franchisee of the material alteration. If the parties cannot reach agreement on the above-referenced modification to the Franchise, then Franchisee may terminate this Agreement without further obligation to the LFA or, at Franchisee's option, the parties agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association.

2.10. The parties acknowledge the rights and limitations established pursuant to Section 337.401(3)(b), Florida Statutes, and any privilege claimed under the Franchise by

Franchisee in any Public Rights of Way or other public property shall be subordinate to any prior lawful use or occupancy of the Public Rights of Way or public property.

3. PROVISION OF CABLE SERVICE

3.1. *Service Area:* Franchisee shall provide Cable Service to all residential areas of the Service Area and may make Cable Service available to businesses in the Service Area, within three (3) years of the Effective Date of this Franchise, except: (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 developments or buildings that Franchisee cannot access under reasonable terms and conditions after good faith negotiation, as determined by Franchisee; (F) in developments or buildings that Franchisee is unable to provide Cable Service for technical reasons or which require non-standard facilities which are not available on a commercially reasonable basis (The parties agree that inasmuch as the terms "technical reasons", "non-standard facilities", and a "commercially reasonable basis" do not lend themselves to objective definitions at the time of the execution of this Agreement, the exception provided for in this subsection (F) shall be subject to good faith negotiations between the parties as to the commercially reasonable meaning thereof should the Franchisee attempt to invoke this exception at any time during the term of this Agreement.); and (G) in areas where the occupied residential household density does not meet the density requirement set forth in Sub-subsection 3.2. The Service Area, as presently constituted, is described in Exhibit A.

3.2. *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 20 occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active FTTP 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 this Subsection 3.2, Franchisee shall provide Cable Service to such area within six (6) months of receiving notice that the density requirements have been met.

3.3. *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. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, all residential dwelling units that are within one hundred and fifty (150) feet of trunk or feeder lines not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, actual costs incurred for residential dwelling unit connections that exceed one hundred and fifty (150) feet and actual costs incurred to connect any non-residential dwelling unit Subscriber.

3.4. *Cable Service to Public Buildings:* Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to each fire station, public school, police station, and public library and such other buildings used for municipal

purposes as may be designated by the LFA as provided in Exhibit B; provided, however, that if it is necessary to extend Franchisee's 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 extension in excess of five hundred (500) feet, or of releasing Franchisee from the obligation to provide service to such building. Furthermore, Franchisee shall be permitted to recover, from any 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 one hundred and twenty five (125) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed.

3.5. *Access to Open Trenches:* The LFA agrees to include Franchisee in the platting process for any new subdivision. The LFA agrees, at a minimum, to require as a condition of issuing a permit for open trenching to any utility or developer that (i) the utility or developer give Franchisee at least ten (10) days advance written notice of the availability of the open trench, and (ii) that the utility or developer provide Franchisee with reasonable access to the open trench. Notwithstanding the foregoing, Franchisee shall not be required to utilize any open trench.

4. **SYSTEM OPERATION**

4.1. The parties recognize that Franchisee's FTTP Network is being constructed and will be operated and maintained as an upgrade to and/or extension of its existing Telecommunications Facilities. The jurisdiction of the LFA over such Telecommunications Facilities is restricted by federal and state law, and the LFA does not assert jurisdiction over Franchisee's FTTP Network in contravention of those limitations.

4.2. *LFA's Non-Waiver of Regulatory Authority:* Notwithstanding anything otherwise provided for in this Agreement, the LFA retains its regulatory authority under Title VI of the Communications Act regarding Cable Services.

5. **SYSTEM FACILITIES**

5.1. *System Characteristics:* Franchisee's Cable System shall meet or exceed the following requirements:

5.1.1. The System shall be designed with an initial analog passband of 860 MHz.

5.1.2. The System shall be designed to be an active two-way plant utilizing the return bandwidth to permit such services as impulse pay-per-view and other interactive services.

5.2. *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.

5.3. *Emergency Alert System:*

5.3.1. Franchisee shall comply with the Emergency Alert System (“EAS”) requirements of the FCC in order that emergency messages may be distributed over the System.

5.3.2. The LFA shall permit only appropriately trained and authorized Persons to operate the EAS equipment and shall take reasonable precautions to prevent any use of the Cable System in any manner that results in inappropriate use thereof, or any loss or damage to the Cable System. Except to the extent expressly prohibited by law, the LFA shall hold Franchisee, its employees, officers and assigns harmless from any claims arising out of use of the EAS, including, but not limited to, reasonable attorneys’ fees and costs.

6. PEG SERVICES

6.1. PEG Set Aside

6.1.1. In order to ensure universal availability of educational and government programming, Franchisee shall provide on the Basic Service Tier 1 Educational Access Channel and 1 Government Access Channel (collectively, “PEG Channels”).

6.1.2. Within ten (10) days after the Effective Date of this Agreement, the LFA shall notify Franchisee of the programming to be carried on each of the PEG Channels set aside by Franchisee. Thereafter, Franchisee shall assign the PEG Channels on its channel line-up in such notice, to the extent such channel assignments do not interfere with any pre-existing channels. To the extent that the PEG Channels reserved in this Section are not being utilized for their stated purposes, then after sixty (60) days written notice to and consent of the LFA, which shall not be unreasonably withheld, then Franchisee may utilize such PEG Channels in its sole discretion.

6.1.3. Franchisee shall use reasonable efforts to interconnect its Cable System with the existing cable operator(s). Promptly after LFA grants the Franchise, the Franchisee shall initiate interconnection negotiations with the existing cable operator(s) to cablecast, on a live basis, public, educational and governmental access programming consistent with this Franchise. Interconnection may be accomplished by direct cable, microwave link, satellite or other reasonable method of connection. Franchisee shall negotiate in good faith with existing cable operator(s) respecting reasonable, mutually convenient, cost-effective, and technically viable interconnection points, methods, terms and conditions. The LFA shall use its best efforts to require the existing cable operator(s) to provide such interconnection to the Franchisee on reasonable terms and conditions. The construction costs and ongoing expenses of interconnection shall be fairly shared between the Franchisee and the existing cable operator(s). The Franchisee and the existing cable operator(s) shall negotiate the precise terms and conditions of an interconnection agreement. The LFA shall use its best efforts to facilitate these negotiations. If Franchisee is unable to reach such an agreement within thirty (30) days after requesting in writing to interconnect with other local cable operator(s), LFA shall assist in mediating such dispute. If no agreement is reached within an additional thirty (30) days, Franchisee agrees that LFA shall designate the point of interconnection. If the cost of

interconnection would be unreasonable, interconnection is not technically feasible or would cause an unacceptable increase in Subscriber rates, or if an existing cable operator will not agree to reasonable terms and conditions of interconnection, the Franchisee will be under no obligation carry PEG programming originating on the cable system of the existing cable operator or to interconnect the Cable System.

6.2. The LFA shall establish a procedure in an effort to require all local producers and users of any of the PEG facilities or Channels to agree in writing to hold harmless Franchisee and the LFA from 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.

6.3. PEG Grant.

6.3.1. Franchisee shall provide a grant to the LFA (the "PEG Grant") for PEG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment; for renovation or construction of PEG access facilities; or for other PEG facilities, as deemed necessary by the City.

6.3.2 The PEG Grant shall be Twenty Five Thousand Dollars (\$25,000.00). The LFA shall provide Franchisee with a complete accounting of the distribution of the PEG Grant. Franchisee shall pay to LFA the PEG Grant within sixty (60) days of the Effective Date of this Franchise.

6.4. To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs arising from the provision of PEG services and the PEG Grant 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 costs to Subscribers.

6.5. INET Contribution. Franchisee shall provide a contribution to the LFA in the amount of Ten Thousand Dollars (\$10,000.00)(the "INET Contribution"). Franchisee shall pay to LFA the INET Grant within sixty (60) days of the Effective Date of this Franchise.

6.6. If Franchisee builds an institutional network as defined in 47 USC Sec. 531(f) (an "INET") pursuant to a cable franchise in the state of Florida during the term of this Agreement, then within sixty (60) days of a request from the LFA, Franchisee agrees to provide or contribute towards an INET on an equitable per subscriber basis. Notwithstanding any other provision of this Agreement, Franchisee shall not provide or contribute towards an INET unless all other cable operators also either provide or contribute towards an INET on a per subscriber basis. In such circumstances, Franchisee's INET Contribution shall be credited against per subscriber contribution.

6.7. The obligation set forth in Section 6.6 above is triggered only by Franchisee's building of an INET as an express provision of a Franchise granted by an LFA; the Parties recognize and agree that the obligation shall not be triggered by (1) Franchisee's commercial building or provision of, or contribution toward, any telecommunications, information or other facility, service or product for an LFA; or (2) Franchisee's financial contribution to an LFA for the building of an INET.

7. COMMUNICATIONS SERVICES TAX

Franchisee and City shall comply with the Communications Services Tax Simplification Law, Chapter 202, Florida Statutes, in its current form and as it may be amended.

8. CUSTOMER SERVICE

Customer Service Requirements are set forth in Exhibit C which shall be binding unless amended by written consent of the parties.

9. INSURANCE AND INDEMNIFICATION

9.1. Insurance:

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

9.1.1.1. Commercial General Liability Insurance—Occurrence Form Required. Franchisee shall maintain Commercial General Liability (CGL) insurance with a limit of not less than One Million Dollars (\$1,000,000.00) per occurrence; combined single limit for bodily injury and property damage liability. This shall include premises and/or operations, independent contractors and products and/or completed operations, broad form property damage, XCU coverage and a contractual liability endorsement.

9.1.1.2. Business Automobile Insurance. Franchisee shall maintain Automobile Liability Insurance with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence; combined single limit for bodily injury liability and property damage liability. This shall include owned vehicles, hired and non-owned vehicles and employees non-ownership.

9.1.1.3. Workers' Compensation. Coverage is to apply for all employees for statutory limits in compliance with the applicable state and federal laws. The policy must include Employers' Liability with a limit of Five Hundred Thousand Dollars (\$500,000.00) each accident, Five Hundred Thousand Dollars (\$500,000.00) each employee, and Five Hundred Thousand Dollars (\$500,000.00) policy limit for disease.

9.1.2. The LFA shall be designated as an additional insured under each of the insurance policies required in this Article 9 except Worker's Compensation and Employer's Liability Insurance.

9.1.3. Insurance requirements itemized in this Article 9 and required from Franchisee shall be provided by or on behalf of all subcontractors to cover their operations performed under this Agreement. The Franchisee shall be held responsible for any modifications, deviations, or omissions in these insurance requirements as they apply to subcontractors.

9.1.4. In the event insurance coverage expires, a renewal certificate shall be issued thirty (30) days prior to said expiration.

9.1.5. 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.

9.1.6. Each of the required insurance policies shall be with sureties qualified to do business in the State of Florida, with an A or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition.

9.1.7. All certificates of insurance must be on file with and approved by the LFA before the Franchisee makes Cable Service available.

9.2. *Indemnification:*

9.2.1. Franchisee agrees to indemnify, save and hold harmless, and defend the LFA, its officers, agents, boards and employees, from and against any liability or claims, costs, losses and damages resulting from tangible property damage or bodily injury (including accidental death), to the extent proximately caused by Franchisee's (or any of Franchisee's subcontractors, suppliers, any person or organization directly or indirectly employed by any of them to perform any obligation under this Agreement or anyone for whose acts any of them may be liable) negligent construction, operation, or maintenance of its Cable System, provided that the LFA shall give Franchisee written notice of its obligation to indemnify the LFA within ten (10) days of receipt of a claim or action pursuant to this subsection. 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, EAS, or the distribution of any Cable Service over the Cable System.

9.2.2. In any and all claims against the LFA, its officers, agents, boards and employees by any employee (or the survivor or personal representative of such employee) of Franchisee, any subcontractor, any supplier, any person or organization directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the LFA's indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Franchisee, any subcontractor, any supplier, any person or organization under workers' compensation acts, disability benefit acts, or other employee benefit acts.

9.2.3. With respect to Franchisee's indemnity obligations set forth in Subsection 9.2.1, 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 unreasonably be 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 settlement does not include 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.

9.2.4. LFA shall hold Franchisee harmless and shall be responsible for damages, liability or claims resulting from willful misconduct or negligence of the LFA.

9.2.5. The LFA shall be responsible for its own acts of willful misconduct or negligence, or breach of obligation committed by the LFA for which the LFA is legally responsible, 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.

9.2.6. In any administrative or judicial proceeding involving a third party claim against the LFA arising from the LFA's grant of this Franchise or the operation hereof, Franchisee at its option and own cost and expense may intervene in such proceeding and the LFA consents to such intervention. In any such proceeding, the LFA agrees to assert its limitation from liability to the full extent permitted by Section 635A of the Communications Act, 47 U.S.C. §555 a, or similar applicable law.

10. REPORTS AND RECORDS

Franchisee shall maintain all reports and records in compliance with applicable Federal, State and local law.

11. TRANSFER OF FRANCHISE

Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, 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 and provided that the transferee has reasonable financial qualifications. 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 otherwise excluded under Section 1.31 above.

12. RENEWAL OF FRANCHISE

12.1. 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 626 of the Communications Act, 47 U.S.C. § 546.

12.2. In addition to the procedures set forth in said Section 626 of the Communications Act, the LFA agrees to 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. The LFA further agrees that such assessments shall be provided to Franchisee promptly so that Franchisee has adequate time to submit a proposal under Section 626 and complete renewal of the Franchise prior to expiration of its term.

12.3. 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.

12.4. Franchisee and the LFA consider the terms set forth in this Article 12 to be consistent with the express provisions of Section 626. Nothing in this Franchise shall be construed to create an expectancy of renewal, entitlement to renewal, or an extension of the Franchise, except as may otherwise be provided by applicable law.

13. ENFORCEMENT OF FRANCHISE

13.1. *Notice of Violation:* In the event that the LFA believes that Franchisee has not complied with the terms of the Franchise, the LFA shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem, the LFA shall notify Franchisee in writing of the exact nature of the alleged noncompliance.

13.2. *Franchisee's Right to Cure or Respond:* Franchisee shall have thirty (30) days from receipt of the written notice described in Section 13.1 to: (i) respond to the LFA, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such default; or (iii) in the event that, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the LFA of the steps being taken and the projected date that they will be completed.

13.3. *Public Hearing:* In the event that Franchisee fails to respond to the written notice described in Section 13.1 pursuant to the procedures set forth in Section 13.2, or in the event that the alleged default is not remedied within thirty (30) days or the date projected pursuant to Section 13.2(iii) above, if it intends to continue its investigation into the default, then the LFA shall schedule a public hearing. The LFA shall provide Franchisee at least thirty (30) business days prior written notice of such hearing, which will specify the time, place and purpose of such hearing, and provide Franchisee the opportunity to be heard.

13.4. *Enforcement:* Subject to applicable federal and state law, in the event the LFA, after the hearing set forth in Section 13.3, determines that Franchisee is in default of any provision of the Franchise, the LFA may:

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

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

13.4.3. In the case of a substantial material default of a material provision of the Franchise, seek to revoke the Franchise in accordance with Section 13.5.

13.5. *Revocation:* Should the LFA seek to revoke the Franchise after following the procedures set forth in Sections 13.1 through 13.4 above, the LFA shall give written notice to Franchisee of its intent. The notice shall set forth the exact nature of the noncompliance. The Franchisee shall have ninety (90) days from 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 public hearing. The LFA shall cause to be served upon the Franchisee, at least thirty (30) 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.

13.5.1. At the designated hearing, Franchisee shall be provided a fair opportunity for full participation, including the right 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.

13.5.2. Following the public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions in writing and thereafter the LFA shall determine (i) whether an event of default has occurred; (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 to 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 the Franchise shall be revoked, the LFA shall promptly provide Franchisee with a written decision setting forth its reasoning. If the LFA determines that the Franchisee shall be revoked, then Franchisee may appeal such determination of the LFA to an appropriate court with competent jurisdiction, 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 determination of the franchising authority.

13.5.3. The LFA may, at its sole discretion, take any lawful action which it deems appropriate to enforce the LFA's rights under the Franchise.

13.6. *Franchisee Termination:* Franchisee shall have the right to terminate this Franchise and all obligations hereunder within ninety (90) days after the end of three (3) years from the Effective Date of this Franchise, if, at the end of such three (3) year period, Franchisee does not then in good faith believe it has achieved a commercially reasonable level of Subscriber

penetration on its Cable System. Franchisee may consider Subscriber penetration levels outside the Franchise Area in this determination. Notice to terminate under this Section 13.6 shall be given to the City in writing, with such termination to take effect no sooner than one hundred and twenty (120) days after giving such notice. Franchisee shall also be required to give its then current Subscribers not less than ninety (90) days prior written notice of its intent to cease operations.

14. MISCELLANEOUS PROVISIONS

14.1. *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.

14.2. *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.

14.3. *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.

14.4. *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.

14.4.1. 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 which outweigh the benefit to be derived by the LFA and/or Subscribers.

14.5. *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.

14.5.1. Notices to Franchisee shall be mailed to:

Alan Ciamporcero, President
Verizon Florida Inc.
201 North Franklin Street—FLT C006Tampa, Florida 33602

14.5.2. Notices to the LFA shall be mailed to:

Mr. Kim Leinbach, City Manager
City of Temple Terrace
11250 North 56th Street
Temple Terrace, Florida 33617

14.6. *Entire Agreement*: This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA. Amendments to this Franchise shall be mutually agreed to in writing by the parties.

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

14.8. *Severability*: If any section, 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 any 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.

14.9. *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.

14.10. *Modification*. This Franchise shall not be modified except by written instrument executed by both parties.

14.11. *Exhibits*. The following exhibits are incorporated into this Franchise as if fully set forth herein: Exhibit A, Description of Service Area; Exhibit B, Municipal Buildings to be Provided Free Cable Service; and Exhibit C, Customer Service Standards.

14.12. *FTTP 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 FTTP Network including, without limitation, any spectrum capacity used for cable service or otherwise, to the LFA or any third party. Franchisee shall not be required to remove the FTTP Network(s) or to relocate the FTTP Network(s) 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.

14.13 *Hybrid Network.* Franchisee's Fiber to the Premise Telecommunications Network ("FTTP Network") is designed for the provision of Non-Cable Services and is also capable of providing Cable Services.

SIGNATURE PAGE FOLLOWS

AGREED TO THIS _____ DAY OF _____, 2005.

City of Temple Terrace

By: _____

Name:

Title:

Date:

Verizon Florida Inc. _____

By: _____

Name:

Title:

Date:

EXHIBIT B

MUNICIPAL BUILDINGS TO BE PROVIDED FREE CABLE SERVICE

Temple Terrace City Hall
11250 North 56th Street
Temple Terrace, Florida 33617

Parks & Recreation Family Recreation Complex
6610 Whiteway Drive
Temple Terrace, Florida 33617

Omar K. Lightfoot Center
10901 North 56th Street
Temple Terrace, Florida 33617

Public Works Complex
11210 North 53rd Street
Temple Terrace, Florida 33617

Fire Station #1
124 Bullard Parkway
Temple Terrace, Florida 33617

Fire Station #2
2 East Telecom Parkway
Temple Terrace, Florida 33617

EXHIBIT C
CUSTOMER SERVICE STANDARDS

These standards shall, starting six months after the Effective Date, apply to the Franchisee to the extent it is providing Cable Services over the Cable System in the Franchise area.

SECTION 1: DEFINITIONS

A. **Respond:** Franchisee's investigation of a Service Interruption by receiving a Subscriber call and opening a trouble ticket, if required

B. **Significant Outage:** A significant outage of the Cable Service shall mean any Service Interruption lasting at least four (4) continuous hours that affects at least ten percent (10%) of the Subscribers in the Service Area.

C. **Service Call:** The action taken by the Franchisee to correct a Service Interruption the effect of which is limited to an individual Subscriber.

D. **Standard Installation:** Installations where the subscriber is within one hundred and fifty (150) feet of trunk or feeder lines.

SECTION 2: TELEPHONE AVAILABILITY

A. The Franchisee shall maintain a toll-free number to receive all calls and inquiries from Subscribers in the Franchise Area and/or residents regarding Cable Service. Franchisee representatives trained and qualified to answer questions related to Cable Service in the Service Area must be available to receive reports of Service Interruptions twenty-four (24) hours a day, seven (7) days a week, and other inquiries at least forty-five (45) hours per week. Franchisee representatives shall identify themselves by name when answering this number.

B. The Franchisee's telephone numbers shall be listed, with appropriate description (e.g. administration, customer service, billing, repair, etc.), in the directory published by the local telephone company or companies serving the Service Area, beginning with the next publication cycle after acceptance of this Franchise by the Franchisee.

C. Franchisee may use an Automated Response Unit ("ARU") or a Voice Response Unit ("VRU") to distribute calls. If a foreign language routing option is provided, and the Subscriber does not enter an option, the menu will default to the first tier menu of English options.

After the first tier menu (not including a foreign language rollout) has run through three times, if customers do not select any option, the ARU or VRU will forward the call to a queue for a live representative. The Franchisee may reasonably substitute this requirement with another method of handling calls from customers who do not have touch-tone telephones.

D. Under Normal Operating Conditions, calls received by the Franchisee shall be answered within thirty (30) seconds. The Franchisee shall meet this standard for ninety percent

(90%) of the calls it receives at all call centers receiving calls from Subscribers, as measured on a cumulative quarterly calendar basis. Measurement of this standard shall include all calls received by the Franchisee at all call centers receiving calls from Subscribers, whether they are answered by a live representative, by an automated attendant, or abandoned after 30 seconds of call waiting.

E. Under Normal Operating Conditions, callers to the Franchisee shall receive a busy signal no more than three (3%) percent of the time during any calendar quarter.

SECTION 3: INSTALLATIONS AND SERVICE APPOINTMENTS

A. All installations will be in accordance with FCC rules, including but not limited to, appropriate grounding, connection of equipment to ensure reception of Cable Service, and the provision of required consumer information and literature to adequately inform the Subscriber in the utilization of the Franchisee-supplied equipment and Cable Service.

B. The Standard Installation shall be performed within seven (7) days after the placement of the Optical Network Terminal ("ONT") on the customer's premises.

C. The Franchisee shall meet this standard for ninety-five percent (95%) of the Standard Installations it performs, as measured on a calendar quarter basis, excluding customer requests for connection later than seven (7) days after ONT placement.

D. The Franchisee will offer Subscribers "appointment window" alternatives for arrival to perform installations, Service Calls and other activities of a maximum four (4) hours scheduled time block during appropriate daylight available hours, usually beginning at 8:00 AM unless it is deemed appropriate to begin earlier by location exception. At the Franchisee's discretion, the Franchisee may offer Subscribers appointment arrival times other than these four (4) hour time blocks, if agreeable to the Subscriber. These hour restrictions do not apply to weekends.

SECTION 4: SERVICE INTERRUPTIONS AND OUTAGES

A. The Franchisee shall exercise commercially reasonable efforts to limit any Significant Outage for the purpose of maintaining, repairing, or constructing the Cable System. Except in an emergency or other situation necessitating a more expedited or alternative notification procedure, the Franchisee may schedule a Significant Outage for a period of more than four (4) hours during any twenty-four (24) hour period only after the LFA and each affected Subscriber in the Service Area have been given twenty-four (24) hours notice of the proposed Significant Outage.

B. Franchisee representatives who are capable of responding to Service Interruptions must be available to Respond twenty-four (24) hours a day, seven (7) days a week.

C. Under Normal Operating Conditions, the Franchisee must Respond to a call from a Subscriber regarding a Service Interruption or other service problems within the following time frames:

(1) Within twenty-four (24) hours, including weekends, of receiving subscriber calls respecting Service Interruptions in the Service Area.

(2) The Franchisee must begin actions to correct all other Cable Service problems the next business day after notification by the Subscriber or the LFA of a Cable Service problem.

D. Under Normal Operating Conditions, the Franchisee shall provide a credit upon Subscriber request when all Channels received by that Subscriber are out of service for a period of forty-eight (48) hours or more. The credit shall equal, at a minimum, a proportionate amount of the affected Subscriber(s) current monthly bill. In order to qualify for the credit, the Subscriber must promptly report the problem and allow the Franchisee to verify the problem if requested by the Franchisee. If Subscriber availability is required for repair, then a credit will not be provided for such time, if any, that the Subscriber is not reasonably available.

SECTION 5: CUSTOMER COMPLAINTS

A. Under Normal Operating Conditions, the Franchisee shall investigate Subscriber complaints referred by the LFA within a reasonable amount of time. If the Franchisee cannot resolve such Subscriber complaint within thirty (30) days of Franchisee's receipt of the complaint from the LFA, then the LFA may require reasonable documentation to be provided by the Franchisee to substantiate the request for additional time to resolve the problem. For purposes of this Section, "resolve" means that the Franchisee shall perform those actions, which, in the normal course of business, are necessary to investigate the Customer's complaint and advise the Customer of the results of that investigation.

B. Franchisee shall maintain records of all written complaints for a period of three 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.

SECTION 6: BILLING

A. Subscriber bills must be itemized to describe Cable Services purchased by Subscribers and related equipment charges. Bills shall clearly delineate activity during the billing period, including optional charges, rebates, credits, and aggregate late charges. Franchisee shall, without limitation as to additional line items, be allowed to itemize as separate line items, Franchise fees, taxes and/or other governmentally imposed fees. The Franchisee shall maintain records of the date and place of mailing of bills.

B. Every Subscriber with a current account balance sending payment directly to Franchisee shall be given at least twenty (20) days from the date statements are mailed to the Subscriber until the payment due date.

C. A specific due date shall be listed on the bill of every Subscriber whose account is current. Delinquent accounts may receive a bill which lists the due date as upon receipt;

however, the current portion of that bill shall not be considered past due except in accordance with Subsection 6.B. above.

D. Any Subscriber who, in good faith, disputes all or part of any bill shall have the option of withholding the disputed amount without disconnect or late fee being assessed until the dispute is resolved provided that:

- (1) The Subscriber pays all undisputed charges;
- (2) The Subscriber provides notification of the dispute to Franchisee within five (5) days prior to the due date; and
- (3) The Subscriber cooperates in determining the accuracy and/or appropriateness of the charges in dispute.
- (4) It shall be within the Franchisee's sole discretion to determine when the dispute has been resolved.

E. Under Normal Operating Conditions, the Franchisee shall initiate investigation and resolution of all billing complaints received from Subscribers within thirty (30) days of receipt of the complaint. Final resolution shall not be unreasonably delayed.

F. The Franchisee shall provide a telephone number and address on the bill for Subscribers to contact the Franchisee.

G. The Franchisee shall forward a copy of any Cable Service related billing inserts or other mailing sent to Subscribers to the LFA upon request.

H. The Franchisee shall provide all Subscribers with the option of paying for Cable Service by check or an automatic payment option where the amount of the bill is automatically deducted from a checking account designated by the Subscriber. Franchisee may in the future, at its' discretion, permit payment by using a major credit card on a preauthorized basis. Based on credit history, at the option of the Franchisee, the payment alternative may be limited.

SECTION 7: DEPOSITS, REFUNDS AND CREDITS

A. The Franchisee may require refundable deposits from Subscribers with 1) a poor credit or poor payment history, 2) who refuse to provide credit history information to the Franchisee, or 3) who rent Subscriber equipment from the Franchisee, so long as such deposits are applied on a non-discriminatory basis. The deposit the Franchisee may charge Subscribers with poor credit or poor payment history or who refuse to provide credit information may not exceed an amount equal to an average Subscriber's monthly charge multiplied by six (6). The maximum deposit the Franchisee may charge for Subscriber equipment is the cost of the equipment which the Franchisee would need to purchase to replace the equipment rented to the Subscriber.

B. The Franchisee shall refund or credit the Subscriber for the amount of the deposit collected for equipment, which is unrelated to poor credit or poor payment history, after one year and provided the Subscriber has demonstrated good payment history during this period. The Franchisee shall pay interest on other deposits if required law.

C. Credits for Cable Service will be issued no later than the Subscriber's next available billing cycle, following the determination that a credit is warranted, and the credit is approved and processed. Such approval and processing shall not be unreasonably delayed.

D. Bills shall be considered paid when appropriate payment is received by the Franchisee or its' authorized agent. Appropriate time considerations shall be included in the Franchisee's collection procedures to assure that payments due have been received before late notices or termination notices are sent.

SECTION 8: RATES, FEES AND CHARGES

A. The Franchisee shall not, except to the extent expressly permitted by law, impose any fee or charge for Service Calls to a Subscriber's premises to perform any repair or maintenance work related to Franchisee equipment necessary to receive Cable Service, except where such problem is caused by a negligent or wrongful act of the Subscriber (including, but not limited to a situation in which the Subscriber reconnects Franchisee equipment incorrectly) or by the failure of the Subscriber to take reasonable precautions to protect the Franchisee's equipment (for example, a dog chew).

B. The Franchisee shall provide reasonable notice to Subscribers of the possible assessment of a late fee on bills or by separate notice.

SECTION 9: DISCONNECTION /DENIAL OF SERVICE

A. The Franchisee shall not terminate Cable Service for nonpayment of a delinquent account unless the Franchisee provides a notice of the delinquency and impending termination at least ten (10) days prior to service suspension and twenty days prior to the proposed final termination. The notice shall be mailed to the Subscriber to whom the Cable Service is billed. The notice of delinquency and impending termination may be part of a billing statement.

B. Nothing in these standards shall limit the right of the Franchisee to deny Cable Service for non-payment of previously provided Cable Services, refusal to pay any required deposit, theft of Cable Service, damage to the Franchisee's equipment, abusive and/or threatening behavior toward the Franchisee's employees or representatives, or refusal to provide credit history information or refusal to allow the Franchisee to validate the identity, credit history and credit worthiness via an external credit agency.

C. Charges for cable service will be discontinued at the time of the requested termination of service by the subscriber, except equipment charges may be applied until equipment has been returned. No period of notice prior to requested termination of service can be required of Subscribers by the Franchisee. No charge shall be imposed upon the Subscriber for or related to total disconnection of Cable Service or for any Cable Service delivered after the

effective date of the disconnect request, unless there is a delay in returning Franchisee equipment or early termination charges apply pursuant to the Subscriber's service contract. For purposes of this subsection, the term "disconnect" shall include Subscribers who elect to cease receiving Cable Service from the Franchisee and to receive Cable Service or other multi-channel video service from another Person or entity.

SECTION 10: COMMUNICATIONS WITH SUBSCRIBERS

_____A. The Franchisee shall maintain a local office no more than three (3) miles outside of the LFA. The existing address of the Franchisee's local office is 2381 East Fowler Drive, Tampa, Florida and is two and one tenth (2.1) miles outside of the LFA. The existing local office is equipped to accept bill payments from Subscribers. Should the Franchisee implement a general cable equipment exchange program at its local offices, then a local office will implement this policy.

B. All Franchisee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Franchisee shall wear a clearly visible identification card bearing their name and photograph. The Franchisee shall make reasonable effort to account for all identification cards at all times. In addition, all Franchisee representatives shall wear appropriate clothing while working at a Subscriber's premises. Every service vehicle of the Franchisee and its contractors or subcontractors shall be clearly identified as such to the public. Specifically, Franchisee vehicles shall have the Franchisee's logo plainly visible. The vehicles of those contractors and subcontractors working for the Franchisee shall have the contractor's / subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to the Franchisee.

C. All contact with a Subscriber or potential Subscriber by a Person representing the Franchisee shall be conducted in a courteous manner.

D. The Franchisee shall send annual notices to all Subscribers informing them that any complaints or inquiries not satisfactorily handled by the Franchisee may be referred to the LFA.

E. All notices identified in this Section shall be by either:

(1) A separate document included with a billing statement or included on the portion of the monthly bill that is to be retained by the Subscriber; or

(2) A separate electronic notification

F. The Franchisee shall provide reasonable notice to Subscribers of any pricing changes (excluding sales discounts, new products or offers) and, subject to the forgoing, any changes in Cable Services, including channel line-ups. Such notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if within the control of the Franchisee, and the Franchisee shall provide a copy of the notice to the LFA including how and where the notice was given to Subscribers.

G. The Franchisee shall provide information to all Subscribers about each of the following items at the time of installation of Cable Services, annually to all Subscribers, at any time upon request, and, subject to Subsection 10.E., at least thirty (30) days prior to making significant changes in the information required by this Section if within the control of the Franchisee:

- (1) Products and Cable Service offered;
- (2) Prices and options for Cable Services and condition of subscription to Cable Services. Prices shall include those for Cable Service options, equipment rentals, program guides, installation, downgrades, late fees and other fees charged by the Franchisee related to Cable Service;
- (3) Installation and maintenance policies including, when applicable, information regarding the Subscriber's in-home wiring rights during the period Cable Service is being provided;
- (4) Channel positions of Cable Services offered on the Cable System;
- (5) Complaint procedures, including the name, address and telephone number of the LFA, but with a notice advising the Subscriber to initially contact the Franchisee about all complaints and questions;
- (6) Procedures for requesting Cable Service credit;
- (7) The availability of a parental control device;
- (8) Franchisee practices and procedures for protecting against invasion of privacy; and
- (9) The address and telephone number of the Franchisee's office to which complaints may be reported.

H. Notices of changes in rates shall indicate the Cable Service new rates and old rates, if applicable.

I. Notices of changes of Cable Services and/or Channel locations shall include a description of the new Cable Service, the specific channel location, and the hours of operation of the Cable Service if the Cable Service is only offered on a part-time basis. In addition, should the channel location, hours of operation, or existence of other Cable Services be affected by the introduction of a new Cable Service, such information must be included in the notice.

J. Every notice of termination of Cable Service shall include the following information:

- (1) The name and address of the Subscriber whose account is delinquent;
- (2) The amount of the delinquency;

(3) The date by which payment is required in order to avoid termination of Cable Service; and

(4) The telephone number for the Franchisee where the Subscriber can receive additional information about their account and discuss the pending termination.