

**2015 Insight Kentucky Partners II, LP
Communications Franchise**

To

Insight Kentucky Partners II, LP

Granted By:

Campbell County Cable Board

County of Campbell, Kentucky

City of Alexandria, Kentucky

City of Bellevue, Kentucky

City of California, Kentucky

City of Cold Spring, Kentucky

City of Crestview, Kentucky

City of Highland Heights, Kentucky

City of Mentor, Kentucky

City of Melbourne, Kentucky

City of Silver Grove, Kentucky

City of Southgate, Kentucky

City of Wilder, Kentucky

City of Woodlawn, Kentucky

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COMPETITIVE FRANCHISE AGREEMENT

AN AGREEMENT GRANTING A FRANCHISE TO INSIGHT KENTUCKY PARTNERS II, LP, FOR THE OPERATION AND MAINTENANCE OF A CABLE COMMUNICATIONS SYSTEM IN CERTAIN INCORPORATED AND UNINCORPORATED AREAS OF CAMPBELL COUNTY, KENTUCKY, SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF FRANCHISE AND PROVIDING FOR THE REGULATION AND USE OF SAID SYSTEM.

THIS COMPETITIVE FRANCHISE AGREEMENT, dated as of January 1, 2015, but made effective when legally adopted by a resolution approving and as provided in this Franchise Agreement, by and between Campbell County, Kentucky, and the cities of Alexandria, Bellevue, California, Cold Spring, Crestview, Highland Heights, Melbourne, Mentor, Silver Grove, Southgate, Wilder and Woodlawn, (hereinafter the cities sometimes referred to as Participants), as parties of the first part, and Insight Kentucky Partners II, LP (hereinafter referred to as "Grantee") a wholly-owned subsidiary of Time Warner Cable Inc. with its principal place of business at 60 Columbus Circle, New York, NY 10023.

WHEREAS, pursuant to Kentucky Constitution Section 164 and Kentucky Revised Statute 67.083, the Campbell County Fiscal Court and the Participants are authorized and empowered to award a cable television franchise, and

WHEREAS, the Campbell Fiscal Court and the Participants have established a Cable Television Board, (hereinafter sometimes referred to as Cable Board), pursuant to an Interlocal Ordinance known as the Campbell County Cable Board Ordinance, which is filed of record in Miscellaneous Book 223, Page 361 of the Campbell County Clerk's Office at Newport, Kentucky, with the responsibility of selecting franchisees, among other powers and duties, and

WHEREAS, the Campbell County Fiscal Court and the Participants have agreed to grant the cable television franchise upon the recommendation of the Cable Board, and

WHEREAS, the Cable Board, on behalf of the County and the Participants, has conducted a full public hearing on _____ after giving notice as required by statute, the purpose of said public hearing being to analyze and consider the following:

1. The technical ability, financial condition and legal qualification of the Grantee to provide the services, facilities and equipment for that system; and
2. Whether Grantee's plans for its Cable System are adequate in light of community needs; and
3. Whether the Grantee can meet the future cable-related needs and interests in light of the costs; and

WHEREAS, the Cable Board, after such consideration, analysis, and deliberation has found that the franchise of the Grantee should be granted; and

WHEREAS, the Cable Board recommends that the franchise of the Grantee be granted pursuant to 47 U.S.C. 541 for said Cable Communication System in unincorporated areas and within the incorporated boundaries of the Participants of Campbell County, Kentucky;

THEREFORE, by Agreement, the non-exclusive franchise of the Grantee, in unincorporated areas of Campbell County and within the incorporated boundaries of the Participants, is granted from the date of its effectiveness until January 1, 2025, or for a period of ten (10) years from the Effective Date, whichever date is later, for the installation, operation and maintenance of a Cable Communication System within the unincorporated areas of Campbell County and incorporated boundaries of the Participants, upon the following terms and conditions:

ARTICLE I. GRANT OF FRANCHISE AND GENERAL PROVISIONS

SECTION 1. TITLE OF FRANCHISE AGREEMENT

This Franchise Agreement shall be known and may be cited as the "2015 Insight Kentucky Partners II, LP Communications Franchise" (hereinafter referred to as "Franchise" or "Agreement").

SECTION 2. DEFINITIONS

For the purpose of this Franchise Agreement the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is mandatory and "may" is permissive. Words not defined shall be given their common and ordinary meaning.

A. "Basic Service" shall be defined as that term is defined in the Cable Communications Policy Act of 1984 as amended.

B. "Cable Act" means the Cable Communications Policy Act of 1984 (Public Law No. 98-549), and the Cable Television Consumer Protection and Competition Act of 1992 (Public Law No. 102-385) as amended by the Telecommunications Act of 1996 (Public Law No. 104-104), together with current federal legislation governing Cable Television Systems and their operation in the United States and any subsequent amendments thereto.

C. "Cable Channel" or "Channel" means a portion of the electromagnetic spectrum which is used in a Cable System and which is capable of delivering a television channel

D. "Cable Communication System" or CATV System, means a 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 a community, but such term does not include:

1. a facility that serves only to retransmit the television signals of one or more television broadcast stations;

2. a facility that serves Subscribers without using any public right-of-way;
3. a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act, except that such facility shall be considered a cable system (other than for purposes of 47 U.S.C. § 541(c)) to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide interactive, on-demand services (as such term is defined in 47 U.S.C. Section 522(12)); or
4. any facilities of any electric utility used solely for operating its electric utility system;
5. an open video system that complies with 47 U.S.C. § 573.

E. "Cable Board" or "Board" shall mean the cable television regulatory authority established by certain local governments in Campbell County, Kentucky, and recorded in Miscellaneous Book 223, page 361 of the Campbell County Clerk's Office at Newport, Kentucky, as said Ordinance may be amended from time to time.

F. "Cable Service" shall have the meaning provided under Section 602(6) of the Cable Act (47 U.S.C. §522(6)) as may be amended.

G. "Commencement Date" of this Franchise for purposes of renewal shall be January 1, 2015.

H. "Grantee" is Insight Kentucky Partners II, LP the grantee of rights under this Agreement, or its successor, transferee or assignee.

I. "County" is Campbell County in the Commonwealth of Kentucky. The legislative body of the County is the Campbell County Fiscal Court.

J. "Digital Converter" means an electronic device which is designed to receive signals in a digital or compressed format and translate those signals for receipt on a Subscriber's television receiver.

K. "Effective Date" shall mean the date set forth in Article I, Section 6 of this Agreement.

L. "FCC" shall mean the Federal Communications Commission and any legally appointed, designated or elected agent or successor.

M. "Installation" shall mean the connection of the system from feeder cable to Subscribers' terminals.

N. "Interactive" means a Cable Television System that is capable of two-way communications.

O. "Participants" means the municipal entities, consisting of Alexandria, Bellevue, California, Cold Spring, Crestview, Highland Heights, Melbourne, Mentor, Silver Grove, Southgate, Wilder and Woodlawn, which are currently parties to the Interlocal Ordinance referred to above.

P. "PEG access facilities" shall mean the channel capacity (including any channel or portion of any channel) designated for non-commercial public, educational, or governmental use, as well as the facilities and equipment for the use of such channel capacity or used in the production of PEG programming.

Q. "Pay Service" shall mean the delivery over the system of programming to Subscribers for a fee or charge on a per-program or per channel basis.

S. "Service Area" means all areas in unincorporated Campbell County, Kentucky, and the incorporated areas of the Participants having at least twenty (20) dwelling units per cable mile served in accordance with the provisions of this franchise. Density per cable mile shall be computed by dividing the number of residential dwelling units in the area by the length, in miles or fractions thereof, of the total amount of aerial or underground cable necessary to make service available to the residential dwelling units in such area in accordance with Grantee's system design parameters. The cable length shall be measured from the nearest point of access to the then-existing system, provided that extension is technically feasible from that point of access, and located within the public rights-of-way. The total cable length shall exclude the drop cable necessary to serve individual Subscriber premises.

T. "Street" shall mean the surface of and the space above and below any public street, road, highway, freeway, lane, path, public way or place, sidewalk, alley, court, boulevard, parkway, drive or easement now or hereafter held by the County or the Participants for the purpose of public travel and shall include other easements or rights-of-way as shall be now held or hereafter held by the County, Commonwealth of Kentucky, and the Participants.

U. "Subscriber" means a lawful recipient of Grantee's cable television service.

V. "User" means a party utilizing a cable television system channel for purposes of production or transmission of material to Subscribers, as contrasted with receipt thereof in a Subscriber capacity.

SECTION 3. RIGHTS AND PRIVILEGES OF GRANTEE

The nonexclusive franchise granted by the County and the Participants pursuant to this Agreement shall grant to the Grantee the right and privilege to erect, construct, operate, maintain and repair in, upon, along, across, above, over and under the street any poles, wires, cable, underground conduits, manholes, and other television conductors and fixtures necessary for the maintenance and operation of a CATV System for the interception, sale, transmission and distribution of Cable Service; and the right to transmit the same to the inhabitants of the County and the Participants on the terms and conditions hereinafter set forth.

SECTION 4. FRANCHISE AGREEMENT

Upon adoption of this franchise and acceptance hereof by the Grantee, the Grantee agrees to be bound by all the terms and conditions contained herein.

SECTION 5. FRANCHISE TERRITORY

The franchise is for the present territorial limits of unincorporated Campbell County, Kentucky, and the incorporated boundaries of the Participants, on a jurisdiction by jurisdiction basis, as this Agreement is adopted by the County and the Participants, and for any area henceforth added to those territorial limits during the term of the franchise.

SECTION 6. DURATION AND ACCEPTANCE OF FRANCHISE

The franchise shall take effect upon the filing with the Cable Board chairperson of Grantee's unconditional acceptance of the franchise and agreement to comply with and abide by all its provisions, terms and conditions. Such acceptance and agreement shall be in writing, duly executed and sworn to, by or on behalf of the Grantee before a notary public or other officer authorized by law to administer oaths. Such acceptance and agreement shall be filed within 15 days after the last date on which the County and all Participants shall have adopted the franchise set forth in this document.

The term of this Franchise shall be from the date of the Effective Date for a period of ten (10) years.

SECTION 7. POLICE POWERS

In accepting this franchise, the Grantee acknowledges that its rights hereunder are subject to the police power of the County and the Participants to adopt and enforce general ordinances necessary to the safety and welfare of the public; it agrees to comply with all applicable general laws and ordinances enacted by the County and the Participants pursuant to such power.

Any conflict between the provisions of this franchise and any other present or future lawful exercise of the County's or the Participants' police powers shall be resolved in favor of the former unless any such exercise is necessary due to an emergency lawfully declared by the County or the Participants constituting a danger to health, safety, property, or general welfare or such exercise is mandated by Federal or state law.

SECTION 8. CATV FRANCHISE REQUIRED

No CATV system shall be allowed to be constructed upon, occupy or use the streets of the Commonwealth of Kentucky or the County or the Participants, or be allowed to operate without a CATV franchise.

SECTION 9. USE OF GRANTEE FACILITIES

The County and the Participants shall have the right, during the life of this franchise, to install and maintain free of charge upon the poles solely owned by the Grantee any wire and pole fixtures that do not interfere with any facilities or operations of the Grantee.

SECTION 10. NOTICES

The Cable Board and the Grantee shall provide the other party with the name and address of the contact person designated to receive notices, filings, reports, records, documents, and other correspondence. All notices shall be delivered to each party's contact person by (a) certified mail, return receipt requested, (b) personal service with a signed receipt of delivery, or (c) overnight with receipt verification. All other filings, reports, records, documents, and other correspondence may be delivered by any permissible means including, but not -limited to: facsimile transmission ("faxing"); electronic mail ("email") personal service; or overnight mail or package delivery. The delivery of all notices, reports, records, and other correspondence shall be deemed to have occurred at the time of receipt (unless otherwise designated by state law). The contact persons and their respective addresses for receipt of notice under this Section 10 are as follows:

GRANTEE: Insight Kentucky Partners II, LP, 11325 Reed Hartman Highway, Cincinnati, OH 45242 .

COUNTY: County of Campbell c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

PARTICIPANTS: City of Alexandria c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Bellevue c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of California c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Cold Spring c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Crestview c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Highland Heights c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Melbourne c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Mentor c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Silver Grove c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Southgate c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Wilder c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

City of Woodlawn c/o Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

BOARD: Executive Director Campbell County Cable Board 10 Hilltop Drive Highland Heights, KY 41076

All notices to the County or the Participants shall be sent to their designated agent at the address provided from time to time by the County or the Participants or their designated agent.

SECTION 11. GRANTEE'S FINANCIAL RESOURCES AND PERFORMANCE BOND

A. The Grantee, throughout the term of the franchise, shall maintain adequate financial resources to perform, or provide a plan acceptable to the Cable Board demonstrating that it can perform, on a timely basis, all obligations pursuant to this Agreement.

B. Within thirty (30) days after the award of this franchise, the Grantee shall file with the Cable Board a Performance Bond in the amount of One Hundred Thousand Dollars (\$100,000) in favor of the County and all Participants.

C. In the event the Grantee fails to comply with any law, ordinance or regulation governing the franchise, or fails to observe, fulfill and perform well and truly each term and condition of the franchise, there shall be recoverable, jointly and severally, from the principal and surety of the bond, any damages or loss suffered by the County, the Participants, or the Cable Board as a result, including the full amount of any compensation, indemnification, or cost of removal or abandonment of any property of the Grantee, plus a reasonable allowance for attorney's fees, including the County, the Participants, or the Cable Board's outside legal counsel, and costs.

D. The bond shall contain the following endorsement:

It is hereby understood and agreed that this bond may not be canceled by the surety and that the intention not to renew may not be stated by the surety until thirty (30) days after receipt by the Cable Board, by registered mail, a written notice of such intent to cancel or not to renew.

E. Prior to drawing upon the performance bond for the purposes described in this Section, the County, the Participants or their designated agent shall notify the Grantee in writing that payment is due and that the Grantee shall have ten (10) days from the receipt of such written notice to make a full and complete payment. If the Grantee does not make the payment within

ten (10) days, the County, the Participants or their designated agent may withdraw the amount thereof, with interest and penalties, from the performance bond. The Grantee's recourse, in the event Grantee believes any taking or withdrawing from the performance bond is improper, shall be through legal action.

F. No later than thirty (30) days after mailing to the Grantee, by certified mail, notification of a withdrawal pursuant to Section 12(E) above, the Grantee shall replenish the performance bond in an amount equal to the amount so withdrawn. Failure to make timely replenishment of such amount to the performance bond shall constitute a material violation of this franchise.

SECTION 12. LIABILITY AND INSURANCE

A. The Grantee shall maintain, and by its acceptance of the franchise specifically agrees that it will maintain, throughout the term of the franchise, liability insurance insuring the County, the Participants, the Cable Board, and the Grantee in the minimum amount of \$5,000,000 for bodily injury and/or property damage in any one occurrence. This limit may include a self-insured retention and may be increased by mutual agreement of the parties.

B. The insurance policy obtained by the Grantee in compliance with this section shall be issued by a Grantee or companies duly licensed to do business in the Commonwealth of Kentucky, carrying a rating by Best's, or some other nationally recognized rating service, of not less than A-. Copies of certificates of insurance for all policies required hereunder shall be filed and maintained with the County, the Participants, or their designated agent during the term of the franchise, and may be changed from time to time to reflect changing liability limits.

C. Neither the provisions of this section nor any damages recovered by the County, the Participants, or the Cable Board thereunder, shall be construed to limit the liability of the Grantee under any franchise issued hereunder or for damages.

D. Certificates of insurance must be provided to the Cable Board within thirty (30) days of the execution of this franchise.

SECTION 13. INDEMNIFICATION

A. The Grantee shall, at its sole cost and expense, fully indemnify, defend and hold harmless the County, the Participants and the Cable Board, the County's, the Participants' and the Cable Board's officers, boards, and all members, commissions and employees against any and all claims, suits, actions, liability and judgments for damages including, but not limited to, expenses for reasonable legal fees and disbursements, and liabilities assumed by the County, the Participants, or their designated agent in connection therewith to persons or property in any way:

1. Arising out of or through the acts or omissions of the Grantee, its servants, agents or employees;

2. Arising out of any claim based on the acts or omissions of Grantee for invasion of the right of privacy, for defamation of any person, firm or corporation, or the

violation, infringement or dilution of any copyright, trademark, trade name, service mark or patent, (excluding claims arising out of or relating to County or Participant programming); and

3. Arising out of the Grantee's failure to comply with the provisions of any federal, state, or local statute, ordinance or regulation applicable to the Grantee in its business hereunder.

B. The foregoing indemnity is conditioned upon the County, the Participants, or their designated agent giving the Grantee prompt written notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the provisions of this section. Nothing herein shall be deemed to prevent the County and the Participants from cooperating with the Grantee and participating in the defense of any litigation by their own counsel at their sole cost and expense.

SECTION 14. FAILURE OF COUNTY, THE PARTICIPANTS, OR THEIR DESIGNATED AGENT TO ENFORCE THIS FRANCHISE AGREEMENT CONSTITUTES NO WAIVER OF TERMS THEREOF.

The Grantee shall not be excused from complying with any of the terms and conditions of this franchise Agreement by any failure of the County, the Participants, the Cable Board, or their designated agent, upon any one or more occurrences to insist upon or to seek compliance with any such terms or conditions.

SECTION 15. RIGHTS OF INDIVIDUALS

A. The Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers, channel users, or general citizens on the basis of race, color, religion, national origin. The Grantee shall comply at all times with all other applicable federal, state and local laws and regulations, and all executive and administrative orders relating to nondiscrimination which are hereby incorporated and made part of this Agreement by reference.

B. The Grantee shall strictly adhere to the equal employment opportunity requirements of the FCC, state statutes and local regulations, currently in force and as amended from time to time.

C. The Grantee shall operate the CATV System in a manner that protects against invasions of any Subscriber's privacy, in accordance with 47 U.S.C. 551.

SECTION 16. PUBLIC NOTICE

In addition to any notice requirements set forth in Article I, Section 10, minimum public notice of any public meeting relating to this franchise shall be given by Cable Board by means of publication at least once in a local newspaper of general circulation, in compliance with Kentucky Revised Statute Chapter 424 and in accordance with the notice provisions of Article I, Section 10.

SECTION 17. SEVERABILITY

If any section, subsection, sentence, clause, phrase or portion of this Agreement is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 18. TIME IS OF THE ESSENCE TO THIS FRANCHISE AGREEMENT

Whenever the franchise Agreement shall set forth any time for an act to be performed by or on behalf of the Grantee, such time shall be deemed of the essence and any failure of the Grantee to perform within the time allotted shall always be sufficient grounds for the County, the Participants, or their designated agent, to invoke an appropriate penalty, including possible revocation of the franchise Agreement.

SECTION 19. COMPLIANCE WITH STATE AND FEDERAL LAWS

Notwithstanding any other provision of this franchise to the contrary, the Grantee shall at all times comply with all laws and regulations of the state and federal government or any administrative agencies thereof.

SECTION 20. SERVICES/PRODUCTS AVAILABLE ACROSS NORTHERN KENTUCKY

The Grantee agrees that the channel capacity of the system, technical upgrades and the cable service offerings, and customer service Grantee makes available to the customer (except for PEG Access that may differ among the separate franchises) shall be substantially equal to the cable systems Grantee operates in Boone, Kenton and Campbell Counties, Kentucky ("Northern Kentucky"). Furthermore, if the Grantee provides HD for PEG Access for another franchise in Northern Kentucky it shall also be provided for PEG access programming provided by the Cable Board

SECTION 21. RELIEF FROM THIS FRANCHISE

A. **Written Petition.** Grantee may file a written petition, at any time, with the County and the Participants, or their designated agent, seeking relief from one (1) or more provisions of this franchise. The relief requested may specifically include the delay in implementation of one (1) or more provisions of this franchise. Grantee's filing of a petition pursuant to this Section shall in no way limit its rights under applicable law including, without limitations, Section 625 of the Cable Act.

B. **Competitor Subject to Regulation by the County and/or the Participants.** If at any time during the existence of this franchise, a competing franchised multi-channel video programming distributor, is granted more favorable term(s) than those established for the Grantee under this franchise (including but not limited to lesser channel capacity, lesser requirements to provide Public, Educational, or Government access, less onerous reporting requirements, less onerous

customer notification requirements, less restrictive billing practices, less onerous customer service requirements, or less responsibility to pay a franchise fee), then such term(s) shall also be simultaneously extended to the Grantee, upon the written request of the Grantee, so that no provider of multi-channel service shall receive an unfair competitive advantage; provided, however, in considering such request of Grantee, the County and the Participants or their designated agent, shall take into consideration all of the circumstances relevant as to each particular term as such circumstances exist at the time and can be reasonably anticipated to exist in the future as well as the proportional relationship of the operations at the time and as can be reasonably anticipated in the future.

C. Competitor Not Subject to Regulation by the Cable Board, the County and the Participants. The County and the Participants recognize that potential competitors of the Grantee, including but not limited to wireless broadcasters, video dial tone providers, and direct broadcast satellite services, may not be franchised, or subject to regulation by the County, the Participants or the Cable Board. If, at any time during the existence of this franchise, a competing multi-channel service, franchised as provided in the Cable Act, operates within the geographical confines of the County and the Participants, under terms more favorable than those established for the Grantee under this franchise, (including but not limited to lesser channel capacity, lesser requirements to provide Public, Educational, or Government access, less onerous reporting requirements, less onerous customer notification requirements, less restrictive billing practices, less onerous customer service requirements, or less responsibility to pay a fee reasonably comparable to a franchise fee), then the Grantee shall be permitted to petition the County and the Participants, or their designated agent, for relief from such term(s), so that no provider of multi-channel service shall receive an unfair competitive advantage. The County and the Participants, or their designated agent, may, but shall not be obligated to grant the relief requested by the Grantee.

ARTICLE II. CATV SYSTEM EXTENSION, OPERATION, STANDARDS AND PROCEDURES

SECTION 1. DESCRIPTION OF CABLE TELEVISION DISTRIBUTION SYSTEM

A. The Grantee will operate a CATV system capable of providing over two hundred (200) channels of digital content, as well as high-definition (HD) programming, digital video recorder (DVR) and video-on-demand (VOD) services.

B. The Grantee will keep the Cable Board, advised of its major upgrades or projects for the Cable System, with the understanding that the Cable Board will keep proprietary information confidential pursuant to the open records exception set forth in KRS 61.878(1)(c)(1).

SECTION 2. SERVICE AVAILABILITY AND RECORD REQUEST

The Grantee shall provide Cable Service throughout the entire service area pursuant to the provisions of this franchise and shall keep a record for at least three (3) years of all requests for service received by the Grantee.

SECTION 3. CATV SYSTEM EXTENSION

Upon request, the Grantee shall extend its plant and provide cable service at the standard installation charge to any resident in the Service Area.

SECTION 4. CONSTRUCTION AND TECHNICAL STANDARDS

A. Compliance with Construction and Technical Standards. The Grantee shall construct, install, operate and maintain its system in a manner consistent with all laws, ordinances, construction standards, governmental requirements, and FCC technical standards, which standards are incorporated by reference herein. In addition, the Grantee shall provide the Cable Board, upon request, with a written report of the results of the Grantee's annual proof of performance tests conducted pursuant to FCC standards and requirements."

B. Additional Specifications. The Cable Communications System shall operate by means of transmission lines of optical fiber and/or coaxial cable to distribute the signals.

Construction, installation and maintenance of the Cable Communications System shall be performed in an orderly and workmanlike manner. All new cables and wires shall be installed, where possible, parallel with electric and telephone lines. Multiple cable configurations shall be arranged in parallel and bundled with due respect for engineering considerations.

Grantee shall at all times comply with:

1. National Electrical Safety Code (National Bureau of Standards);
2. National Electrical Code (National Bureau of Fire Underwriters);
3. Applicable FCC or other federal, state and local regulations including Technical Standards; and
4. Applicable local permits.

In any event, the CATV System shall not endanger or interfere with the safety of persons or property or with the functioning of property, in the franchise area or other areas where the Grantee may have equipment located.

Any antenna structure used-in the cable communication system shall comply with the standards and requirements of the U.S. Department of Transportation for the construction, marking, and lighting of antenna structures.

All working facilities, conditions and procedures used during construction, installation and maintenance of the CATV system shall comply with the standards of the Occupational Safety and Health Administration.

Rf leakage shall be checked and maintained in conformance with FCC Rules and Regulations.

The Grantee shall maintain equipment capable of providing standby power for headend for a minimum of two hours.

In all areas of the County and the Participants where the cables, wires, and other like facilities (including but not limited to telephone and power), of all public utilities are placed underground, the Grantee shall place its cables, wires, or other like facilities underground to the maximum extent that existing technology reasonably permits.

The methods of construction, upgrade, installation, maintenance and-repair of the Cable System shall comply and be consistent with good engineering practices for Cable Television Systems of similar size and design, and consistent with and satisfy FCC performance and technical standards. All work shall be performed by the Grantee in a good and workmanlike manner.

C. Compensation. The Grantee shall compensate property owners for any damages caused by its installation, construction, operation or removal of its cable facilities, as required by the Cable Communications Policy Act of 1984, 47 U.S.C. 541(a)(2)(C).

SECTION 5. USE OF STREETS

A. Interference with Persons and Improvements. The CATV System shall be located, erected and maintained so that none of its facilities shall unreasonably endanger or interfere with the lives of any persons, or with the safety and use of the property, safety of other persons, or interfere with any improvements the County, Commonwealth of Kentucky, and the Participants may deem proper to make, or unnecessarily hinder or obstruct the free use of the streets, alleys, bridges, easements or public property.

B. Minimum Interference with Public Ways. All transmission and distribution structures, lines and equipment erected by the Grantee within the County and the boundaries of the Participants shall be so located as to cause minimum interference with the proper use of streets, alleys, and other public ways and places, and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any of the said streets, alleys or other public ways and places.

C. Restoration To Prior Condition. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, the Grantee shall, at its own cost and expense, replace and restore all paving; sidewalk, driveway, landscaping, or surface of any street or alley disturbed, in as good condition as before said work was commenced and in accordance with generally applicable standards for such work, as set by the County and the Participants, or their designated agent.

D. Erection, Removal, and Common Uses of Poles.

1. No poles or other wire-holding structures shall be erected by the Grantee without the generally required prior approval of the County or the Participants, or their designated agent, with regard to location, height, type and any other pertinent aspect. However, no location of any pole or wire-holding structure of the Grantee shall be a vested interest and the Grantee shall remove or modify such

poles or structures at its own expense whenever the County, a Participant, or their designated agent, determines that such removal or modification would enhance the public convenience.

2. Where poles or other wire-holding structures already existing for use in serving the County or the Participants are available for use by the Grantee, but the Grantee does not make arrangements for such use, the County, the Participants, or their designated agent may require the Grantee to use such poles and structures if the County, a Participant, or their designated agent determines that such use would enhance the public convenience and that the terms of the use available to the Grantee are just and reasonable.

3. Where the County, a Participant, or a public utility serving the County or a Participant desires to make use of the poles of the Grantee, the Grantee shall immediately initiate good faith negotiations to permit such use for such consideration and upon such terms as are just and reasonable.

E. Relocation of the Facilities. In the event that, at any time during the period of this franchise, the Commonwealth, the County, or a Participant shall lawfully elect to alter or change the grade of any street, alley or other public ways for purposes of a public improvement, the Grantee, upon reasonable notice by the proper government unit, shall remove or relocate as necessary its poles, wires, cables, underground conduits, manholes and other fixtures at its own expense; provided however if the County or any Participant compensates any other entity for removing or relocating its poles, wires, cables, underground conduits, manholes or other fixtures, then the Grantee shall be similarly compensated.

F. Cooperation with Building Movers. The Grantee shall, on the request of any person holding a building-moving permit issued by the County or a Participant, temporarily raise or lower its wires to permit the moving of buildings. The person requesting such raising or lowering shall bear the expense of such temporary removal, raising or lowering of wires, and the Grantee shall have the authority to require such payment in advance. The Grantee shall be given not less than forty-eight (48) hours advance notice to arrange for such temporary wire changes.

G. Tree Trimming. The Grantee shall be entitled to remove any tree or trim any portion, either above, at or below ground level, of any tree within any right of way. Any trimming, removal or other disturbance of trees shall conform to all applicable laws or ordinances unless said conformance would unduly affect the health or safety of the public, the Grantee's employees or the integrity of its property in emergency circumstances. No matter who performs the work requested by the Grantee, the Grantee shall be responsible, and shall defend and hold the County and the Participant harmless, for any and all damages to any tree as a result of trimming, or to the land surrounding any tree, whether such tree is trimmed or removed.

SECTION 6. OPERATIONAL STANDARDS

A. The Grantee shall put, keep and maintain all parts of the system in good condition throughout the entire franchise period.

B. Upon the reasonable request for service by any person located within the service territory, the Grantee shall, within seven (7) days, furnish the requested service to such person within the terms of the line extension policy. A request for service shall be unreasonable for the purpose of this subsection if no activated distribution facility capable of servicing that person's block has as yet been installed.

C. The Grantee shall render efficient service, make repairs promptly, and interrupt service only for good cause and for the shortest time reasonable. Such interruptions, insofar as possible, those shall be preceded, where reasonable, by notice to persons affected thereby and shall occur during periods of minimum system use.

D. The Grantee shall not allow its cable or other operations to interfere with television reception of persons not served by the Grantee, nor shall the system interfere with, obstruct or hinder in any manner, the operation of the various utilities serving the residents within the confines of the County or the Participants.

E. The Grantee shall continue, through the term of the franchise, to maintain the technical standards and quality of service set forth in this Agreement. Should the Cable Board find, by resolution, that the Grantee has failed to maintain these technical standards and quality of service, and such failure continues for three (3) months following such resolution, the failure will constitute a breach of a condition for which the remedy of Article III, Section A is applicable.

SECTION 7. CONTINUITY OF SERVICE MANDATORY

A. It shall be the right of all Subscribers to continue to receive service insofar as their financial and other obligations to the Grantee are honored. The Grantee, therefore, shall at all times maintain all parts of the CATV System in good condition and repair so as to provide that service on an uninterrupted basis. In the event that the Grantee elects to overbuild, rebuild, modify or sell the System, or the County, the Participants or their designated agent give(s) notice of its/their intent to terminate or fails to renew this franchise, the Grantee shall act so as to ensure that all Subscribers receive continuous, uninterrupted service except when the interruption occurs as a result of an event of force majeure as provided in this Franchise.

B. In the event of a change of the franchisee, or in the event a new operator acquires the system, the Grantee shall cooperate with the Cable Board, the County and the Participants, new franchisee or operator in maintaining continuity of service to all Subscribers. During such period, the Grantee shall be entitled to the revenues for any period during which it operates the system, and the Grantee shall be entitled to reasonable costs for its services when it no longer operates the system.

C. Except in the case of a force majeure, in the event that the Grantee fails to operate the system for seven (7) consecutive days without the approval of the Cable Board, the Cable Board may, at its/their option, operate the system or designate an operator until such time as the Grantee restores service under conditions acceptable to the Cable Board, or a permanent alternative operator is selected. If the Cable Board is required to fulfill this obligation for the Grantee, the

Grantee shall reimburse Cable Board for all reasonable costs, expenses or damages incurred by the Cable Board that result from the Grantee's failure to perform.

SECTION 8. COMPLAINT PROCEDURE

A. The County, the Participants or the Cable Board, or their designated agent, shall have primary responsibility for the continuing administration of the franchise terms and implementation of complaint procedures

B. During the term of this franchise, and any renewal thereof, the Grantee shall maintain a local business office convenient to the geographic confines of unincorporated Campbell County and of the Participants for the purpose of receiving and resolving all complaints regarding the quality of service, equipment malfunctions, and similar matters, and shall meet the customer service standards specified by the FCC at 47 C.F.R. 76.309(c)

C. As Subscribers are connected or reconnected to the system, the Grantee shall, by appropriate means, such as a card or brochure, furnish information concerning the procedures for making inquiries or complaints, including the address and local telephone number of the employee or employees or agent to whom such inquiries or complaints should be addressed.

D. Any bill, notice or other communication provided or issued by Grantee to any Subscriber may be provided or issued, if such Subscriber so consents, solely by electronic means.

E. When there exists evidence that the Grantee does not satisfy FCC performance and technical standards, the Cable Board, shall have the right and authority to require the Grantee to test, analyze, and report on the performance of the CATV System. The Grantee shall fully cooperate with the County, the Participants, or their designated agent, in performing such testing, and shall prepare a report reflecting the results of such tests, if requested, within thirty (30) days after notice. Such report shall include the following information:

1. The nature of the complaints or the problem that precipitated the special tests;
2. What system component was tested;
3. The equipment used and procedures employed in testing;
4. The method, if any, in which such complaint or problem was resolved;
5. Any other information pertinent to said tests and analysis that maybe required.

The Cable Board may require that such tests be supervised by a professional engineer not on the permanent staff of the Grantee. The engineer should sign all records of special tests and forward to the Cable Board, such records with a report interpreting the results of the tests and recommending actions to be taken. The expense of the professional engineer shall be borne by the Cable Board, unless a significant violation of FCC performance and technical standards is

found in which case the expense shall be borne by the Grantee. The Cable Board's right under this section shall be limited to requiring tests, analyses, and reports covering specific subjects with characteristics based on said complaints or other evidence when and under such circumstances as the Cable Board has reasonable grounds to believe that the complaints or other evidence require that the tests be performed to protect the public against substandard cable service.

SECTION 9. GRANTEE RULES AND REGULATIONS

The Grantee shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable it to exercise its rights and perform its obligations under this franchise, and to assure an uninterrupted service to each and all of its Subscribers. Those rules, regulations, terms and conditions shall not be in conflict with the provisions herein or in conflict with applicable state and federal laws, rules and regulations.

SECTION 10. PAYMENT OF MULTICHANNEL VIDEO PROGRAMMING SERVICES TAX

A. Grantee shall make payments at the times and in conformance with the requirements of KRS 136.600 – 136.660 (“Excise Tax”) and said payments shall be in lieu of any franchise fees paid to the County and the Participants. If at any time Kentucky law is changed to allow the collection of franchise fees by the County and the Participants, the franchise fee shall be in an amount equal to five percent (5%) of Grantee’s gross revenue derived from all sources from the operation of Grantee’s Cable Communications System to provide cable service within the territorial limits of the County and the Participants. In such case the franchise fee shall be payable as follows:

1. It shall be payable quarterly for each calendar quarter and the Grantee shall file a complete and accurate report, signed by and certified as accurate by a responsible representative of the Grantee, of all applicable gross revenues received during the calendar quarter, and said payment shall be made to the County and the Participants no later than forty-five (45) days after the expiration of the quarter. The gross revenue report from operations of the Grantee within the franchise area shall include: a statement of gross revenue upon which the franchise fee is based.

2. In the event that Grantee pays a franchise fee under subsection (1), upon reasonable notice, the Cable Board shall have the right during normal business hours to inspect the Grantee’s records relevant to the payment of franchise fees at the Grantee’s local office and the right to audit and to re-compute any amounts determined to be payable under this Ordinance; provided, however, that such audit shall take place within twelve (12) months following the close of each of Grantee’s fiscal year for which the audit is. If, as a result of such audit or review, the Cable Board determines that the Grantee has underpaid its fees to the County and/or the Participants in any twelve (12) month period by ten percent (10%) or more, then, in addition to making full payment of the relevant obligation, the

Grantee shall reimburse the Cable Board for all of the reasonable costs associated with the audit or review, including costs for attorneys, accountants and other consultants. Any additional amount due to the County and/or the Participants as a result of an audit or review shall be paid within the thirty (30) days following written notice to Grantee by the Cable Board, which notice shall include a copy of the audit report and copies of all invoices for which the Cable Board seeks reimbursement.

No auditor engaged by the Cable Board, the County or any Participant shall be compensated on a success based formula, e.g., payment based on a percentage of an underpayment, if any.

3. The County and the Participants are not prohibited from collecting valid fees or taxes as set forth in KRS 136.660(3).

B. If at any time Kentucky law is changed to allow the collection of PEG Access Fees by the County and the Participants, the Cable Board may negotiate with the Grantee to establish said PEG Access Fees

SECTION 11. TRANSFER OF OWNERSHIP OR CONTROL

A. Transfer of Interest. Except as provided in Section 11(G) hereof, neither this franchise nor any rights, interest or obligations of the Grantee in the Cable System or pursuant to this franchise shall in any event be sold, assigned, transferred, leased, subleased, pledged, mortgaged or disposed of (including, but not limited to, by forced or voluntary sale, sale or lease of all or substantially all of the assets or a merger, consolidation, sale of stock of Grantee, receivership or other means) in whole, or in part, nor shall title thereto, either legal or equitable, or any right or interest therein, pass to or vest in any person or entity either by act of the Grantee, by act of any person or entity holding control of or any interest in the Grantee or the Cable System or this franchise by operation of law or otherwise, without the prior express written approval by the County, and the Participants through their designated agent, and in compliance with applicable state and federal laws. For purposes of this Section 11, the transfers described in this Section 11(A) and 11(B) below are hereinafter referred to as a "Transfer."

B. Transfer of Control or Stock. Notwithstanding any other provision of this franchise, except as provided in Section 11(G) hereof, no change in control of or any controlling interest in the Grantee, the Cable System or this franchise shall occur after the Effective Date of this franchise, by any act of the Grantee, by act of any person or entity holding control of the Grantee, the Cable System or the franchise granted herein, by operation of law or otherwise, without the prior express written approval by the County and the Participants through their designated agent, and in compliance with applicable state and federal laws. For purposes of this Section 11, the word "Control" or "Controlling Interest" means actual working control in whatever manner exercised, including without limitation, working control through ownership, debt instruments or negative control, as the case may be, of the Cable System or of the Grantee. "Control" or "Controlling Interest" as used herein may be held simultaneously by more than one person or entity, or group of persons or entities.

C. Default. Every transfer without the prior approval of the County and the Participants through their designated agent shall constitute a default of this franchise.

D. Default Procedure. In the event of such a default, the County and the Participants through their designated agent shall proceed according to the procedure set forth in this franchise, and any applicable state or federal law.

E. Application for Approval. The Grantee shall petition in writing for the County's and the Participants' written approval through their designated agent for a proposed transfer. In making such petition, the Grantee shall file the appropriate form mandated by federal law or regulation with the County and the Participants through their designated agent. The petition shall detail the terms of the transfer and all applicable qualifications of the assignee or transferee relating to fulfilling the terms of the franchise.

F. Consent Factors. The County and the Participants, through their designated agent, will not unreasonably withhold its/their approval to any transfer. In making such a determination, the County and the Participants, through their designated agent, shall consider the following; provided, however, that the County and the Participants, through their designated agent will respond within one hundred and twenty (120) days or such other period as applicable law may require:

1. Technical qualifications, experience and expertise of the proposed assignee or transferee (including conducting an investigation of the proposed assignee or transferee's service record in other communities);
2. Legal qualifications of the proposed assignee or transferee;
3. Financial qualifications and stability of the proposed assignee or transferee;
4. The corporate connection, if any, between the Grantee and the proposed assignee or transferee; and
5. Grantee's compliance with the terms and conditions of the franchise.

If the County and the Participants, through their designated agent, does not respond or fails to render a final decision within one-hundred and twenty (120) days (or such other period as applicable law shall require) of receipt of the Grantee's petition for approval, said petition shall be deemed to have been approved, unless the Grantee, and the County and the Participants, through their designated agent agree to an extension of time.

G. Consent Not Required.

1. Finance Purposes. Notwithstanding the foregoing, no consent shall be required for the Grantee to hypothecate, pledge, mortgage or assign all or any part of the Cable System, or any right or interest therein for financing purposes; provided, that each such hypothecation, pledge, mortgage or assignment for security purposes shall be subject to the rights of the County and the Participants pursuant to this franchise and applicable law.

2. Other Transfers. Notwithstanding any other provision of this Section 11, no consent shall be required for any transfer of the franchise or any interest in the Cable System or the Grantee to any existing or future affiliates of Grantee in connection with an internal reorganization of any one or more of such affiliates, as long as; such affiliate has the requisite expertise and qualifications (as contemplated above in Section 11(F) and applicable federal law) in the operation of a cable system.

H. Assumption Requirements. Any approval by the County and the Participants, through their designated agent, of a transfer shall be contingent upon the prospective transferee or assignee of the Grantee agreeing in writing to the following:

1. To abide by and accept the terms of the franchise or otherwise becoming a signatory to the franchise Agreement;

2. That the approval by the County and the Participants, through their designated agent, does not constitute a waiver or release of any noncompliance claims the County or the Participants may have against the Grantee or of rights of the County and the Participants under the franchise or applicable law upon discovery, whether arising before or after the effective date of the transfer.

SECTION 12. AVAILABILITY OF BOOKS AND RECORDS

A. The Grantee shall fully cooperate in making available at reasonable times, and the County and the Participants, or their designated agent, shall have the right to inspect, the books, records, maps, plans and other like materials of the Grantee necessary for enforcement of this franchise, at any time during normal business hours. However, when volume and convenience necessitate, the Grantee may require inspection to take place on the Grantee's premises at the local office.

B. Confidentiality. County, all Participants and the Cable Board shall maintain as confidential any information provided to it by Grantee under the terms of this Franchise which Grantee has designated as confidential. In the event that County, a Participant, or the Cable Board believes at any time that it is required by law to disclose such information to a third party, it will so notify Grantee at a time prior to any such disclosure that affords Grantee a reasonable opportunity to take such action as it deems necessary to prevent such disclosure, including seeking relief in court.

SECTION 13. OTHER PETITIONS AND APPLICATIONS

Copies of all petitions, applications, communications and reports submitted by the Grantee to the Federal Communications Commission, Securities and Exchange Commission (specifically 10K and 8K filings), or any other federal or state regulatory commission or agency having jurisdiction in respect to any matters affecting cable television operations authorized pursuant to the franchise, shall be provided to the County and the Participants, or their designated agent, upon their written request.

SECTION 14. FISCAL REPORTS

Upon request, the Grantee shall provide the County and the Participants, or their designated agent, no later than one hundred and twenty (120) days after the end of the Grantee's fiscal year, a copy of Grantee's or Grantee's parent company's Form 10-K for the preceding twelve (12) month period. The Cable Board may hire an independent Certified Public Accountant to audit the Grantee's revenue records related to franchise fees that may be collected directly by the County and Participants, in which case, the Grantee shall provide all necessary records to the Certified Public Accountant.

SECTION 15. REQUIRED SERVICES AND FACILITIES

A. Access Channel Capacity. In order to promote and develop Public, Educational and Governmental ("PEG") access programming in the County and the Participants for the Cable System Access Channels, Grantee shall, upon the adoption of this Franchise by the County and Participants, make available sufficient PEG Access Channel capacity and the necessary electronics to provide seven (7) channels for the joint use of the County and Participants consisting of:

1. One (1) full-time Governmental Access Channel;
2. One (1) Educational Access Channel dedicated for use by higher education;
3. Two (2) Educational Access Channels for use by elementary and secondary schools and boards of education located within the geographical confines of unincorporated Campbell County and the Participants, and
4. Three (3) Community Programming/Public Access Channels dedicated to community programming, including religious programming.

The Access Channels shall be dedicated for the purposes specified above.

B. Access Channel Location. During the term of this Franchise, the Access Channels, as provided in § 623 of the Cable Act (47 U.S.C. § 543), shall be located on the Basic Service Tier

Channel as required by the Cable Act and repositioning of the Access Channels, where reasonably possible, shall be held to a minimum in order that the public can become accustomed to Access Channel locations.

C. Locally Produced Programming. The County and Participants agree that at least two-thirds (2/3) of the Original Programming for Community Programming/Public Access Channels shall be locally produced.

D. Definitions. As used in this Section 15:

1. "Locally produced" means noncommercial programs the production of which utilize (i) primarily local, non-paid volunteer personnel, any resident or any agency (public or private) which provides services to residents within the service area of Grantee, or personnel or contract agents of the County and Participants, their designated agent or the "Community Programming Entity" to be established in accordance with Section 15(F), and (ii) the services, materials or components of the equipment and/or facilities of the County and the Participants or their designated agent or the Community Programming Entity.

2. "Original Programming" means the first showing of any program and video programming.

E. Usage Requirement and Review. As of the Effective Date of this Agreement, the County, the Participants, their designated agent and/or the Community Programming Entity will produce a minimum of one thousand and fifty (1,050) hours of Original Programming on the initial Community Programming/Public Access Channels. The County, the Participants, their designated agent and/or the Community Programming Entity and the Grantee shall review the use of the initial Community Programming/Public Access Channels every twelve (12) months. At the end of each twelve (12) month period, the County and the Participants, or their designated agent shall evaluate the community's response to and the Community Programming Entity's actual use of such channels. If, after any twelve (12) month period, the use for the required Access Channels drops below one thousand and fifty (1,050) hours, Grantee may require a rollback of hours on the initial Public Access Channel(s) on a proportional basis; provided, however, that if the use for the required Community Programming/Access Channels drops below four hundred twelve and one half (412.5) hours, then the requirement for one channel's availability shall cease, and Grantee may use such channel for any lawful purpose, and if the use for the required Community Programming/Access Channels drops below two hundred six and one half (206.5) hours, then the requirement for the remaining channel's availability shall cease, and Grantee may use such channel for any lawful purpose.

Notwithstanding the foregoing paragraph, no usage requirement is imposed on either the Educational or Government Access Channels.

F. Programming and Community Programming Entity.

1. Access Functions and the Community Programming Entity. The parties agree that the provision of Public, Educational and Governmental access programming, scheduling playback, services, facilities and equipment (collectively, the "Access Functions") will be performed by the County, the Participants, their designated agent and/or the Community Programming Entity. The "Community Programming Entity" is a governmental entity established by the County and the Participants or their designated agent and within the complete control and discretion of the County, the Participants, and/or their designated agent. The County and the Participants and/or their designated agent shall have the right to allocate or assign the Access Channels and/or Access Functions to any organization, committee or agency created as a Community Programming Entity. The Community Programming Entity's office is currently located at 10 Hilltop Drive, Highland Heights, the "Community Programming Center."

The following functions, among others, shall be performed at the Community Programming Entity for the County and the Participants, and it shall be the responsibility of the County, the Participants, their designated agent and/or the Community Programming Entity provided for herein to provide such functions:

- i. Playback of all pre-recorded programs for Public, Educational or Government Access Channels for the County and the Participants;
- ii. At the request of any one or more of the County or the Participants, provide (to the extent possible and considering scheduling issues) live coverage of all meetings, of the City Commissions or Councils, Fiscal Courts, Planning and Zoning Commissions or Boards, Boards of Education and other local governmental programming; and
- iii. Routing of all programming from remote locations as may be required to support access programming.

2. Interconnection of Community Programming Entity to Headend. Consistent with Section 623 of the Cable Act, the Community Programming Entity shall provide only non-commercial PEG access programming provided, however, the parties acknowledge that the Community Programming Entity shall be permitted to offset the operational expense of the playback center by sponsorships, grant money and fees for videotapes. To enable the Access Channels to be carried live or through the use of media over the Cable System, Grantee shall maintain, at its cost, the return line from the Community Programming Center located at 10 Hilltop Drive, Highland Heights within the distribution system of the Grantee, to its headend, which will provide transparent, reliable and simultaneous transmission of Public, Educational and Governmental access programming over the PEG Access Channels. The Grantee shall provide, at its cost, the necessary equipment including, but not limited to, modulators, processors, drops, wiring and automatic switching equipment at the Grantee's headend, which can be operated remotely from the Community Programming

Center without assistance from the Grantee, to enable Subscribers within the service area to receive Access Channel programming transmitted to the Grantee's headend from the Community Programming Center. The intent is that proper equipment will be provided by the Grantee so that the Community Programming Center can send signals to the headend for distribution downstream on the subscriber network and send and receive signals through Grantee's headend in order to transfer signals originating at the Community Programming Center onto any of the Access Channels on the subscriber network and otherwise control the signals to allow for smooth breaks, transitions, insertion of station identification and other material.

G. Government Access.

1. The Government Access Channel will be shared by the County and the Participants. The County and the Participants or their designated agent shall schedule non-commercial local governmental programming on this channel in a manner designed to provide all customers within the franchise area with equal opportunity to view programs about or affecting the County and/or the Participants. This Government Access Channel shall be made available in order to increase the general public's awareness of local government.

2. The Government Access Channel shall serve as a means for a Mayor, Judge/Executive, City and County Officials to communicate with the citizens of the County and the Participants whenever they find it valuable.

H. Educational Access. One Educational Access Channel's capacity for higher education shall be for the use of Northern Kentucky University for non-commercial educational programming. Two Educational Access Channels' capacity for elementary and secondary education shall be for the use of local elementary and secondary schools and districts for non-commercial educational programming.

I. Non-Access Programming. The County and the Participants, or their designated agent will, as provided in § 611(d) of the Cable Act (47 U.S.C. § 531), prescribe rules and procedures under which the Grantee will be permitted to use PEG Channel capacity for the provision of other services if such channel capacity is not being used for purposes designated in this franchise and rules and procedures under which such permitted use shall cease.

Inspection of Books. The Grantee shall have the right to inspect the books, records, reports, plans and other like materials of the Community Programming Entity respecting public access at any time during normal business hours upon reasonable notice.

K. Rules and Regulations. The County, the Participants, their designated agent and/or the Community Programming Entity shall establish and enforce rules for the use of the Access Channels (i) to assure non-discriminatory access to the Channels to similarly situated users; and (ii) to promote use and viewership of the Access Channels, consistent with the obligation to

provide non-discriminatory access to similarly situated users. The Access Channels shall be available without charge to the County, the Participants or Subscribers.

L. Editorial Control. Subject to Subsection N above and applicable law, the Grantee may not exercise any editorial control over the content of programming on the Access Channels.

M. Signal Quality. The Grantee shall assure that signal quality and reliability for all Upstream Transmissions from origination points specified in this Franchise and all Access Channels meet the same technical and performance standards as are required for the entire subscriber network pursuant to this franchise and FCC regulations.

N. Repair and Response Time for Access Channels. Under normal operating conditions, the Grantee shall respond to technical problems in the transmission of the Access Channels on the same basis as it responds to transmission problems on other channels. In cases involving public safety, the Grantee shall respond immediately.

O. Public, Educational and Government Access Indemnity.

1. Indemnity. To the extent permitted by law, the County, the Participants, their designated agent and/or the Community Programming Entity, as the case may be, shall at all times defend, indemnify, protect, save harmless and exempt the Grantee, its officers, agents, and employees, from any and all liabilities, penalties, damages or charges arising out of or in any way connected with claims, suits, demands, causes of action or judgments or awards of damages, whether compensatory or punitive, or expenses arising therefrom, either at law or in equity, which might be claimed now or in the future, which may arise out of, or be caused by:

i. Any material or media carried on the Access Channels including, but not limited to, any claim for an infringement of any copyright, trademark, trade name, service mark or patent, for defamation of any person, firm or corporation, for invasion of the right of privacy, or for failure by the County, the Participants, their designated agent or Community Programming Entity to secure consents from the owners or authorized distributors of programs to be delivered over the Access Channels;

ii. The operation of the Community Programming Center or the scheduling of Public, Educational or Government access programming by the County, the Participants, their designated agent or the Community Programming Entity.

Appointment of Counsel. With respect to any claim, suit, demand or cause of action made or brought against the Grantee by reason of any event to which reference is made in this Section 15, the County, the Participants, their designated agent or the Community Programming Entity, as the case may be, shall obtain counsel for the Grantee. The Grantee shall have the option to also retain its own counsel at its cost.

Notice. Grantee shall give the County, the Participants, their designated agent or the Community Programming Entity timely written notice of the making of any claim or the commencement of any action, suit or other proceeding covered by the indemnity in this Section 15. In the event any such claim arises, the Grantee shall tender the defense thereof to the County and the Participants, their designated agent or the Community Programming Entity, as the case may be, and said County and the Participants, their designated agent or the Community Programming Entity shall have the right and duty to defend any claim arising hereunder, and the Grantee shall cooperate fully therein.

P. Upon request and as required by Federal law, the Grantee shall provide all Subscribers receiving channels showing first-run movies and special entertainment events with a parental control device that prevents the unauthorized viewing of such channels.

Q. Grantee shall install, operate and maintain an Emergency Alert System ("EAS") in compliance with all Federal Emergency Alert System requirements, including all requirements set forth in 47 CFR Part 11: Emergency Alert System ("EAS Regulations"). In the event the County or the Participants organize an Emergency Communication Center, the Grantee shall provide such center with access to the Cable System so that it can communicate emergency messages and alerts to residents in accordance with EAS Regulations applicable to local governments.

The County and the Participants shall indemnify the Grantee for all liability in connection with its use of the EAS but not for the Grantee's failure to install, operate or maintain the EAS.

R. Isolation of PEG Channels.

(1) In the event the County or one or more of the Participants terminates its membership and participation in the Interlocal Ordinance, the Cable Board may give notice to the Grantee to isolate, at the Cable Board's cost, the Subscribers within the respective jurisdiction terminating its participation in the Interlocal Ordinance from receiving the PEG programming from the Cable Board. In such a case, the Grantee shall prepare a cost estimate to achieve the requested isolation and if payment to achieve the isolation is approved by the Cable Board, the Grantee shall isolate the Subscribers within the jurisdiction terminating its participation in the Interlocal Ordinance from receiving the PEG programming from the Cable Board, within a reasonable time after receiving notice from the Cable Board approving payment of the required cost

(2) In addition, should a city within the County that is not a participant in the Interlocal Ordinance decide to join the Interlocal Ordinance, the Grantee shall, at the Cable Board's cost, allow subscribers within the jurisdiction joining the Interlocal Ordinance to receive the PEG programming from the Cable Board. In such an event the Grantee shall prepare a cost estimate to allow the Subscriber to receive the PEG programming, and if approved for payment by the Cable Board, the Grantee shall, within a reasonable time after notice of approval by the Cable Board take the necessary steps to allow the said Subscriber's to receive the PEG programming from the Cable Board.

ARTICLE III. ADMINISTRATION AND REGULATION

SECTION 1. RULES AND REGULATIONS

The County and the Participants, or their designated agent may adopt regulations at the request of the Grantee upon application.

SECTION 2. PERFORMANCE EVALUATION SESSIONS

A. The County and the Participants, or their designated agent, and the Grantee may hold scheduled performance evaluation sessions within thirty (30) days of the third, sixth and ninth anniversary dates of the Grantee's award of the franchise and as may be required by federal and state law.

B. Special evaluation sessions may be held at any time during the term of the franchise at the request of the County and the Participants, or their designated agent, or the Grantee.

C. All evaluation sessions shall be open to the public and announced in a newspaper of general circulation in accordance with KRS Chapter 424.

D. Topics that may be discussed at any scheduled or special evaluation session include, but are not limited to, penalties; free or discounted services; application of new technologies; system performance; services provided; programming offered; customer complaints; privacy issues; amendments to this Agreement; judicial and FCC rulings; line extension policies; and Grantee or County and Participant rules.

E. Members of the general public may add topics to be discussed at the evaluation session either by working through the negotiating parties or by presenting a petition meeting the following requirements. If such a petition bears the valid signatures of fifty (50) or more residents of the franchise territory, eighteen (18) years of age or older, the proposed topic or topics shall be added to the list of topics to be discussed at the evaluation session.

SECTION 3. DEFAULT OF FRANCHISE; REVOCATION, TERMINATION AND CANCELLATION OF FRANCHISE

A. Material Violations. When any event, act or omission on the part of the Grantee occurs which represents a violation of a material provision of this franchise and the interests of the County and the Participants or Subscribers are negatively affected, then such event, act or omission may be considered a breach of this franchise. A material violation includes, but is not limited to, the following:

1. The Grantee has knowingly, or with the knowledge of an officer of Grantee, made a material, false statement; or

2. Failure to make the required payments or failure to file the required reports as provided under this franchise; unless the Grantee is lawfully contesting the legality or applicability of such payments or reports; or
3. A Transfer of the franchise or the Grantee without the prior consent of the County and the Participants or their designated agent; or
4. The Grantee knowingly and consistently violates any FCC order, ruling or regulation concerning technical or performance standards, unless the Grantee is lawfully contesting the legality or applicability of such order; or
5. The Grantee knowingly and repeatedly violates a material provision of the franchise, or
6. Failure to restore service after one hundred twenty-six (126) hours of interrupted service, except when approval of such interruption is obtained from the County and the Participants, or their designated agent, or when the interruption occurs as a result of an event of force majeure as provided in this franchise.

The County and the Participants agree that they or their designated agent will enforce the terms of this and other cable franchise agreements on a competitively neutral basis. For purposes of giving rise to the opportunity to cure, the date of violation will be the date the Grantee receives notice of the violation from the County, a Participant, or its designated agent and not the date of the event.

In all events, the County, a Participant, or its designated agent shall be obligated to notify the Grantee in writing in a reasonably timely manner of any violation as soon as it has reasonable cause to believe that a violation has occurred. Under such circumstances, the County, a Participant, or its designated agent shall notify the Grantee, in writing, of the specific breach, and direct the Grantee to comply with all such provisions of this franchise. The Grantee shall have fifteen (15) days as to monetary violations and thirty (30) days as to non-monetary violations subsequent to receipt of the Notice in which to cure the violation before the County, the Participant, or their designated agent may impose sanctions. If the non-monetary violation is of such a nature so as to require more than thirty (30) days to cure and the Grantee proceeds diligently within the thirty (30) days to cure the violation, the Grantee must proceed diligently within the next thirty (30) days to cure the violation, or as promptly as possible thereafter to cure the violation. In any case where the non-monetary violation is not cured within sixty (60) days of notice of said violation from the County or Participant, or their designated agent, and such cure has not been diligently pursued by the Grantee within said time, or such other time as the Grantee and County or Participant, or their designated agent, may mutually agree to, the County, the Participant or their designated agent may proceed to impose sanctions as hereinafter provided.

B. Due Process Hearing. In the event the Grantee fails to correct the enumerated condition within the time set forth above, the County, the Participant, or their designated agent shall notify the Grantee of the time and place of a due process administrative hearing to be conducted by the

County and the Participants, or their designated agent, or its designee which shall be held not less than thirty (30) days thereafter.

C. Procedures . At the time of the public due process hearing, the Grantee may present information on the current status of the alleged breach of the franchise. If the situation has been resolved, or steps are being taken to resolve the situation, the Grantee may present such information at the hearing. Upon the conclusion of the hearing, the County, the Participants, or its/their designated agent, may determine that the Grantee has cured any violation and thereby dismiss the matter, or may determine from the evidence presented therein, that there was a continuing violation subsequent to the correction period which could have been prevented by the Grantee. The County, the Participants, or their designated agent, shall notify the Grantee of any finding that the Grantee failed to cure a noticed violation within the time provided above, while having the ability to do so, the reasons therefor and the evidence in support thereof

D. Termination. In lieu of all other sanctions, rights and remedies available to the County and the Participants or their designated agent, the County and the Participants may revoke, terminate or cancel the franchise by repealing the agreement by which it was granted, with an effective date of not less than six (6) months thereafter. The exercise of one remedy shall not foreclose use of another. Default remedies may not be used in combination with monetary damages; in addition, the Grantee may exercise any rights it has under law or at equity.

E. Saving Clause. Notwithstanding any other provision of this franchise, it is the intent of the County, the Participants, and their designated agent not to subject the Grantee to penalties, fines, forfeitures, or revocation of the franchise in any of the following instances:

1. The violation was not intentional by the Grantee and the effect thereof on the County or the Participants or Subscribers was de minimis; or
2. There is no pattern of violation or the occurrence of repeated violations of the same matter over time is discontinued after notification of the Grantee thereof by the County, the Participants, or their designated agent; or
3. The violation was reasonably beyond the control of the Grantee.

SECTION 4. FORECLOSURE

Upon the foreclosure or other judicial sale of all or a substantial part of the CATV system, or upon the termination of any lease or mortgage covering all or a substantial part of the CATV system, the Grantee shall notify the County and the Participants, or their designated agent of such fact, and such notification shall be treated as a notification that a change in control of the Grantee has taken place, and the provisions of this franchise governing the consent of the County and the Participants, or their designated agent to such change in control of the Grantee shall apply.

SECTION 5. PURCHASE OF CATV SYSTEM BY COUNTY AND PARTICIPANTS

A. **Right to Purchase.** In accordance with the Cable Act, in the event (a) the County and the Participants, or their designated agent, terminates the franchise, pursuant to provisions of this franchise; or (b) the franchise is not renewed at the normal expiration of the franchise term, and the Grantee has exhausted all rights to renewal under the Cable Act, the County and the Participants, or their designated agent shall have the right, directly or as an intermediary, to purchase the Cable System or effect the ownership of the Cable System to another person. In the instance of non-renewal, any such acquisition or transfer shall be at fair market value, determined on the basis of the Cable System valued as a going concern, but with no value allocated to the franchise itself as provided in Federal law. If the franchise is revoked for cause, the acquisition or transfer shall be at an equitable price as provided in Federal law. The County and the Participants, or their designated agent, shall notify the Grantee in writing within thirty (30) days of its intent to acquire the Cable System on its behalf or its intent to effectuate the ownership of the Cable System to another person. The purchase price shall be based upon the value of the Cable System determined pursuant to this Section.

B. **Date of Valuation.** The date of valuation shall be no earlier than the day following the date of expiration or termination, and no later than the date the County and the Participants make an offer for the Cable System.

C. **System Valuation.** The value of the Cable System may be determined by a qualified appraiser if mutually agreed upon by the County and the Participants, or their designated agent, and the Grantee. The County and the Participants, or their designated agent shall hire the qualified appraiser at their cost. The appraiser shall determine the current worth of the assets pursuant to the above. Under no circumstances shall the value under this Section be less than the book value of the assets, less accumulated depreciation. In the case of termination or non-renewal, no value shall be assigned to the franchise.

D. **Transfer to County and Participants or Their Designated Agent.** Upon a purchase of the system, the payment of the agreed-upon sum by the County and the Participants and their service of official notice of such action upon the Grantee, the Grantee shall immediately transfer to the County and the Participants possession and title to all facilities and property, real and personal, of the Cable System, free from any and all liens and encumbrances not agreed to be assumed by the County and the Participants in lieu of some portion of the purchase price, and the Grantee shall execute such deeds or other instruments of conveyance to the County and the Participants as shall be necessary for this purpose.

SECTION 6. THEFT OF SERVICES AND TAMPERING

A. No person, whether or not a Subscriber to the CATV System, may intentionally or knowingly damage or cause to be damaged any wire, cable, conduit, equipment or apparatus of the Grantee, or commit any act with intent to cause such damage; or to tap, tamper with or otherwise connect any wire or device to a wire, cable, conduit, equipment and apparatus, or appurtenances of the Grantee with the intent to obtain a signal or impulse from the cable system without authorization from and compensation to the Grantee, or to obtain cable television or other television or other

communications service with intent to cheat or defraud Grantee of any lawful charge to which it is entitled.

B. Any person convicted of violating any provision of this section is subject to a fine of not less than One Hundred Dollars (\$100.00) nor more than Five Hundred Dollars (\$500.00) for each offense. Each day's violation of this section shall be considered a separate offense.

SECTION 7. FORCE MAJEURE

The Grantee shall not be deemed in default of provisions of this franchise where performance was rendered impossible by act of war, riots, civil disturbances, labor, strikes, floods, pandemics, or other circumstances beyond the reasonable control of Grantee, and the franchise shall not be revoked or the Grantee penalized for such non-compliance; provided that the Grantee takes prompt steps to bring itself back into compliance and to comply as soon as possible under the circumstances with its franchise obligations without unduly endangering the health or safety of the Grantee's employees or the integrity of its property, or without unduly endangering the health or safety of the public. Notwithstanding the foregoing, neither mere economic hardship nor any misfeasance or malfeasance of the Grantee or its directors, officers or employees shall constitute a force majeure event under this franchise. The Grantee shall provide written notice to the County and the Participants or their designated agent of the applicability of this Section within a reasonable period of time after its discovery of the same.

SECTION 8: NO THIRD PARTY BENEFICIARIES

This Agreement is not intended to, and does not create any rights or benefits on behalf of any person other than the parties to this Agreement.

(Signature pages on following pages)

IN WITNESS WHEREOF the Parties have hereunto set their hands.

INSIGHT KENTUCKY PARTNERS II, LP

By: _____

Title: _____

Date: _____

CAMPBELL COUNTY CABLE BOARD

By: _____

Jennifer Teipel
Executive Director

Date: _____

COUNTY OF CAMPBELL, KENTUCKY

By: _____

Steve Pendery
County Judge/Executive

Date: _____

CITY OF BELLEVUE, KENTUCKY

By: _____

Edward M. Riehl
Mayor

Date: _____

CITY OF COLD SPRING, KENTUCKY

By: _____

Nancy Bay
Mayor

Date: _____

CITY OF HIGHLAND HEIGHTS, KENTUCKY

By: _____

Greg Meyers
Mayor

Date: _____

CITY OF CALIFORNIA, KENTUCKY

By: _____

Emma Neises
Mayor

Date: _____

CITY OF CRESTVIEW, KENTUCKY

By: _____

Charles Peters
Mayor

Date: _____

CITY OF MELBOURNE, KENTUCKY

By: _____

Ronnie Walton
Mayor

Date: _____

CITY OF SILVER GROVE, KENTUCKY

By: _____

Neal Bedel
Mayor

Date: _____

CITY OF SOUTHGATE, KENTUCKY

By: _____

James Hamberg
Mayor

Date: _____

CITY OF MENTOR, KENTUCKY

By: _____
Peggy Schoulties Fury
Mayor

Date: _____

CITY OF ALEXANDRIA, KENTUCKY

By: _____
Bill Rachford
Mayor

Date: _____

CITY OF WOODLAWN, KENTUCKY

By: _____
Ronald Barth
Mayor

Date: _____

CITY OF WILDER, KENTUCKY

By: _____
Stanley Turner
Mayor

Date: _____