

DISCUSSION DRAFT
SUBJECT TO FINAL REVIEW BY ALTICE USA MANAGEMENT

CABLE FRANCHISE AGREEMENT
BY AND BETWEEN
THE VILLAGE OF BELLPORT, NEW YORK
AND
CABLEVISION OF BROOKHAVEN, INC.

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THIS CABLE FRANCHISE AGREEMENT (the "Franchise" or "Agreement") is entered into by and between the Village of Bellport, a validly organized and existing political subdivision of the State of New York (the "Local Franchising Authority" or "LFA") and Cablevision of Brookhaven, Inc., a corporation duly authorized to do business in the State of New York (the "Franchisee").

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

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

WHEREAS, Franchisee's existing telecommunications and information services network ("Fiber Network") transmits both Cable and Non-Cable Services, which Non-Cable Services are not subject to the Cable Law or Title VI of the Communications Act;

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

WHEREAS, the LFA has identified the past performance of the Franchisee and the future cable-related needs and interests of the LFA and its community, has considered and approved the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee is in material compliance with its existing franchise and applicable law and that its Cable System is adequate and feasible in a full public proceeding affording due process to all parties;

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

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

WHEREAS, the LFA has determined that the terms and conditions contained in this Franchise comply with and satisfy the requirements of its local ordinances, rules, and regulations with respect to the provision of Cable Service; and,

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

NOW, THEREFORE, in consideration of the LFA's grant of a renewal franchise to Franchisee, Franchisee's promise to provide Cable Service to residents of the Franchise/Service Area of the LFA pursuant to and consistent with the Cable Law (as hereinafter defined), pursuant

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to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged.

THE SIGNATORIES DO HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS

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

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

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

1.3. *Basic Service*: The tier of Cable Service which includes, at a minimum, the retransmission of primary local television broadcast signals provided to any Subscriber and any PEG Channels required by applicable law, and which may also include any additional video programming signals as determined by Franchisee.

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

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

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

1.7. *Cable System or System*: Shall be defined herein as the facility, which is the subject of this Franchise, consisting of antennae, wire, coaxial cable, amplifiers, towers, microwave links, wave guide, optical fibers, optical transmitters and receivers, satellite receiver/transmit antennae, and/or other equipment designed and constructed for the purpose of producing, receiving, amplifying, storing, processing, or distributing analog and/or digital audio, video, data or other forms of electronic, electromechanical, optical, or electronic signals.

1.8. *Channel*: Shall be defined herein as a portion of the electromagnetic frequency spectrum which is used in the Cable System and which is capable of delivering a television channel.

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

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

1.11. *Educational Access Channel*: An Access Channel required by this Agreement to be designated by the Franchisee for noncommercial use by local public schools and public school districts in the Franchise Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area as specified by the LFA.

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

1.13. *Force Majeure*: An event or events reasonably beyond the ability of Franchisee to anticipate and control that directly or indirectly results in Franchisee's noncompliance with, or delay in the performance of, any obligation hereunder. This may include, but is not limited to, severe or unusual weather conditions, strikes, labor disturbances and disputes, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy, incidences of terrorism, acts of vandalism, actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible, fire, flood, or other acts of God, or work delays resulting from unaffiliated utility providers failure to service, monitor or maintain utility poles to which Franchisee's Fiber Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary.

1.14. *Franchise Area*: The entire existing territorial limits of the LFA and such additional areas as may be annexed or acquired, during the term of this Franchise.

1.15. *Franchisee*: Cablevision of Brookhaven, Inc. and its lawful and permitted successors, assigns and transferees.

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

1.17. *Gross Revenue*: All revenue, as determined in accordance with generally accepted accounting principles, which is derived by Franchisee from the operation of the Cable System to provide Cable Service, as defined herein and as may be amended under federal law, in the Service Area.

Gross Revenue includes, without limitation: all Subscriber and customer revenues earned or accrued net of bad debts including revenue for:

(i) Basic Service;

(ii) all fees charged to any Subscribers for any and all Cable Service provided by Franchisee over the Cable System in the Service Area, including, without limitation, Cable Service related program guides, the installation, disconnection or reconnection of Cable Service; revenues from late or delinquent charge fees; Cable Service related or repair calls; the provision of converters,

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remote controls, additional outlets and/or other Cable Service related Subscriber premises equipment, whether by lease or fee;

(iii) pay-per-view and video on demand Cable Service over the Cable System;

(iv) revenues from the sale or lease of access channel(s) or channel capacity; and

(v) compensation received by Franchisee that is derived from the operation of Franchisee's Cable System to provide Cable Service with respect to commissions that are paid to Franchisee as compensation for promotion or exhibition of any products or services on the Cable System, such as "home shopping" or a similar channel, subject to the exceptions below. Gross Revenue includes a pro rata portion of all revenue derived by Franchisee pursuant to compensation arrangements for advertising derived from the operation of Franchisee's Cable System to provide Cable Service within the Service Area, subject to the exceptions below. The allocation of the revenue specified in this subsection shall be based on the number of Subscribers in the Service Area divided by the total number of subscribers in relation to the relevant local, regional or national compensation arrangement. Advertising commissions paid to third parties shall not be netted against advertising revenue included in Gross Revenue. Subject to Section 12.21 of this Agreement, for the purpose of calculating Franchise Fees paid to the LFA, Gross Revenue shall include Cable Service subscriber revenue in the Franchise Area from DVR functionality.

Except as provided above. Gross Revenue shall not include:

(i) Franchise Fees imposed on Franchisee by the LFA that are passed through from Franchisee as a line item paid by Subscribers;

(ii) Revenues received by any Affiliate or other Person in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System;

(iii) bad debts written off by Franchisee in the normal course of its business (provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected);

(iv) refunds, rebates or discounts made to Subscribers or other third parties;

(v) any revenues classified as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from Telecommunications Services; revenue received from Information Services, including, without limitation, Internet Access service, electronic mail service, electronic bulletin board service, or similar online computer services; charges made to the public for commercial or cable television that is used for two-way communication; and any other revenues attributed by Franchisee to Non-Cable Services in accordance with federal law, rules, regulations, standards or orders. Should revenue from Telecommunications or Information Services, or any other service provided over the Cable System be deemed a Cable Service by a final determination or ruling of any agency or court having jurisdiction, after the exhaustion of all appeals related thereto, the LFA shall be entitled, after

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notification to Franchisee, to amend this Agreement in the manner prescribed under applicable state law or this Franchise to include revenue from Franchisee's provision of such service as Gross Revenue, and Franchisee shall include revenue from such service as Gross Revenue on a going forward basis commencing with the next available billing cycle following the date of issuance of an order from the NY PSC approving such amendment;

(vi) any revenue of Franchisee or any other Person which is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, however, that portion of such revenue which represents or can be attributed to a Subscriber fee or a payment for the use of the Cable System for the sale of such merchandise shall be included in Gross Revenue;

(vii) the sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable Franchise Fees from purchaser's customer;

(viii) the sale of Cable Services to customers, which are exempt, as required or allowed by the LFA including, without limitation, the provision of Cable Services to public institutions as required or permitted pursuant herein;

(ix) any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes and non-cable franchise fees);

(x) any foregone revenue which Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable or other communications services to any Person, including without limitation, employees of Franchisee and public institutions or other institutions designated in the Franchise (provided, however, that such foregone revenue which Franchisee chooses not to receive in exchange for trades, barter, services or other items of value shall be included in Gross Revenue);

(xi) sales of capital assets or sales of surplus equipment; program launch fees, i.e., reimbursement by programmers to Franchisee of marketing costs incurred by Franchisee for the introduction of new programming;

(xii) directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement and electronic publishing; or

(xiii) any fees or charges collected from Subscribers or other third parties for any PEG Grant payments.

1.18 *Information Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(24), as amended.

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

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

1.21 *Non-Cable Services*: Any service that does not constitute Cable Service pursuant to this Franchise including, but not limited to, Information Services and Telecommunications Services.

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

1.23 *NYSPSC*: The New York Public Service Commission.

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

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

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

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

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

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

1.30 *Telecommunication Services*: Shall be defined herein as it is defined under Section 3 of the Communications Act, 47 U.S.C. § 153(53), as amended.

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

1.32 *Transfer of the Franchise*:

1.32.1 Any transaction in which:

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

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

1.32.2 However, notwithstanding Sub-subsections 1.32.1.1 and 1.32.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

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

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1. *Grant of Authority*: Subject to the terms and conditions of this Agreement and the Cable Law, the LFA hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System or other facility along the Public Rights-of-Way and such other areas within the Franchise Area where authorized by private or public property owners or applicable law, if such authorization is necessary. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *The Fiber Network*: Notwithstanding that, upon delivery of Cable Service, Franchisee's mixed-use facilities become subject to the NY PSC's minimum franchise standards and the LFA's police power, the parties acknowledge that the LFA is not granted, as a consequence thereof, any broad new authority over the construction, placement and operation of Franchisee's mixed-use facilities; provided, however, that nothing herein shall be construed to limit the LFA's existing authority with respect to the Franchisee's mixed use facilities pursuant to applicable law, including any lawful right to compel relocation of such facilities in the event of road-widenings and other similar adjustments to the Public-Rights-of-Way, consistent with the NYSPSC rules and regulations and orders.

2.3. *Effective Date and Term*: This Franchise shall become effective on the date that the NYSPSC issues a certificate of confirmation for this Franchise (the "Effective Date"), following its approval by the LFA's governing authority authorized to grant franchises and its acceptance by the Franchisee. The term of this Franchise shall be ten (10) years from the Effective Date unless the Franchise is earlier revoked or terminated as provided herein. The Franchisee shall memorialize the Effective Date by notifying the LFA in writing of the same, which notification shall become a part of this Franchise.

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

2.5. *Franchise Subject to Federal and State Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of federal law and state law and FCC and NY PSC rules, regulations, standards and orders, as amended from time to time, including but not limited to the Communications Act.

2.6. No Waiver:

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

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

2.7. *Construction of Agreement:*

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

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

2.7.3. Should any change to state or Federal law, rules or regulations 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. Any modification to this Franchise shall be in writing and shall be subject to Section 222 of the New York Public Service Law and Title 16, Chapter VIII, Part 892, Subpart 892-1, Section 892-1.4 of the Official Compilation of Codes, Rules and Regulations of the State of New York requiring application to the NYSPSC and approval of any modification. 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

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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.

2.8 *Local Authority:* The LFA reserves the right to adopt, enact, implement, and enforce, in addition to the implementation and enforcement of the provisions contained in the Franchise and existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of its police power; provided, however, that such regulations are reasonable and necessary, not materially in conflict with the privileges granted in the Franchise, and consistent with all federal and state laws, rules, regulations and orders. Furthermore, to the extent that the installation, repair and/or maintenance by Franchisee of any component of the Cable System is lawfully subject to permitting and/or review by the LFA pursuant to the necessary and reasonable exercise of its police power, such permitting and/or review shall not be unreasonably denied or delayed, nor shall any fees be required (other than those necessary to offset the reasonable administrative costs of issuing such permit(s)), for the right and/or privilege to install, repair or maintain such component. In approving the placement of any such component, the LFA shall limit the basis of its decision to pedestrian and traffic safety. For purposes of this Agreement, "unreasonably delay" shall mean the LFA's failure to act on a permit application within ninety (90) days of its submission by Franchisee, in which case such permit shall be deemed granted under applicable law.

2.9 *Restoration of Municipal Property:* Any municipal property damaged or destroyed shall be promptly repaired or replaced by the Franchisee and restored to pre-existing condition at Franchisee's expense.

2.10 *Restoration of Private Property:* The Franchisee shall ensure that private real property is promptly restored to its pre-existing condition, at Franchisee's expense, if damaged by the Franchisee's employees or agents or contractors in any respect in connection with the installation, repair, maintenance, or disconnection of Cable Service.

2.11 *LFA Designation of Representative:* The Village Mayor, or designated representatives or representative of the Supervisor, will be responsible for the continuing administration of the rights and interests of the LFA in the Franchise.

3. PROVISION OF CABLE SERVICE

3.1. *Service Commitment Area:* Franchisee shall continue to offer Cable Service to all residential Subscribers in the Service Area and may make Cable Service available to businesses in the Service Area, except, in accordance with NYSPSC rules and regulations: (A) for periods of Force Majeure; (B) for periods of delay caused by the LFA; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Service Area; (D) in developments or buildings that are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot gain access after good faith efforts; (F) in areas, developments or buildings where the provision of Cable Service is economically infeasible because such provision requires nonstandard facilities which are not available on a commercially reasonable basis; (G) in areas where the occupied residential dwelling unit density does not meet the density and other requirements set forth in Sub-subsection 3.1.1 and

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Section 3.2; and (H) to Subscribers or prospective Subscribers who refuse to abide by or repeatedly violate the Franchisee's terms and conditions of service.

3.1.1 *Density Requirement:* Franchisee shall make Cable Services available to residential dwelling units in all areas of the Service Area where the average density is equal to or greater than twenty-five (25) occupied residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active Fiber Network trunk or feeder line. If, as a result of new construction, an area within the Service Area meets the density requirements after the time stated for providing Cable Service as set forth in Subsection 3.1, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from the LFA that the density requirements have been met.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1, and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service or based upon the income of the residents in a local area. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within one hundred fifty (150) feet of aerial trunk or feeder lines not otherwise already served by Franchisee's Fiber Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, the actual costs incurred for residential dwelling unit connections that exceed one hundred fifty (150) feet or are in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile and the actual costs incurred to connect any non-residential dwelling unit Subscriber, provided, however, that Franchisee may seek a waiver of any requirement that it extend service to any party requesting the same in an area with a density of less than twenty-five (25) occupied residential dwelling units per mile if such would not be possible within the limitations of economic feasibility. For underground installations, Franchisee shall charge the recipient Franchisee's actual cost. Such costs shall be submitted to said recipient in writing before installation is begun.

3.2.2 *No Discrimination in the Availability of Cable Service:* Franchisee shall not deny access to Cable Service to any group of potential residential Subscribers because of the income of the residents of the local area in which such group resides.

3.3. *Cable Service to School, Library, and Municipal Buildings:* Subject to Section 3.1, Franchisee may provide, without charge within the Service Area, one service outlet activated for Basic Service to each primary or secondary school chartered or licensed by the State of New York, public library, and such other buildings used for municipal purposes as may be designated by the LFA as provided in **Exhibit B** attached hereto; provided, however, that if it is necessary to extend Franchisee's trunk or feeder lines more than three hundred (300) 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 three hundred (300) feet, or of releasing Franchisee from the obligation to provide service to such school or public building. Furthermore, Franchisee shall be permitted to recover, from any school or public building owner entitled to free service, the direct cost of installing, when requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than three hundred (300) feet of drop

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cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. For underground installations, Franchisee shall charge the recipient Franchisee's actual cost. Such costs shall be submitted to said recipient in writing, before installation is begun. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, if any, shall be replaced at retail rates if lost, stolen or damaged, provided, however, that if such equipment becomes defective, Franchisee shall replace it consistent with the Franchisee's

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

4. SYSTEM FACILITIES

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

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

4.2.1. The System shall be designed and operated to provide for a minimum channel capacity of not less than 86 channels on the Effective Date.

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

4.3. *Interconnection:* The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods to the extent required by and permissible under law and voluntarily agreed upon by Franchisee.

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

4.5 *Parental Control:* Upon request by any Subscriber, and where technologically feasible, the Franchisee shall provide such requesting Subscriber with a parental control device at a reasonable rate to be paid by the Subscriber. Such device will, at a minimum, offer as an option that a Person ordering programming must provide a personal identification number or other means provided by the Franchisee only to a Subscriber. Provided, however, that the Franchisee shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls.

5. PEG SERVICES AND FRANCHISE GRANT

5.1. PEG Set Aside:

5.1.1. In order to ensure universal availability of public, educational and government programming, Franchisee shall provide capacity for one (1) dedicated Public Access Channel and one (1) dedicated Educational/Governmental Access Channel (collectively, "PEG Channels"). If required by applicable law, the PEG Channels shall be provided on Franchisee's Basic Service tier.

5.1.2. The programming to be carried on each of the Educational/Governmental Channels will be provided by the LFA, local public schools and public school districts in the Franchise Area and other not-for-profit educational institutions chartered or licensed by the New York State Department of Education or Board of Regents in the Franchise Area, and the public. The LFA hereby authorizes Franchisee to transmit such programming within and without LFA jurisdictional boundaries. Franchisee specifically reserves the right to make or change channel assignments in its sole discretion. If a PEG Channel provided under this Article is not being utilized by the LFA as provided in the Cable Law, Franchisee may utilize such PEG Channel, in its sole discretion, until such time as the LFA elects to utilize the PEG Channel for its intended purpose. In the event that the LFA determines to use PEG capacity, the LFA shall inform the Franchisee in accordance with NY PSC rules and regulations.

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

5.1.4 The PEG Channels shall be carried using any transmission technology or format that provides the same technical quality of picture and sound as the majority of the other Channels carried on the Basic Service tier; however, the quality of picture and sound of the PEG Channels is not required to exceed the quality of the source programming provided by the LFA or by the other cable provider through interconnection.

5.2 PEG Grant:

5.2.1 Franchisee shall provide to the LFA a financial contribution for use in support of the production of local Educational and Governmental programming, which programming shall be provided by the LFA or its designee(s) (the "PEG Grant"). The financial contribution shall consist of one payment in the total amount of FIVE THOUSAND DOLLARS (\$ 5,000.00) due and payable within sixty (60) days of the Effective Date of this Agreement.

5.2.2 The LFA shall impose an obligation of at least the same aggregate value as the PEG Grant obligation contained in this Section 5.2 (including the total amount of the Franchise Grant in Section 5.2.1) on each new and renewed providers of cable service in the Service Area. In any event, if any new or renewed franchise agreement between the LFA and any

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other provider of Cable Service in the Service Area contains obligations that are lesser in amount or aggregate value than the PEG Grant obligations imposed in this Section 5.2, Franchisee's PEG Grant obligations under Section 5.2 shall thereafter be reduced to an equivalent amount. To the extent such a reduction is not sufficient to make the total obligations of this Franchise equivalent to the new or renewed franchise, Franchise may deduct from future Franchise Fee payments an amount sufficient to make the obligations of this Franchise equivalent to the new or renewed franchise.

5.2.3 Upon written request, the LFA shall provide Franchisee with a complete accounting of the distribution of the PEG Grant pursuant to this Section 5.2.

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

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

6. FRANCHISE FEES

6.1. *Payment to LFA:* Beginning sixty (60) days after the effective date of this Agreement, Franchisee shall pay to the LFA a Franchise Fee of five percent (5%) of annual Gross Revenue (the "Franchise Fee"). In accordance with Title VI, the twelve (12) month period applicable under the Franchise for the computation of the Franchise Fee shall be a calendar year. Such payments shall be made quarterly no later than forty five (45) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise Fee remittances within ninety (90) days following the close of the calendar year for which such payments were applicable. Late payments shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules (which as of the date of execution of this Agreement is nine percent (9%) per annum) during the period such unpaid amount is owed.

Commented [SPJ1]: As per our discussion, Village wanted to know if there is a time limit on enforcement for this clause to recoup PEG grant from customers

Our Counsel is out of office this week I am going to confirm with him and get back to you if this is outlined in Federal Law

Commented [SPJ2R1]: PENDING MORE INFO,

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6.2. *Delivery of Payments:* Franchisee may use electronic funds transfer to make any payments to the LFA required under this Agreement.

6.3. *Supporting Information:* A brief report prepared by a representative of the Franchisee showing the basis for the Franchise Fee computation shall be provided to the LFA.

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

6.5. *Bundled Services:* If Franchisee provides a Bundled Service to Subscribers, the Franchise Fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with FCC or state public utility regulatory commission rules, regulations, standards or orders. The parties agree that tariffed telecommunication service rates that cannot be discounted by law or by regulation are to be excluded from the bundled discount allocation basis. The Franchisee will allocate the bundled discount such that the discount allocated to Cable Service revenues will not exceed the amount which would be allocated to Cable Service revenue on a pro rata basis, where pro rata allocation of bundled discounts is commercially practical for any bundled offering.

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

7. **REPORTS AND RECORDS**

7.1. *Open Books and Records:* Upon reasonable written notice to the Franchisee and with no less than thirty (30) business days written notice to the Franchisee, the LFA shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during Normal Business Hours and on a non-disruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise, which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the LFA. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the

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contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary and/or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. Subject to the requirements of the New York Freedom of Information Law ("FOIL"), the LFA shall treat any information disclosed by Franchisee as proprietary and confidential under Section 87(2)(d) of the New York Public Officers Law, and shall only disclose it to employees, representatives, and agents thereof who the LFA deems to have a need to know, or in order to enforce the provisions hereof. For purposes of this section 7.1, "proprietary and/or confidential" information includes, but is not limited to: information related to the Cable System design, trade secrets, Subscriber lists, marketing plans, financial information; or other information that is reasonably determined by the Franchisee to be competitively sensitive. If the LFA receives a request under FOIL, or similar law for the disclosure of information that Franchisee has designated as confidential, trade secret, or proprietary, the LFA shall notify Franchisee of such request. If the LFA determines in good faith that public disclosure of the requested information is required under FOIL, the LFA shall so notify Franchisee and, before making the disclosure, shall, not inconsistently with the New York Public Officers Law, give Franchisee a reasonable period of time to seek to obtain judicial redress to preclude disclosure. Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

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

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

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

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

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

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

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

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7.4 *Reports:* Franchisee's sole reporting obligation shall be to file those reports required by the Cable Law and this Agreement.

7.5 *Audit:* Subject to: (i) the confidentiality requirements set forth in Section 7.1 of this Agreement; and (ii) the imposition of the same obligation in this Section 7.5 on all other providers of cable service in the Franchise Area, Franchisee shall be responsible for making available to the LFA for inspection and audit, all records necessary to confirm the accurate payment of Franchise Fees and the Annual PBG Grants, whether the records are held by the Franchisee, an Affiliate, or any other entity that collects or receives funds related to the Franchisee's Cable Services operation in the LFA subject to the payment of Franchise Fees under this Agreement, including, by way of illustration and not limitation, any entity that sells advertising on the Franchisee's behalf. Franchisee shall maintain such records for six (6) years, provided that, if the LFA commences an audit within that six (6) year period, Franchisee shall continue to maintain such records for the duration of any audit in progress at the end of that six (6) year period. The LFA shall conduct all audits expeditiously, and neither the LFA nor Franchisee shall unreasonably delay the completion of an audit. The LFA's audit expenses shall be borne by the LFA unless the audit determines that the payment to the LFA should be increased by five percent (5%) or more in the audited period, in which case the reasonable and customary costs of the audit, together with any additional amounts due to the LFAs as a result of such audit, shall be paid by Franchisee to the LFA within sixty (60) days following written notice to Franchisee by the LFA of the underpayment, which notice shall include a copy of the audit report; provided, however, that Franchisee's obligation to pay or reimburse the LFA's audit expenses shall not exceed an aggregate of TEN THOUSAND DOLLARS (\$10,000.00). If re-computation results in additional revenue to be paid to the LFA, such amount shall be subject to interest charges computed from the due date, at the then-current rate set forth in Section 5004 of the New York Civil Practice Law and Rules (which as of the date of execution of this Agreement is nine percent (9%) per annum) per annum during the period such unpaid amount is owed. If the audit determines that there has been an overpayment by Franchisee, the Franchisee may credit any overpayment against its next quarterly payment. Said audit shall be conducted by an independent third party and no auditor so employed by the LFA shall be compensated on a success based formula, e.g., payment based on a percentage of an underpayment, if any. The LFA shall not conduct an audit more frequently than once every year.

8. INSURANCE AND INDEMNIFICATION

8.1. *Insurance:*

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

8.1.1.1. Commercial General Liability Insurance in the amount of two million dollars (\$2,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System.

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

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

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

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

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

8.1.2. The LFA shall be included as an additional insured under each of the insurance policies required in this Article 8 except Worker's Compensation Insurance and Employer's Liability Insurance. The commercial general liability insurance, automobile liability, and excess liability or umbrella coverage shall be primary to any other insurance held by the LFA.

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

8.1.4. Each of the required insurance policies shall be with insurers qualified to do business in the State of New York, with an A- or better rating for financial condition and financial performance by Best's Key Rating Guide, Property/Casualty Edition. In the event Franchisee's insurance carrier is downgraded to a rating of lower than Best's A-, Franchisee shall have ninety (90) days to obtain coverage from a carrier with a rating of at least Best's A-.

8.1.5. Upon written request, Franchisee shall deliver to the LFA copies of Certificates of Insurance showing evidence of the required coverages under this Agreement and providing for at least thirty (30) days prior written notice to be given to LFA of cancellation, intent not to renew or any adverse material change. In the case of any insurance policy in which the LFA is required to be listed as an additional insured, Franchisee shall also, within such period of time, deliver an appropriate endorsement of each such policy.

8.2. *Indemnification:*

8.2.1. Franchisee agrees to defend and indemnify the LFA, its officers, agents, and employees for, and hold it or them harmless from all suits, proceedings, actions, demands, liabilities, damages, costs or expenses arising from claims of injury to persons or damage to property occasioned by reason of any conduct undertaken pursuant to the Franchise, or by reason of any suit or claim for royalties, programming license fees or infringement of patent rights arising

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out of Franchisee's provision of Cable Services over the Cable System other than PEG facilities and Channels, provided that the LFA shall give Franchisee timely written notice of its obligation to indemnify the LFA, and shall make available to Franchisee all relevant information under the LFA's control regarding such claim, but in any event, the LFA shall provide such notice to Franchisee within a sufficient period of time from receipt of a claim or action pursuant to this Subsection to enable Franchisee to timely answer complaints, raise defenses and defend all claims. Notwithstanding the foregoing, Franchisee shall not be required to indemnify the LFA for any suits, proceedings, actions, demands, damages, liabilities or claims resulting from the willful misconduct or negligence of the LFA, its officers, agents, employees, or attorneys, acting in their official capacity on behalf of the LFA or for any activity or function conducted by any Person other than Franchisee on behalf of the LFA in connection with PEG Access or EAS.

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

8.2.3. The LFA shall be responsible for its own acts of willful misconduct, negligence or willful breach subject to any and all defenses and limitations of liability provided by law.

9. TRANSFER OF THE FRANCHISE

9.1. *LFA Consent Required:* Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, as amended, no Transfer of the Franchise shall occur without the prior consent of the LFA, provided that such consent shall not be unreasonably withheld, delayed or conditioned. In considering an application for the Transfer of the Franchise, the LFA may consider the applicant's: (i) technical ability; (ii) financial ability; (iii) good character; and (iv) other qualifications necessary to continue to operate the Cable System consistent with the terms of the Franchise.

9.2. *LFA Consent Not Required for Certain Transactions* No such consent of the LFA shall be required 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, for any transaction in which Franchisee retains the right, title or interest in the Franchise granted to it herein, for any transaction that is subject to approval by the NYSPPSC, or for transactions otherwise excluded under Section 1.32 above.

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10. RENEWAL OF FRANCHISE

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

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

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

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

11. ENFORCEMENT AND TERMINATION OF FRANCHISE

11.1. *Notice of Violation:* If at any time the LFA believes that Franchisee has not complied with the terms of the Franchise, the LFA shall notify Franchisee in writing of the exact nature of the alleged noncompliance (for purposes of this Article, the "Noncompliance Notice").

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

11.3. *Public Hearing:* The LFA shall schedule a public hearing if the LFA seeks to continue its investigation into the alleged noncompliance (i) if Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (ii) if Franchisee has not remedied or commenced to remedy the alleged noncompliance within sixty (60) days or the date projected pursuant to Section 11.2(iii) above. The LFA shall provide Franchisee at least thirty (30) calendar days prior written notice of such public hearing, which will specify the time, place and purpose of such public hearing, and provide Franchisee the opportunity to be heard.

RESOLUTION AUTHORIZING THE VILLAGE OF BELLPORT TO RENEW A CABLE FRANCHISE AGREEMENT WITH CABLEVISION OF BROOKHAVEN TO OPERATE A CABLE SYSTEM IN THE VILLAGE OF BELLPORT, NY

WHEREAS, the Village of Bellport, NY (the “Village”) is a “franchising authority” in accordance with Title VI of the Communications Act of 1934, (the “Communications Act”), and is authorized to grant one or more nonexclusive cable television franchises pursuant to Article 11 of the New York Public Service Law, as amended, and Title 16, Chapter VIII, Parts 890.60 through 899, of the Official Compilation of Codes, Rules and Regulations of the State of New York, as amended (collectively the “Cable Laws”);

WHEREAS, the Village, executed a franchise renewal agreement with CABLEVISION OF BROOKHAVEN, INC. (the “Franchisee”) on August 29, 2012, which was thereafter confirmed and made effective by the New York State Public Service Commission on February 20, 2013 for a term of ten (10) years (Case No. 12-V-0556) and

WHEREAS, said franchise agreement thereafter expired on February 20, 2023; and

WHEREAS, Franchisee has submitted a proposed franchise renewal agreement (the “Franchise Renewal Agreement”) to continue operating said cable system within the Village; and

WHEREAS, The Village and Franchisee have mutually agreed to the terms of said Franchise Renewal Agreement; and

WHEREAS, the Village has determined that the Franchisee is and has been in substantial compliance with all terms/provisions of its existing franchises and applicable law; and

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

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

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

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

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

11.5.1. At the designated public hearing, Franchisee shall be provided a fair opportunity for full participation, including the rights to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the LFA, to compel the testimony of other persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of the hearing, and Franchisee shall promptly reimburse LFA for the expense of making such verbatim record and transcript up to, but no greater than, Five Thousand Dollars (\$5,000).

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

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

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

12. MISCELLANEOUS PROVISIONS

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

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

12.3. *Preemption*: In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law, except that such provision shall survive such preemption and shall remain in effect for the term of this Agreement to the extent permitted by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the LFA.

12.4. *Force Majeure*: Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

12.4.1. Furthermore, the parties hereby agree that it is not the LFA's intention to subject Franchisee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on Subscribers and was timely cured by Franchisee.

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

12.5.1. Notices to Franchisee shall be mailed to:

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Altice USA, Inc.
1 Court Square West
Long Island City, NY 11101
Attention: Vice President, Government Affairs,
Suburban New York

12.5.2 With a copy to:

Cablevision of Brookhaven, Inc.
c/o Altice USA, Inc.
1 Court Square West
Long Island, NY 11101
Attention: Legal Department

12.5.3 Notices to the LFA shall be mailed to:

Mayor
Village of Bellport
29 Bellport Lane Bellport, NY 11713

12.5.4 with a copy to:

Village Attorney
Village of Bellport
29 Bellport Lane Bellport, NY 11713

Notwithstanding anything herein to the contrary, all regulatory notices from Franchisee to the LFA may be filed electronically upon the LFA, instead of by first class mail as described above, to an email address provided by the LFA.

12.6. *Entire Agreement:* This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the LFA and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. The LFA acknowledges and agrees that all the elements of its local ordinances, rules, and regulations with respect to the provision of Cable Service over Franchisee's Cable System ("Local Law") are fully reflected by the terms and conditions of this Agreement and are satisfied by the Franchisee's compliance with the terms and conditions of this Agreement, and in the event of a material conflict between a provision of this Agreement and a provision of the Local Law, this Agreement shall be controlling.

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

12.8. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the articles, sections and

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provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

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

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

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

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

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

12.14. *Employment Practices*: Franchisee will not refuse to hire, nor will it bar or discharge from employment, nor discriminate against any person in compensation or in terms, conditions, or privileges of employment because of age, race, creed, color, national origin, or sex or any protected category of persons under federal or state law.

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

12.16. *Identification of Franchisee's Employees, Vehicles & Contractors*: The Franchisee shall require all the Franchisee personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of the Franchisee to wear a clearly visible identification card bearing their name and photograph.

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12.16.1 The Franchisee shall make reasonable effort to account for all identification cards at all times

12.16.2 The Franchisee shall require all the Franchisee representatives to wear appropriate clothing while working at a Subscriber's premises.

12.16.3 The Franchisee shall require that all service vehicles of the Franchisee and its contractors or subcontractors be clearly identified as such to the public. Specifically, the Franchisee vehicles shall be required to have the Franchisee's logo plainly visible. The Franchisee shall require that all 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.

12.16.4 Notwithstanding any other provision of law regulating door-to-door solicitation or other sales activities undertaken on public or private property within the LFA, including any licensing or permit obligations required for such activities, the obligations set forth in Section 12.21 of this Agreement shall be the sole conditions governing the authorization and identification required for the entrance onto public or private property imposed upon Franchisee or its employees, agents, contractors or subcontractors for the purpose of selling, marketing or promoting services offered by Franchisee to residents of the LFA.

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

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

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

12.20 *Level Playing Field:*

12.22.1 The parties agree that, as of the Effective Date, the terms and conditions of this Agreement are in compliance with the level playing field requirements of the NYSPSC.

12.22.2 In the event that the LFA grants or renews another franchise(s), or similar authorization(s), for the construction, operation and maintenance of any communication facility which shall offer substantially equivalent services to those offered by Franchisee over the System, it shall not make the grant or renewal on more favorable or less burdensome terms than are contained herein. The LFA shall provide Franchisee written notice of any public hearing or other official action related to such proposed grant or renewal of a franchise or similar authorization. If Franchisee finds that a proposed franchise, franchise renewal or similar authorization contains provisions imposing less burdensome or more favorable terms than are

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imposed by the provisions of this Agreement, then Franchisee will identify those terms to the LFA in writing in advance of any vote to adopt the franchise, franchise renewal or similar authorization and, if the LFA approves such franchise, franchise renewal or similar authorization for the other provider with the identified terms, or any subsequent modification thereof, then those terms shall become the operative terms in this Agreement, in lieu of existing terms, upon the effective date of the other franchise, franchise renewal or similar authorization.

12.22.3 In the event that a non-franchised multi-channel video service provides service to residents of the LFA, the Franchisee shall have a right to petition for amendments to the Franchise that relieve the Franchisee of burdens that create a competitive disadvantage to the Franchisee. Such petition shall: i) indicate the presence of a non-franchised competitor(s); ii) identify the basis for Franchisee's belief that certain provisions of this Agreement place Franchisee at a competitive disadvantage; iii) identify the provisions of this Agreement to be amended or repealed in order to eliminate the competitive disadvantage. The LFA shall not unreasonably deny Franchisee's petition.

12.22.4 Nothing in this Section 12.22 shall be deemed a waiver of any remedies available to Franchisee under federal, state or municipal law, including but not limited to section 625 of the Cable Act, 47 U.S.C. Section 545.

AGREED TO THIS ____ DAY OF _____, 2022.

Village of Bellport

Ray Fell
Mayor

Cablevision of Brookhaven, Inc.

Chrissy Buteas
Vice President, Government Affairs

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EXHIBIT A

SERVICE AREA

The Service Area consists of the Franchise Area.

The construction of Franchisee's Fiber Network has been completed throughout the Franchise Area subject only to Subsection 3.1.1 and Section 3.2 of the Franchise, and accordingly it is not necessary to provide any additional details concerning the construction and/or deployment time tables and areas within the Service Area.

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EXHIBIT B

**MUNICIPAL BUILDINGS TO BE PROVIDED
FREE CABLE SERVICE**

School:

Kreamer Street School
37 Kreamer Street
Bellport, NY 11713

Bellport Middle School
35 Kreamer Street
Bellport, NY 11713

Library:

South Country Library
22 Station Road
Bellport, NY 11713

Municipalities:

Bellport Village Hall
29 Bellport Lane
Bellport, NY 11713

Bellport Village Department of Public Works
14 New Jersey Avenue
Bellport, NY 11713

Bellport Village Community Center
4 Bell Street
Bellport, NY 11713

Bellport Country Club
20 South Country Road
Bellport, NY 11713

Bellport Village Ferry Booth
29 Bellport Lane
Bellport, NY 11713

Bellport Village Ambulance
5 Cottage Place
Bellport, NY 11713

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Bellport Village Fire Department
161 S. Country Road
Bellport, NY 11713

Bellport Village Fire District
6 New Jersey Avenue
Bellport, NY 11713

Bellport Village Fire Department
11 Bell Street
Bellport, NY 1171