

AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO
HOLLIS CORPORATION,
D/B/A BETHEL CABLE TV

WHEREAS, the Supervisors of Kiskiminetas Township (the "Supervisors") at a regularly scheduled meeting pursuant to a full and public hearing at which the Supervisors gave consideration to a proposal presented concerning a community antenna television system, and at which the testimony of all interested parties was taken and fully considered, hereby state their full approval of the legal character, financial, technical and other qualifications of Hollis Corporation, and on the basis thereof:

BE IT ORDAINED BY THE BOARD OF KISKIMINETAS TOWNSHIP, PENNSYLVANIA, AND IT IS HEREBY ORDAINED BY THE AUTHORITY OF THE SAME, AS FOLLOWS:

SECTION 1. To the extent that the same may be lawfully given, and subject to the conditions herein set forth, the non-exclusive right be and the same is hereby granted by Kiskiminetas Township, of the County of Armstrong, Commonwealth of Pennsylvania (the "Township") to Hollis Corporation, a Pennsylvania corporation, d/b/a Bethel Cable TV (the "Company"), to construct, operate and maintain transmission and distribution facilities, including, but not limited to, the erection of poles, cables, wires and other appurtenances and additions thereto, in, under, over, along, across and upon the streets, lanes, alleys, avenues, sidewalks, bridges, tunnels, highways, parking lots and other public places in the Township, and subsequent additions thereto, for the purpose of transmission by cable and distribution of television impulses and television energy for sale to the inhabitants of the Township and other purposes, under the terms and conditions hereinafter set forth (the "CATV System").

SECTION 2. The Company shall procure any and all easements, rights of way, covenants, grants, certificates of approval and permits which may be required from any private persons or corporation or from any federal, state, municipal or other governmental authority and from the utility companies operating in the Township for or in connection with the placing, maintaining or using of the attachments and the television cable herein referred to or the granting of this right.

SECTION 3. (A) The Company agrees to maintain and keep in full force and effect at all times during the term of this Ordinance sufficient liability insurance coverage to protect the Township against any such claims, suits, judgements, executions or demands in a sum not less than \$1,000,000 per person in any one claim; \$1,000,000 as to any one accident or occurrence; and not less than \$1,000,000 for property damage as to any one accident or occurrence, provided, however, that the Township shall notify the Company in writing within thirty (30) days after notice or presentation of any claim or demand, either by suit or otherwise,

made against the Township on account of or arising out of any act or omission connected with the operation of this Ordinance.

(B) The Company shall also maintain in full force and effect throughout the duration of this Ordinance sufficient workmen's compensation insurance coverage to adequately and fully protect its agents and employees as required by law.

SECTION 4. All the Company's attachments and installations shall be made and maintained at the Company's sole expense, in safe condition and thorough repair and in such place and manner as shall be approved by the Township. Upon receipt of written notice at any time from the Township that said attachments interfere with Township property, endanger its employees or the public, or interfere with the primary use and purpose of said Township property or highways, the Company shall at its own expense remove, alter, rearrange, improve or repair such attachments in such manner as the Township may reasonably direct.

SECTION 5. The Company shall indemnify and save harmless the Township at all times during the term of this Ordinance from and against any and all losses resulting from injuries or damage to persons or property including injuries to the employees of the Township or damage to the property of the Township arising out of negligence from or in any manner by actions or omissions of the Company or its agents while engaged in the work or construction, operating or maintaining the CATV System; and such loss shall include all payments made by the Township to any of its injured employees or to their relatives or representatives, pursuant to any statute or ordinance, whether based on negligence on the part of the employer or not. Further, the Company agrees to defend, fully indemnify and save harmless the Township from and against any and all claims and demands by third parties on account of or arising out of any act or omission connected with the operation of this Ordinance, including any claims or demands from any source whatsoever on account of license or copyright infringements or violations of any transmittal rules and regulations of the Federal Communications Commission (the "FCC") or other governmental regulatory bodies; provided, however, that the Township shall notify the Company in writing within thirty (30) days after notice or presentation of any claim or demand, either by suit or otherwise, made against, the Township on account of or arising out of any act or omission connected with the operation of this Ordinance.

SECTION 6. (A) The Company is hereby authorized to extend the distribution facilities within the Township to the extent that such extension is or may become economically feasible, as defined in Section 6 (B).

(B) In the event additional adjacent territory is incorporated within the Township limits, by annexation or otherwise, the Company's rights and duties under this Ordinance shall be deemed to include such additional territory. The Company shall make cable service available to such annexed area as long as it is economically feasible to do so. As used herein, "economically feasible" shall mean that there are at least 15 homes per mile of cable television system distribution plant.

SECTION 7. (A) The Company shall pay to the Township a franchise fee of 5% of the Company's gross annual subscriber revenues from basic cable television service. No other tax, levy or charge of any kind shall be imposed upon the Company by the Township.

(B) All franchise fees to be paid by the Company shall be paid within ninety (90) days after the close of its fiscal year. The Company shall make its books and records pertaining to gross subscriber revenues from basic cable television service available for inspection at all reasonable times to the Supervisors.

SECTION 8. In consideration of the foregoing rights and privileges, the Company agrees to the following terms and conditions:

(A) Neither the Company nor any of its agents or employees shall at any time repair, attempt to repair, sell or attempt to sell television or radio sets or parts thereto; nor shall they recommend or solicit business for any television or radio dealers or repairmen, provided, however, that this provision shall not apply to the routine operation and maintenance of the CATV System and service connected therewith.

(B) The Company shall expeditiously investigate and resolve all subscriber complaints concerning the operation of the CATV System, normally within twenty-four (24) hours but not later than forty-eight (48) hours, except in cases of emergencies. A record shall be made of all complaints received showing the name of the complaining party, the complaint and the action taken to rectify the complaint.

(C) After having received reasonable notice of at least seventy-two (72) hours prior to the move, the Company shall comply with all moving permits issued by the Township by temporarily raising or lowering its wires to permit the moving of structures or high loads. The cost to the Company of complying with the moving permit shall be borne by the entity that obtained the moving permit and the Company shall have the right to request payment in advance.

(D) The Company and the Township shall abide by all provisions set forth in local municipal ordinances and shall

abide by all regulations of the FCC and other governmental regulatory bodies, as now enacted or as subsequently amended, and the same are incorporated herein by reference. To the extent that any provision set forth in this Ordinance is inconsistent with the Cable Communications Policy Act of 1984, as amended (the "Act"), the Act shall control.

(E) Subscribers to the Company's service shall not be required to assure the Company that they will subscribe to the Company's service for any length of time and subscribers may terminate service at any time.

(F) All poles, ducts and other facilities of the Company shall be erected, constructed and maintained so as not to interfere with the traffic over public highways and to cause minimum interference with the rights and reasonable convenience of the property owners who adjoin any public highway. The Company shall have reasonable authority to trim trees upon, abutting and overhanging all streets, alley, easements, sidewalks, and other areas where the CATV System may from time to time be located in public places of the Township so as to prevent the branches of such trees from coming into contact with or otherwise interfering with the facilities and service of the Company.

(G) The Township shall have the right to approve the location of any poles or underground cable line required to be erected or installed by the Company.

(H) If, at any time, the Township shall elect to alter or change the grade of any street, sidewalk, alley or other public way, the Company shall remove, relay and relocate its poles, wires, cable, underground conduits, manholes and other fixtures at the Company's sole cost and expense.

(I) The Company shall grant to the Township, free of charge, the joint use of any and all poles owned by the Company for any proper municipal use so long as such use by the Township does not interfere with the operation and maintenance of the CATV System.

(J) The Company, during the installation, maintenance and operation of its television transmission and distribution system, must guard and protect any opening or obstruction in the streets or other public places by placing adequate barriers, fences or boardings, the bounds of which shall be clearly designated by warning lights during periods of dusk and darkness.

(K) The Company agrees to restore to as good a condition as before entry, any pavement, sidewalk or other improvement of any street, avenue, alley or other public place disturbed by the Company.

SECTION 9. The township shall give written notice to

the Company of any alleged violation of any covenant in this Ordinance specifying the nature of the violation and the specific section or sections of this Ordinance which have allegedly been violated. The Township shall allow the Company at least ninety (90) days to remedy the condition complained of prior to cancellation by the Township of this franchise for breach of any covenant hereunder, provided that such cancellation or forfeiture shall first be declared by a court of competent jurisdiction after a hearing and upon appropriate full and final findings of fact pursuant to law.

SECTION 10. The Township shall not permit any individual or company to provide services in the franchise area similar to those of the Company without first having secured a franchise from the Township. The Township shall not grant a franchise to individuals or companies offering or furnishing services similar to those of the Company on terms and conditions more favorable to such individuals or companies than those contained herein, unless this Ordinance is amended to provide for such more favorable terms and conditions.

SECTION 11. Upon continuing full and complete performance by the Company of each and every term of this Ordinance, the right herein granted shall continue for a term of fifteen (15) years from the date this Ordinance was adopted. At the expiration of such fifteen (15) years, the franchise may be renewed in accordance with the provisions of the Cable Communications Policy Act of 1984, as amended. All of the terms, conditions and provisions herein shall continue to apply in any such renewal period.

SECTION 12. All right, title and interest of the Company in this Ordinance shall be freely assignable without the consent of the Township. The Company hereby agrees to give the Township written notice of any assignment within forty-five (45) days after the assignment.

SECTION 13. All notices and other communications hereunder shall be in writing and shall be deemed to have been given on the date of actual delivery if mailed, first class, registered or certified mail, return receipt requested, postage prepaid to the following respective addresses:

To the Township:

Kiskiminetas Township
Board of Supervisors
P. O. Box 262
Apollo, PA 15613

To the Company:

Hollis Corporation
R.D. #4, Box 273
Somerset, PA 15501
Attn: Norbert P. Moore,
President

Any party to this Ordinance may change the address to which all communications and notices may be sent by addressing

notices of such change in the manner provided hereunder.

SECTION 14. Any and all ordinances or parts of ordinances conflicting with the provisions of this ordinance are hereby repealed.

SECTION 15. The Company shall assume the cost of publication of this Ordinance, if such publication is required by law.

SECTION 16. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held illegal, invalid or unconstitutional by the decision of any court or regulatory body of competent jurisdiction, such decision shall not affect the validity of the remaining portions hereof. The Supervisors hereby declare that they would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared illegal, invalid or unconstitutional. The invalidity of any portion of this Ordinance shall not abate, reduce or otherwise affect any consideration or other obligation required of the Company.

SECTION 17. This Ordinance is hereby declared to be a measure in the interest of public peace, health, welfare and safety, and shall therefore go into immediate effect upon the passage and adoption of this Ordinance.

Adopted and executed pursuant to law this 12th day of December, 1990.

KISKIMINETAS TOWNSHIP

By: Frances E. Rick
Chairman

By: William W. Miller
Supervisor

By: William W. Miller
Supervisor

Accepted and agreed to this
____ day of _____, 1990.

HOLLIS CORPORATION

By: Norbert P. Moore
Norbert P. Moore, President