

**CABLE TELEVISION
FRANCHISE AGREEMENT**

This Franchise Agreement ("Franchise") is between the Village of Freeburg, Illinois, hereinafter referred to as the "Grantor" and Charter Communications Entertainment I, LLC locally known as Charter Communications, hereinafter referred to as the "Grantee".

WHEREAS the Grantor hereby acknowledges that the Grantee has substantially complied with the material terms of the current Franchise under applicable law, and that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide services, facilities, and equipment necessary to meet the future cable-related needs of the community, and having afforded the public adequate notice and opportunity for comment, desires to enter into this Franchise with the Grantee for the construction and operation of the cable system on the terms set forth herein.

WHEREAS the parties have determined that any previously adopted Cable Regulatory Code is no longer applicable to this renewed franchise.

1. Definitions.

- A. **"Cable Act"** means the Cable Communications Policy Act of 1984, P.L. 98-549, 47 U.S.C. § 521 Supp., as it may be amended or superseded.
- B. **"Cable System", "Cable Service", and "Basic Cable Service"** shall be defined as set forth in the Cable Act.
- C. **"Franchise"** means the authorization granted hereunder of a franchise, privilege, permit, license or otherwise to construct, operate and maintain a Cable System within the Service Area.
- D. **"Gross Revenues"** means all revenues, as determined in accordance with generally accepted accounting principles, actually received by Grantee from Subscribers residing within the Service Area for Cable Services purchased by such Subscribers on a regular, recurring monthly basis. Gross Revenues shall not include (1) any taxes, fees or assessments collected by the Grantee from Subscribers for pass-through to a government agency, including the franchise fee and the FCC user fee; (2) bad debt; (3) credits, refunds and deposits paid to Subscribers; and (4) any exclusion available under applicable state law.
- E. **"Service Area"** shall mean the geographic boundaries of the Grantor.
- F. **"Streets"** means the public streets, avenues, highways, boulevards, concourses, driveways, bridges, tunnels, parks, parkways, waterways, alleys, all other rights-of-way and easements, and the public grounds, places or water within the geographic boundaries of Grantor.
- G. **"Subscriber"** means any person lawfully receiving any Cable Service from the Grantee.

- 2. Granting of Franchise.** The Grantor hereby grants to Grantee a non-exclusive Franchise for the use of the Streets and dedicated easements within the Service Areas for the construction, operation and maintenance of the Cable System, upon the terms and conditions set forth herein. Nothing in this Franchise shall be construed to prohibit the Grantee from offering any service over its Cable System that is not prohibited by federal or state law.

3. **Term.** The Franchise shall be for a term of five (5) years, commencing on the Effective Date of this Franchise as set forth in Section 16. This Franchise will be automatically extended for an additional term of five (5) years from such effective date, unless either party notifies the other in writing of its desire to not exercise this automatic extension (and enter renewal negotiations under the Cable Act) at least three (3) years before the expiration of this Franchise. If such a notice is given, the parties will then proceed under the federal Cable Act renewal procedures.
4. **Franchise Transfer.** The Franchise granted hereunder shall not be assigned, other than to an entity controlling, controlled by, or under common control with the Grantee, without the prior consent of the Grantor, such consent not to be unreasonably withheld or delayed. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or Cable System to secure indebtedness. Within thirty (30) days of receiving a request for transfer, the Grantor shall notify the Grantee in writing of any additional information it reasonably requires to determine the legal, financial and technical qualifications of the transferee. If the Grantor has not taken action on the Grantee's request for transfer within one hundred twenty (120) days after receiving such request, consent by the Grantor shall be deemed given.
5. **Use of the Streets and Dedicated Easements.**
 - A. Grantee shall have the right to use the Streets of the Grantor for the construction, operation and maintenance of the Cable System, including the right to repair, replace and enlarge and extend the Cable System, provided that Grantee shall utilize the facilities of utilities whenever practicable.
 - B. The facilities of the Grantee shall be installed underground in those Service Areas where existing telephone and electric services are both underground at the time of system construction. In areas where either telephone or electric utility facilities are installed aerially at the time of system construction, the Grantee may install its facilities aerially with the understanding that at such time as the existing aerial facilities are required to be placed underground by the Grantor, the Grantee shall likewise place its facilities underground.
 - C. Grantee shall have the right to remove, trim, cut and keep clear of the Cable System, the trees in and along the Streets of the Grantor.
 - D. Grantee in the exercise of any right granted to it by the Franchise shall, at no cost to the Grantor, promptly repair or replace any facility or service of the Grantor which Grantee damages, including but not limited to any Street or sewer, electric facility, water main, fire alarm, police communication or traffic control.
 - E. All construction, installation, restoration and maintenance work shall be subject to pertinent ordinances, regulations or policies of the Grantor applicable to all occupants of its right-of-way.
6. **Maintenance of the System.**
 - A. Grantee shall at all times employ ordinary care in the maintenance and operation of the Cable System so as not to endanger the life, health or property of any citizen of the Grantor or the property of the Grantor.
 - B. All construction practices and installation of equipment shall be done in accordance with all applicable sections of the National Electric Safety Code.

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C. The Cable System shall be designed, constructed and operated so as to meet those technical standards adopted by the FCC relating to Cable Systems contained in part 76 of the FCC’s rules and regulations as may, from time to time, be amended.

7. Service.

A. The Grantee shall make Cable Service distributed over the Cable System available to every residence within the Service Area where there is a minimum density of at least forty (40) residences per linear strand mile of cable (excluding any home subscribing to any satellite service) as measured from Grantee’s closest trunk line or distribution cable that is actively delivering Cable Service as of the date of such request for service. If such residence is located within 125 feet of Grantee’s feeder cable, the Cable Service will be provided at Grantee’s published rates for standard installation. Notwithstanding the foregoing, the Grantee shall have the right, but not the obligation, to extend the Cable System into any portion of the Service Area where another operator is providing Cable Service, or into any annexed areas which is not contiguous to the present Service Area of the Grantee. Grantee shall not be obligated to provide Cable Service into any area which is financially or technically infeasible.

B. The Grantor shall provide prior notice to the Grantee of its annexation of any contiguous territory which is being provided Cable Service by the Grantee or its affiliates. Such annexed area will be subject to the provisions of the franchise which previously covered that area throughout the term of this Franchise, although the Grantor will replace the previous franchise authority. Grantee shall pay the Grantor franchise fees on revenue received from the operation of the Cable System to provide Cable Services in the Service Area and in any area annexed by the Grantor if the Grantor has provided written notice to the Grantee prior to the date of such annexation.

C. Grantee shall provide Basic Cable Service and one free outlet to each of the following public facilities located within two hundred (200) feet of existing service lines of the Grantee and within the jurisdictional limits of the Grantor: Village Hall, Fire Department, Police Department and public schools. No monthly service fee shall be charged for such outlet. Grantee shall provide Basic Cable Service to new construction hereafter for similar public facilities; provided they are within two hundred (200) feet of the existing service lines of Grantee.

8. Consumer Protection. Grantee shall comply with the customer service and privacy protection provisions pursuant to 220 ILCS 5/22-501 (Article XXII of the Illinois Public Utilities Act).

9. Insurance/Indemnity.

A. The Grantee shall maintain throughout the term of the Franchise insurance in amounts at least as follows:

Worker’s Compensation	Statutory Limits
Commercial General Liability	[\$1,000,000] per occurrence, Combined Single Liability (C.S.L.) [\$2,000,000] General Aggregate

modifications consistent with this requirement, Grantee's Franchise shall be deemed so modified thirty (30) days after the Grantee's initial written notice. As an alternative to the Franchise modification request, the Grantee shall have the right and may choose to have this Franchise with the Grantor be deemed expired thirty (30) days after written notice to the Grantor. Nothing in this Franchise shall impair the right of the Grantee to terminate this Franchise and, at Grantee's option, negotiate a renewal or replacement franchise, license, consent, certificate or other authorization with any appropriate government entity.

12. Confidentiality. If Grantee provides any books and records to the Grantor, the Grantor agrees to treat as confidential such books, records or maps that constitute proprietary or confidential information. Until otherwise ordered by a court or agency of competent jurisdiction, the Grantor agrees that, to the extent permitted by state and federal law, it shall deny access to any of Grantee's books and records marked confidential to any person.

13. Notices, Miscellaneous.

A. Every notice served upon the Grantor shall be delivered or sent by certified mail, return receipt requested, to:

Mayor
Village of Freeburg
14 Southgate Center
Freeburg, IL 62243

and every notice served upon Grantee shall be delivered or sent by certified mail, return receipt requested, to:

Attention: Vice President/GM
Charter Communications
941 Charter Commons Drive
Town & Country, MO 63107

With a copy to: Charter Communications
12405 Powerscourt Drive
St. Louis, MO 63131
Attention: Vice President of Government Affairs

B. All provisions of this Franchise shall apply to the respective parties, their lawful successors, transferees and assigns.

C. In the event of any conflict between this Franchise and any Grantor ordinance or regulation, this Franchise will prevail.

14. Force Majeure. The Grantee 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 circumstances reasonably beyond the ability of the Grantee to anticipate and control. This provision includes work delays caused by waiting for utility providers to service or monitor their utility poles to which Grantee's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

- 15. Franchise Fee.**
- A. Grantee shall pay to the Grantor, on a quarterly basis, an amount equal to three percent (3%) of the Grantee's Gross Revenues.
 - B. The Payment of franchise fees by the Grantee shall be made on a quarterly basis and shall be due no later than forty-five (45) days after the close of each calendar quarter. Each payment shall be accompanied by a report prepared by a representative of the Grantee showing the basis for the computation.
 - C. The Grantor and Grantee shall comply with the auditing provisions established pursuant to 65 ILCS 5/11-42-11.05.
- 16. Effective Date.** The Franchise granted herein will take effect and be in full force from such date of acceptance by Grantee recorded on the signature page of this Franchise. This Franchise shall expire on September 18, 2018 unless extended in accordance with Section 3 of this Franchise or by the mutual agreement of the parties.
- 17. Severability.** If any section, subsection, sentence, clause, phrase, or portion of this Franchise is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this Franchise.
- 18. Acceptance and Entire Agreement.** The Grantor and the Grantee, by virtue of the signatures set forth below, agree to be legally bound by all provisions and conditions set forth in this Franchise. The Franchise constitutes the entire agreement between the Grantor and the Grantee. No modifications to this Franchise may be made without an appropriate written amendment signed by both parties.