

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is entered as of July 14, 2015, between North Sewickley Township, a municipality of the Commonwealth of Pennsylvania (hereinafter "Township") and Armstrong Utilities, Inc., a duly organized corporation doing business in the Commonwealth of Pennsylvania (hereinafter "Grantee").

PREAMBLE

The Township has determined that it would be in the public interest for the Grantee to have, in accordance with the terms hereof, the right, license and privilege of constructing and operating a cable television and telecommunication system within the Township. The Grantee has determined, so long as it is economically and technically feasible, that it is desirous of obtaining, in accordance with the terms hereof, the right, license and privilege of constructing and operating a cable television and telecommunication system within the Township. The Grantee and the Township have agreed to be bound by the terms and provisions herein set forth and have further agreed that such terms and provisions may be modified or amended only by written agreement of both parties.

The entering into this Agreement by the Township and the terms and conditions hereof were duly authorized, approved and ratified by the Township pursuant to Ordinance No. 07142015 enacted on July 14, 2015.

Therefore, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. **Definitions.** For the purpose of this Agreement, each of the following terms shall have the meaning ascribed below. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

(a) "Grantee" shall mean Armstrong Utilities, Inc. or its assignees.

(b) "Cable System" or "System" means a system of poles, wires, cables, fibers, lines, underground conduits, converters, equipment, appliances and/or facilities designed, constructed or used for the purpose of producing, receiving, amplifying, transmitting and distributing radio, television, telephone, data and two-way interactive impulses and energy and other information, related services, products or matters to residential and commercial customers of the Grantee within the Township.

(c) "Cable Service" means the one-way or two-way transmission to or from subscribers of video programming or other programming services (including music), and

determination within twenty (20) days after receipt of the Grantee's proposed means of attachment, construction or conduit.

(b) Grantee shall extend the Cable System into all areas of the Township where there is a minimum of twenty (20) dwelling units per linear mile of aerial cable, and thirty (30) dwelling units per linear mile of underground cable, calculated from the nearest trunk line. To be counted for purposes of this Section 3(b), dwelling units must be located within two hundred (200) feet of the to-be-built Cable System extension.

4. Conditions on Use and Occupancy of Streets.

(a) Pole attachments and the construction, installation, repair and replacement of basic System hardware and the operation and removal of the System and all parts thereof by the Grantee within the Township shall be conducted in such manner as to cause minimum interference with the proper use of streets, lanes, alleys, bridges and viaducts and other public places, and to cause minimum interference with the rights or reasonable convenience of the property owners, tenants or occupants who adjoin any of said streets, lanes, alleys, bridges, viaducts and other public places.

(b) In the event of any disturbance caused by the Grantee's activities hereunder to the pavement, sidewalk, driveway or other surfacing as to which the Township is responsible, the Grantee, at its own cost and expense, shall replace and restore all such paving, sidewalk, driveway or surface so disturbed in a good and workmanlike manner and to as functionally sound a condition as before said activities were commenced, and shall be completed within sixty (60) days of the disturbance or such longer period as may be approved by the Township. All such replacement and restoration by the Grantee shall be subject to the approval of the Township engineer or designated person and such approval shall not be unreasonably withheld.

(c) In the event that, at any time during the existence of the within right, license and privilege to the Grantee, the Township elects to alter or change the grade, alignment or paved width of any street, lane, alley, bridge or viaduct or other public way, the Grantee, upon notice by the Township, at its own expense, shall remove and relocate any affected part of the System within thirty (30) days of the date of notice or such reasonable extension thereof as may be granted by the Township representative considering the circumstances of the case.

(d) The Grantee shall not place the System or any part thereof where the same will interfere with any gas, electric, telephone or telegraph line or fixture, water hydrant or main, nor in such manner as would interfere with the usual travel on the streets, lanes, alleys, bridges and viaducts and other public places of the Township.

(a) Construction and maintenance of the System shall be in accordance with the provisions of the National Electric Safety Code of the National Board of Fire Underwriters, and such other applicable laws of the Commonwealth of Pennsylvania, Beaver County, and regulations and ordinances of the Township which may be lawfully in effect from time to time.

(b) All structures, lines, equipment and connections in, over, under and upon the streets of the Township, wherever situated or located, shall at all times be kept and maintained in a safe, suitable condition and in good order and repair.

6. **Voluntary Subscriptions.** All subscriptions for services under any franchise shall be on a voluntary basis, and may be terminated at any time by the customer except in circumstances whereby a mutually agreed upon contract has been executed.

7. **System Services.**

(a) The Grantee, at all times, shall provide all subscriber service as and to the extent required to be provided by applicable federal and state rules and regulations from time to time in effect.

(b) Additional services may, at the sole discretion of the Grantee, be provided by the Grantee, including services for which a per-program, per-service or per-channel charge is made consistent with applicable federal and state rules and regulations.

8. **Operation and Maintenance of System.** Grantee shall make reasonable efforts to assess subscriber need and viewing preferences. If any existing service becomes unavailable, or the Grantee decides to discontinue a service, Grantee shall endeavor to provide substitute programming. Grantee may combine programming into composite channels to improve efficiency of channel utilization or to attract a larger viewing audience.

9. **Service Standards.**

(a) The Grantee will investigate and resolve all subscriber complaints regarding the quality of service, equipment malfunctions and similar matters expeditiously and in accordance with the following procedure:

(i) The Grantee shall have qualified personnel available during normal working hours to investigate and resolve subscriber complaints;

(ii) Upon notification of a service complaint, the Grantee shall dispatch a qualified employee to investigate the complaint and adjust, repair or replace Grantee equipment as necessary to resolve the complaint. The Grantee shall not be responsible for malfunctions of any television receivers or other equipment owned or operated by any subscriber;

prejudice or disadvantage, provided that nothing in this franchise shall be deemed to prohibit the establishment of a graduated scale of charges and classified rate schedules to which any customer coming within such classification would be entitled. Connection and/or service charges may be waived or modified during promotional campaigns of the Grantee. The Township acknowledges that the offering of different programming and service rates by Grantee in portions of the Township also served by another multi-channel video distributor shall not constitute an act of discrimination prohibited by this Section 11.

12. Insurance. The Grantee shall, at all times during the term of this Agreement, maintain in full force and effect, at its own cost and expense, a general comprehensive liability insurance policy protecting its representatives, officials and employees, against liability for loss or damage for personal injury, death and property damage, occasioned by the operations of the Grantee under this Agreement with minimum liability limits of: One Million Dollars (\$1,000,000.00) for personal injury or death of any one person, and One Million Dollars (\$1,000,000.00) for personal injury or death of two (2) or more persons in any one occurrence. Such policy of insurance, and any certificate evidencing same, shall name the Township, its representatives, officials and employees as additional insureds and shall also provide that thirty (30) days prior written notice of intention not to renew or cancel be given to the Township.

13. Effective Date and Term of Franchise. The right and privilege herein granted shall take effect and be in force from and after the Effective Date and shall continue in force and effect for a period of ten (10) years from the Effective Date of this Agreement. Upon the expiration of said period and provided that the Grantee has complied with the terms and conditions hereof, the grant and provisions hereof shall be renewed under the provisions of the Cable Communications Act of 1984, Section 626. In the event the term expires without a renewed agreement, the parties agree hereto that Grantee shall be permitted to continue to operate the Cable System until a formal agreement is reached.

14. Federal Regulation. In the event and to the extent that the terms and provisions hereof shall be superseded and preempted by or become inconsistent with state law or federal law (including rules and regulations promulgated by the FCC), then and in each such event, it shall be the right of Grantee to take such action within sixty (60) days after such event as shall be reasonably necessary and may be reasonably requested to so amend or modify in writing this Agreement and to preserve the written contract for rights and benefits of the Grantee and fulfill the intent and purposes of this Agreement.

15. Separability. Subject to the provisions of Section 14 hereof, if any section, subsection, sentence, clause, phrase or portion of this Agreement is for any reason held invalid or unconstitutional by any court or administrative tribunal 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 hereof.

19. Binding Effect. This Agreement shall bind and inure to the benefit of the Township and the Grantee, and their respective successors and assigns; provided, however, that without the written consent of the Township, which consent shall not be unreasonably withheld or delayed, the Grantee shall not assign the right, license or privilege herein granted to any person, firm or corporation other than a person, firm or corporation affiliated with it. Township consent shall not be required for the collateral assignment of a grant of security interest in this Agreement for purposes of securing indebtedness. The terms and provisions of this Agreement may not be amended or modified, by ordinance or otherwise, except as agreed upon in writing by both parties hereto.

20. Community Service. To the extent not prohibited by statute, regulation, or rule, Grantee will, at no charge to the Township, provide basic cable service to the Township buildings, public school buildings, public library, police stations and fire stations located in the Township and which are also located within one hundred fifty (150) feet of Grantee's existing Cable System. Provided, however, per the FCC's Order dated January 21, 2015 (FCC MB Docket No. 05-311), Armstrong may deduct the value of all services provided to the Township from any aggregate franchise fee collected. The buildings into which Grantee shall provide basic cable service under this Section 20 are identified in Exhibit A attached hereto and made part hereof.

EXHIBIT A

Buildings to Receive

Free Basic Cable and Zoom Pro Service

North Sewickley Volunteer Fire Department
887 Mercer Road
Beaver Falls, PA 15010

North Sewickley Water
590 Mercer Road
Beaver Falls, PA 15010

North Sewickley Sewer
1160 Mercer Road
Beaver Falls, PA 15010

North Sewickley Township Building
893 Mercer Road
Beaver Falls, PA 15010

North Sewickley Police
899 Mercer Road
Beaver Falls, PA 15010

ORDINANCE OF NORTH SEWICKLEY TOWNSHIP NO. 07142015


An Ordinance by North Sewickley Township, Beaver County, Pennsylvania, Granting a Non-Exclusive License to Armstrong Utilities, Inc. for a period of ten (10) years to Operate a Cable System within the Township in accordance with Such Agreements As May from Time to Time Be Negotiated between the Township and Licensee.

BE IT ENACTED AND ORDAINED, and it is hereby enacted and ordained by the Supervisors of North Sewickley Township, Beaver County, Pennsylvania, as follows:

1. Armstrong Utilities, Inc. is granted a non-exclusive license to operate a cable system in the area of North Sewickley Township where it presently operates such a system.
2. The term of the license for Armstrong Utilities, Inc. shall be ten (10) years.
3. The rights and obligations of Armstrong Utilities, Inc. shall be as set forth in an agreement entered into between licensee and the Township.
4. Any provision of any existing ordinance which is contrary to the within ordinance is hereby repealed.

ENACTED and ORDAINED this 14th day of July, 2015

ATTEST:


Name: Amy Schmidhamer
Title: Secretary

BOARD OF SUPERVISORS,
NORTH SEWICKLEY TOWNSHIP,
BEAVER COUNTY, PENNSYLVANIA

By: 
Name: Emmett Santillo
Title: Chairperson

By: 
Linda Brown
Title: Supervisor

By: 
John R. Axtell
Title: Supervisor