

VILLAGE OF CHAPIN

ORDINANCE NO. 95- 4

AN ORDINANCE GRANTING A TELEVISION FRANCHISE TO TRIAX MIDWEST ASSOCIATES, L.P. d.b.a TRIAX CABLEVISION AND THE RIGHT TO ERECT INSTALL, MAINTAIN AND OPERATE A CABLE TELEVISION SYSTEM WITHIN THE VILLAGE OF CHAPIN, MORGAN COUNTY, ILLINOIS, PROVIDING FOR THE REGULATION AND ADMINISTRATION OF THE FRANCHISE AND ACTIVITIES UNDERTAKEN PURSUANT THERETO

FOR THE

VILLAGE OF CHAPIN, MORGAN COUNTY, ILLINOIS

ADOPTED BY THE

PRESIDENT AND BOARD OF TRUSTEES

OF THE

VILLAGE OF CHAPIN, MORGAN COUNTY, ILLINOIS

THIS 5 DAY OF July, 1995

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Chapin, Morgan County, Illinois this 5 day of July, 1995.

CABLE TELEVISION FRANCHISE

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Ordinance Number: 95-4

AN ORDINANCE GRANTING A TELEVISION FRANCHISE TO TRIAX MIDWEST ASSOCIATES, L.P., d.b.a. TRIAX CABLEVISION AND THE RIGHT TO ERECT, INSTALL, MAINTAIN AND OPERATE A CABLE TELEVISION SYSTEM WITHIN THE VILLAGE OF CHAPIN, MORGAN COUNTY, ILLINOIS, PROVIDING FOR THE REGULATION AND ADMINISTRATION OF THE FRANCHISE AND ACTIVITIES UNDERTAKEN PURSUANT THERETO.

WHEREAS, TRIAX MIDWEST ASSOCIATES, L.P., d.b.a. TRIAX CABLEVISION, hereafter referred to as the "Company", has requested that it be granted the right and privilege to construct, install, maintain and operate a community antenna television system (the "Cable System") within the Village of Chapin and to utilize public rights-of-way for this purpose.

WHEREAS, the Village of Chapin, hereafter referred to as "the Village" desires that the Company be granted that right in the nature of non-exclusive franchise and has determined that such a franchise would be beneficial to the public welfare.

WHEREAS, the Village believes that regulation is required in order to assure that the construction, installation, maintenance and operation of the Cable System is undertaken in accordance with the applicable laws and regulations affecting said activity and in a proper manner with minimal expenses and costs to the Village.

WHEREAS, the Village has authority to grant this Franchise and to regulate the same.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHAPIN, MORGAN COUNTY, ILLINOIS, that a cable television franchise be and is hereby granted to the Company pursuant to the following terms, conditions, restrictions and regulations:

Section I

Granting of Authority

In consideration of the faithful performance and observance of the conditions and reservations hereinafter specified, the right, privilege and franchise is hereby granted to the Company, subject to the provisions hereof, to erect, maintain, and operate a system of antennas, cables, wires, lines, facilities, and additions thereto, in, under, over, along, across and upon the lanes, streets, avenues, sidewalks, alleys, and any easement or right-of-way for or hereinafter held by the Village, or dedicated for use by the Village or the general public, for the purpose of transmission and distribution of television signals subject to, and in accordance with, the laws and regulations of the United States of America, the State of Illinois, and the ordinances and regulations of the Village, and for such other uses compatible with the Cable System as the Company may, from time to time, determine, including, but not limited to, the transmission of voice and data.

The Company is hereby granted the further right, privilege and authority to lease, rent or in any lawful manner, obtain the use of towers, poles, lines, cables, underground conduits and other equipment and facilities from any and all holders of public licenses and/or franchises within the limits of the Village and to use such towers, poles, lines, cables and underground conduits and other equipment and facilities subject to all the provisions of this Franchise and existing ordinances and regulations of the Village. The poles predominantly used by the Company shall be those wholly owned by the Village where the Village owns poles

which may be utilized. Where the Village poles cannot be used for the distribution of the Cable System, the Company shall have the right to erect and maintain its own poles, as may be necessary for the proper construction and maintenance of the television distribution of Cable System, or poles provided by any local public utility company when and where practical, providing mutually satisfactory rental agreements, if needed, can be entered into with said companies; provided, however, the placement and location of such poles by the Company shall be subject to the approval and consent of an Authorized Village Official as provided in this Franchise and to such other ordinances and regulations of the Village.

Section II

Non-Exclusive Franchise (from other franchise)

The right, privilege, and franchise granted by this Franchise is not exclusive. The Village shall have the right to grant to other persons or entities who own and operate community antenna television systems rights similar to those granted to the Company herein at any time during the term of this Franchise and renewal thereof, upon such terms and conditions as the Village may determine and as they may be permitted under applicable law with due consideration of the interests of the public and the Company; provided that no other franchise shall be granted upon terms which are materially more favorable to the operator than the terms hereunder.

Section III

Definitions

"Authorized Village Official" shall mean the Village President or any other Village official or personnel designated in writing to the Company by the Village President or Village Board of Trustees as being authorized to act on behalf of the Village regarding this Franchise.

"Cable System" shall mean a system as defined under federal law (47 USC §522(7)) designed to receive, transmit, amplify and distribute Television, radio, satellite signals, data and electronic communications, and/or designed for such other uses which are compatible therewith, including, but not limited to, the transmission of voice and data.

"Basic Service" shall mean the initial service including, but not limited to, mandatory carriage signals and local access channels and such other service as the Federal Communications Commission (the "FCC") may mandate or the Company may include. This shall not include optional premium services, as long as they are sold separately from basic tier service.

"Satellite Tier(s)" shall mean non-broadcast/television programming typically satellite delivered cable only programming which is marketed and sold as an optional addition to the Basic Service.

"Subscriber(s)" shall mean any person who pays the applicable rates to receive cable Television or other communications services from the Company.

"Television" shall mean any transmission of audio, video, digital, or other electrical signals and any other transmission by means of impulses.

"Gross Revenue(s)" shall mean any and all compensation or receipts derived by the Company from the transmission and carriage of broadcast signals and FCC mandated non-broadcast services, satellite tiers, and any premium channels, such as HBO, Cinemax and Disney within the Village, but shall not include any deposits delivered to the Company until such time as the Company legally is entitled to the same, nor installations, additional outlets, converters, disconnections, reinstallation charges, inspections, repairs or modifications of any installation and shall be net of all refunds or credits made to Subscribers and any taxes imposed upon or with respect to the services furnished by the Company. Gross Revenues shall include revenue from pay-per-view and programming supplied on a per program or per channel charge basis but shall not include revenues from advertising or leased channels.

"Developer" shall mean any individual, company or corporation which engages in a business venture to develop any unimproved property within the franchised area.

Section IV

Indemnification and Insurance

1. The Company shall at all times indemnify, protect, defend and hold the Village harmless from all claims, actions, suits, liabilities, losses, expenses, or damages of every kind and description, including investigation costs, court costs and

reasonable attorneys' fees which may accrue to or be suffered or claimed by any person or persons by reason of or relating to the ownership, construction, repair, replacement, operation and maintenance of the Cable System and by reason of any license, copyright, property right or patent of any article or system used in said system.

2. In order for the Village to assert its rights to be indemnified, defended, and held harmless, the Village shall provide:

- (a) Prompt notice to the Company of any claim or legal proceeding which gives rise to such rights;
- (b) Full cooperation with the requests of the Company with respect to the Company's participation in, and control, compromise, settlement or resolution or other disposition of such claim or proceeding.

3. The Company shall maintain in full force and effect public liability and property insurance with the following minimal coverage: property damage -- \$100,000.00 per occurrence; \$300,000.00 aggregate; bodily injury -- \$300,000.00 per occurrence; \$500,000.00 aggregate, which insurance shall name the Village as additional insured and which shall require THIRTY (30) days notice of cancellation to be given to the Village. The Company also shall carry insurance coverage for all claims under any applicable Workers' Compensation law. On the request of the Village, the Company shall file with the Village, certificates of insurance for the above coverage.

Section V

Franchise Fee

1. The Company shall pay to the Village a franchise fee in an amount equal to three percent (3%) of all Gross Revenue received from Subscribers located within the Village, or, at the sole option of the Village, the maximum franchise fee otherwise allowed by law.

2. The Company shall pay this fee to the Village within SEVENTY (70) days after the end of each calendar year, and the fee shall be based on the total Gross Revenue received by the Company from Subscribers located within the Village during the preceding year. The fiscal year of the Company ends on December 31 of each year.

3. The Company shall submit with each payment a Report concerning the information upon which the fee owed the Village was based and shall provide additional information or records as the Village may reasonably request in order to review and determine the fee obligation. An authorized person of the Company shall verify, on oath or affirmation, that the information contained in the Report is a true and correct statement of the Gross Revenues derived by the Company from the operation of the Cable System. Further, the Village shall have the right at any time, upon reasonable notice, to inspect the financial records of the Company with reference to the gross revenues of the Company. The Village shall have the right to have a certified public accountant designated by the Village examine such of the financial records as the accountant may reasonably require to verify such information.

4. If any franchise fee is not received by the Village on or before the date specified, interest shall be charged from the due date at two (2) percentage points over the prime lending rate at Chapin State Bank, Chapin, Illinois, computed daily and the Village may, at its option, declare the Company in default of the franchise.

5. Nothing in this Franchise shall waive, limit, or otherwise affect the right of the Village to adopt ordinances or to enforce existing ordinances regarding, and to collect other fees and taxes permitting by law.

Section VI

Village Expenses and Fees

The Company shall pay or reimburse the Village for costs, fees, expenses (including its reasonable attorney fees), and charges reasonably incurred by the Village for the following:

1. Protection, removal or relocation of the Company's equipment or facilities if such action has been requested by the Village and the Company has failed to perform the work within the time provided in this Franchise, or as required by federal, state or Village law or regulation, or, if no time period is specified, then within a reasonable period of time.

2. Restoring or remedying any damage or condition resulting from the construction, installation, maintenance, or removal of any work performed by the Company.

3. Any costs, fees, expenses and charges incidental to the awarding or renewal of this Franchise provided that the Village

will provide the Company with advance notice of any anticipated extraordinary charges to be incurred.

4. Any costs, fees, expenses and charges, including reasonable attorneys' fees incurred in the collection of fees or expenses or in the enforcement of the terms and conditions of this Franchise.

5. Any costs, fees, expenses and charges, including reasonable attorneys' fees incurred by reason of the Company's failure to comply with its obligations under this Franchise or under federal, state or Village laws and regulations.

Section VII

Term

The initial term of this Franchise shall be ten (10) years from the effective date of this Franchise. Provided the following conditions are met, the Company may renew this Franchise at the end of this initial term, for an additional term of two (2) years by giving written notice to the Village not less than TWELVE (12) months prior to the expiration hereof, unless the consent of the Village to such renewal is required by applicable federal, state or local laws and regulations:

- (a) This Franchise is still in force and effect and Company is not then in default of the provisions of this Franchise or any applicable federal, state or Village law or regulation then in effect;
- (b) The Company has not been found by the Village to be in default of the provisions of this Franchise more than two (2) times during any consecutive twelve (12) month period nor more than three (3) times during the initial term of this Franchise; and
- (c) The Company has not been found liable for Village Ordinance violations more than two (2) times during any

consecutive twelve (12) month period nor more than three (3) times during the initial term of this Franchise.

In determining whether to grant a renewal, the Village shall consider those factors prescribed by applicable law and among other things, (1) whether the Company has substantially complied with the material terms of this Franchise and with applicable law; (2) the extent and quality of the Company's service; (3) whether the Company remains financially, legally and technically qualified; and (4) whether the Company's renewal would reasonably meet the future cable-related community needs and interests.

Section VIII

Regulation of Franchise and Standards of Operation

A. REGULATIONS:

1. SUBSCRIBER SERVICE STANDARDS: The Village shall have the authority to enforce the following minimum Subscriber Service Standards, as well as any additional service standards it may be authorized to enforce from time to time by federal or state law or regulation. Nothing in this Franchise or this Ordinance shall prohibit or prevent the Village from establishing and enforcing by ordinance or regulation, service standards or consumer protection laws exceeding, or addressing matters not addressed by, the standards set forth in this paragraph 1 of this Section VIII A. or federal or state law or regulation.

- (a) The Company shall maintain a publicly listed, toll-free telephone number to receive Subscriber complaints, and the Company shall notify Subscribers of this telephone number on a periodic basis. The Company may provide separate toll-free telephone numbers for complaints made after normal business hours, but must be capable of handling complaints TWENTY-FOUR (24) hours a day. Complaints received after normal business hours must be

responded to on the next business day unless the Subscriber requests a different date.

- (b) The Company shall investigate all Subscriber complaints regarding quality of service, equipment malfunctions and similar matters expeditiously and no later than the next business day; provided, however, in the case of the loss of picture or sound on one or more cable channels, such response shall be no later than 24 hours after the interruption becomes known. Upon notification of a service complaint, the Company shall dispatch a qualified employee to investigate the complaint and adjust, repair, or replace Company equipment as necessary to resolve the complaint.
- (c) If there is an interruption of service for FORTY-EIGHT (48) consecutive hours or more, the affected Subscribers shall receive, upon request, a pro-rata reduction of charges, provided that the Subscriber has notified the Company immediately of the outage and made claim for credit within NINETY (90) days of its occurrence. The loss of service must be caused directly by failure of the Company's equipment in order to qualify for a credit. No credit will be given if the service interruption is caused by any of the Subscriber's equipment or any action taken with respect to the Company's equipment by someone other than the Company's employees. The Company is not responsible for the operation, maintenance, service or repair of any Subscriber's televisions, radios, VCRs other receivers and related equipment.
- (d) Basic Installations shall be performed within seven (7) business days after an order has been placed under normal operating conditions. All other installations shall be performed as soon as practical, but not later than fourteen (14) business days after an order has been placed under normal operating conditions.
- (e) Appointments for installation, service calls, and other installation activities shall be either a specific time or, at maximum, an eight-hour time block during normal business hours; provided, however, the Company shall use its best efforts to accommodate the schedule of the Subscriber. Service calls may be scheduled outside of normal business hours for the express convenience of the Subscriber. An appointment with a Subscriber may not be canceled after the close of business on the business day prior to the scheduled appointment. If a Company representative is running late for an appointment with a Subscriber and will not be able to keep the appointment as scheduled, the Subscriber shall be contacted as soon as practicable. The appointment shall be rescheduled, as necessary, at a time convenient for the Subscriber.

- (f) The Company shall provide written information to Subscribers on each of the following areas at the time of installation of service, at least annually by publication in a local newspaper of general circulation within the Village, by mail to all Subscribers if required by federal or state law, and at any time upon request:
- (1) Products and services offered;
 - (2) Prices and options for programming services and conditions of subscription to programming and other services;
 - (3) Installation and service maintenance policies;
 - (4) Instructions on how to use the cable service;
 - (5) Channel positions programming carried on the system; and
 - (6) Billing, complaint, refund and rebate procedures.
- (g) The Village and Subscribers will be notified of any changes in rates, programming services or channel positions as soon as possible through announcements on the cable system, if a local channel is provided, and in writing. Notice must be given to the Village and Subscribers a minimum of thirty (30) days in advance of such changes if the change is within the control of the Company. In addition, the Company shall notify Subscribers thirty (30) days in advance of any significant changes in the other information required by the preceding paragraph.
- (h) Bills will be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, basic and premium service charges and equipment charges. Bills will also clearly delineate all activity during the billing period, including optional charges, rebates and credits. In case of a billing dispute, the Company must respond to a written complaint from a Subscriber within 30 days. Refund will be issued promptly, but no later than either: i) the customer's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or ii) the return of the equipment supplied by the Company if service is terminated. Credits for service will be issued no later than the Subscriber's next billing cycle following the determination that a credit is warranted.
- (i) Notwithstanding any provision contained herein to the contrary, the Company will not be liable for any inconvenience, loss, liability or damage resulting from any circumstances beyond its control, and any such circumstance also shall toll the Company's obligation to perform hereunder until such circumstance has passed.

2. STREET/PUBLIC WAY OCCUPANCY REGULATIONS: The Village shall have the authority to enforce the following minimum regulations relating to the Company's use and occupation of public property, as well as any additional rules or regulations it may be authorized to enforce from time to time by federal, state or Village law or regulation. Nothing in this Franchise or this Ordinance shall prohibit or prevent the Village from establishing and enforcing by ordinance or regulation additional regulations or laws regulating the use of its streets, alleys, easements and rights-of-way as it may determine necessary to ensure the protection and preservation of the same and the health, safety and welfare of the public.

- (a) All equipment, poles, wires, cables, underground conduits and facilities of every kind shall be located, installed and maintained so as to:
 - (1) Not interfere with the proper and regular use of lanes, streets, avenues, sidewalks, alleys, easements and rights-of way of the Village, except to the minimum extent required during installation or repair;
 - (2) Not interfere with any improvements the Village may deem proper to make;
 - (3) Assure that the safety, functioning and appearance of the property, and the convenience and safety of other persons and the public shall not be adversely affected thereby or so as to pose a danger or risk to the health, safety or welfare to the Village or the public;
 - (4) Comply with applicable federal, state and local laws and regulations and in accordance with good engineering practices.
- (b) (1) Except as provided in (b)(2) of this subsection, no poles or other above ground fixtures shall be located, installed or placed upon Village property by the Company without the prior approval of an Authorized Village Official with regard to location and placement. If an

Authorized Village Official fails to respond to a written request for approval to locate such poles or other fixtures within FORTY-FIVE (45) days, then the request shall be deemed to be approved without further action being necessary. The Company shall not place poles or other fixtures where the same will interfere with any water, sewer, gas, electric or telephone fixtures, water hydrant or water or sewer main, or other utilities and all such poles or other fixtures placed in any street shall be placed at the outer edge of the sidewalk and inside the curb line and those placed in alleys shall be placed close to the line of the lot abutting on said alley.

(2) In the case of an interruption of service or cut in a Company line or wire or other emergency which causes an interruption in service, the Company may locate, install or place a pole or other above ground fixture on a temporary basis to re-establish service without the prior approval of an Authorized Village Official. Immediately thereafter, but not later than two (2) business days after such interruption of service, the Company shall notify an Authorized Village Official in writing of the location, installation or placement of such pole or above ground fixture. An Authorized Village Official shall have FORTY-FIVE (45) days from the receipt of such notice to approve or disapprove of the locations, installation or placement of such pole or above ground fixture. If an Authorized Village Official fails to respond to such notice within FORTY-FIVE (45) days, then the placement shall be deemed to be approved without further action being necessary. If an Authorized Village Official disapproves of the placement, then the Company shall have THIRTY (30) days to cause the same to be removed at Company expense.

- (c) On all installations, repairs, improvements, or extensions to the Cable System from and after the date of this Franchise, the Company shall bury its lines, wires and cables whenever reasonably practical and feasible or required by subdivision covenant or Village ordinance or regulation. In the event the Company is notified that any cable buried on or before the date of this Franchise is exposed or visible on the surface, the Company shall cause the same to be buried according to the provisions hereof within THIRTY (30) days of receipt of such notice or as soon as weather conditions permit, whichever is later. All buried lines and cables shall be at a minimum depth of 12 inches. Service drops must be buried within one (1) month of service being established or as soon as weather conditions permit such burial, whichever is later.

- (d) In case of disturbance of any street, driveway, sidewalk, or paved area caused by the Cable System or the Company, the Company shall, at its expense, and in a manner and method approved by the Village, replace and restore such street or paved area to a condition which is as good as the condition existing prior to the disturbance. The Company shall notify the Village at least FIFTEEN (15) days prior to commencing work which notice shall outline the scope of the work, its duration, and the proposed manner of restoring the disturbed area. During the course of the work the Company shall give the Village an opportunity to inspect the replacement and restoration work. In case of the disturbance of areas covered in vegetation, such as grass, the Company shall, at its expense, restore the area to as good condition as prior to the disturbance, including reseeding the area affected after allowing for any settling of the fill material that may occur.
- (e) In case of fire, earthquake, flood, or other emergency or similar occurrence, the Village may temporarily remove any of the Company's facilities or equipment, with notice to the Company being given as promptly as possible. When reasonably possible the Village shall give advance notice to the Company. The Company shall not be entitled to payment for any damage caused by this removal, unless the Village acted with gross negligence or willful misconduct.
- (f) If the Village decides to alter or change any street, sidewalk, alley or other public way, or to undertake any improvements on, or about the street, sidewalk, alley or other public way, the Village shall give the Company a SIXTY (60) day advance notice of such alteration and the Company shall relocate its facilities and equipment or take such other reasonable action as may be necessary to accommodate the public improvements, at the Company's expense. This notice requirement can be waived by agreement of the parties.
- (g) The Company agrees to temporarily remove, reroute or move any or all of its equipment and facilities to accommodate public or private works or construction, and movement of buildings or extra large truckloads, etc. In the case of requests from the Village or other public or governmental body for the accommodation of public property, public works or public construction, the Company shall be entitled to at least a THIRTY (30) day notice prior to such event, but shall not be entitled to reimbursement of its costs. In the case private parties and private projects, the Company shall be entitled to both a SIXTY (60) day notice prior to such event and reasonable costs

for such relocations from the private party causing such relocation.

- (h) Before undertaking any construction or installation of equipment or facilities which would materially disrupt the use of streets, alleys, or rights-of-way, the Company shall provide the Village with reasonable prior notice, but not less than FIFTEEN (15) days, of the work to be performed and location and period of time involved in the undertaking. The Village shall have the right to inspect the work at any time to be certain it is being done in accordance with this Franchise and Village ordinance or regulation. When completed, the Company shall, upon request, submit a plan to the Village showing the location of facilities and equipment and identifying the equipment and facilities comprising the Cable System.
- (i) The Company agrees to compensate property owners for or to restore all damages caused to private and public property including landscaping by the construction, operation or maintenance of its Cable System. Notwithstanding any agreement it may have with any construction company, the Company shall be primarily responsible for all such damages.
- (j) The Company shall have the authority and is hereby required to trim trees upon and overhanging streets, alleys, sidewalks and public places of the Village to prevent the branches of such trees from coming in contact with the wires, cables and distribution system components of the Company, all trimming to be done under the supervision and direction of the Village and at the sole expense of the Company.

3. VIOLATIONS: If the Company shall violate any provision of this Section VIII A. above, it shall be guilty of an ordinance violation and subject to the following:

- (a) If the Village finds that the Company is in violation of any provision of this Section VIII A., by a majority vote of the Board of Trustees present, the Village may direct that a Notice of Ordinance Violation be issued to the Company which notice shall specify the violation. Within ten (10) days of receipt of the Notice of Ordinance Violation, the Company may request, in writing, an opportunity to appear before the Board of Trustees to answer and rebutt the allegations in said Notice, said appearance to be at the next regular or special meeting of the Board, or such other time mutually agreed upon by the parties. The Board of Trustees, by a majority vote of those in attendance, shall make a final determination

whether a violation occurred. The decision of the Board shall be final and binding upon the Company. If the Company fails to request an appearance before the Board, then the Company does waive its right to such appearance and shall be deemed to be in concurrence and agreement with the violations and shall be obligated to comply with the provisions of paragraph 3(b) and 3(c) hereof.

- (b) If the Board of Trustees finds the Company to be in violation of this Section VIII A. as provided above, then the Company agrees, within THIRTY (30) days of receipt of the Notice of Ordinance Violation or within TWENTY (20) days of the final determination of the Board, whichever later, to make a contribution to the Village for use in purchasing equipment or making public improvements. The Company shall make a contribution in the amount of \$150.00 for the first violation, \$250.00 for the second violation, and \$500.00 for the third and every subsequent violation.
- (c) In the event the Company shall not make a contribution within the time specified in subsection (b) above, then the Company shall be liable to the Village for a fine of not less than \$150.00 nor more than \$500.00 for a first offense and not less than \$500.00 nor more than \$1,000.00 for a second and every subsequent offense. The fines provided in this subsection (c) shall be enforced by a Second Notice of Ordinance Violation being issued to the Company. In the event the Company fails to pay said fine within the time provided in said Second Notice, the Village may institute appropriate proceedings to prosecute such violation in the courts of Morgan County, Illinois, which shall have jurisdiction to enforce this section.

B. STANDARDS:

1. TECHNICAL AND OPERATIONAL STANDARDS:

- (a) The Company shall maintain the Cable System so that it is capable of providing continuous, reliable and good quality reception and service to Subscribers based upon technology existing at the time.
- (b) The Company shall make repairs promptly. Service interruptions due to Cable System repairs, maintenance modifications or installations shall be for the shortest time possible, and shall, to the extent practicable, be preceded by advance notice to Subscribers and shall occur during periods of minimal viewership.
- (c) The Company shall maintain the Cable System so that it meets the technical standards applied by the FCC.

Procedures for testing the technical capacity of the Cable System shall conform with the technical and testing standards applied to Cable Systems by the FCC.

- (d) The Company shall maintain sufficient replacement and repair equipment, facilities and supplies, and trained personnel to perform necessary and prompt repairs to the Cable System in the event of damage thereto. In the event of major damage to the equipment and facilities, the Company shall make every effort to restore service as expeditiously as possible and to provide for alternative means of providing service to as many Subscribers as possible while making necessary repairs.
- (e) The Company shall continually and diligently pursue, where financially feasible, to offer service to Subscribers, and to improve and upgrade the Cable System, utilizing the highest standards and latest technology commonly used, and readily available, in the cable industry.

2. SERVICES TO BE PROVIDED:

- (a) The Company shall provide Basic Service to all Subscribers within the area of the Village reasonably serviceable by the Cable System and shall extend such service to areas that are annexed into the Village within a reasonable time after annexation provided such annexed area has a minimum of 25 homes per mile.
- (b) The Company shall provide upon request and without charge, Basic Service to each governmental building, fire station, police station, or public school building located in an area served by the Cable System.
- (c) The Company shall give access to the public school on the local access channel, provided it does not interfere with other programming.
- (d) No landlord shall demand or accept payment from the Company for permitting the Company to provide cable television service on or within said landlord's property or premises provided, however, that such landlord may be entitled to reasonable reimbursement for any direct expenses incurred by him in connection with the installation of cable television service.
- (e) No landlord shall interfere with the installation of cable television facilities upon his property or premises nor shall such landlord discriminate in rental charges, or otherwise, between tenants who receive or do not receive cable service. No landlord shall demand or accept payment from any tenant, in any form, for

permitting cable television service on or within his property or premises.

3. RATE AND REGULATION BY OTHER AGENCIES:

- (a) The Franchise granted shall be subject to and controlled by all of the provisions of the laws of the State of Illinois and of the United States of America, including all federal and state regulations, now existing or hereafter enacted.
- (b) The Company shall comply with all federal and state guidelines pertaining to Equal Employment Opportunity (EEO) policies. The Company is an Equal Opportunity Employer.

C. THEFT OF SERVICES AND TAMPERING:

1. No person whether or not a Subscriber to the Cable System, shall willfully, maliciously or otherwise damage or cause to be damaged any wire, cable, conduit, apparatus, appurtenance or equipment of the Company operating the cable television system within the Village, or commit any act with intent to cause such damage, or to tap, tamper or otherwise connect any wire or device to a wire, cable, conduit, apparatus, appurtenance or equipment of said Company with the intent to obtain a signal or impulse from the Cable System without authorization from or compensation to the Company, or to obtain cable television or other communication or service with intent to cheat or defraud the Company of any lawful charge to which it is entitled.

2. Persons receiving Cable Service may not alter, extend or otherwise tamper with the Company's facilities to serve more equipment than being contracted for.

3. Whoever shall violate any provision of this Section VIII. C. shall be guilty of a misdemeanor and shall be liable to a penalty of not less than ONE HUNDRED AND NO/100 DOLLARS (\$100.00)

for a first offense and not less than FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) for a second and every subsequent offense. The penalties provided in this Section shall be enforced by appropriate proceedings instituted by the Company. The courts of Morgan County, Illinois shall have jurisdiction to enforce this section.

Section IX

Developer Requirements

The Developer of any new subdivision within the franchised area is responsible for paying the Company for constructing cable into the subdivision. The Company will reimburse the Developer an amount agreed upon by both parties. The Company should be notified of the new subdivision by the Developer upon the approval by the Village of the subdivision or the annexation of the subdivision.

Section X

Report Requirements

In addition to the other reporting requirements set forth in this Franchise, the Company shall, upon request, submit to the Village copies of reports submitted to the FCC which relate to the Cable System. The Village may on reasonable notice inspect the FCC public files and technical files maintained by the Company at its local office with respect to the Cable System.

Section XI

Assignment or Transfer

The right, privilege and franchise given to the Company by this Franchise shall not be assigned or transferred without the prior approval of such transfer by the Village. Such approval shall not be withheld unreasonably. For the purpose of this

paragraph, an "assignment" or a "transfer" shall not be deemed to include any (i) transfer to any entity which is affiliated with the Company through common control, ownership or otherwise, (ii) transfer of less than 50% of the control of the Company or any of its affiliates, (iii) restructuring of the Company or any of its affiliates, and (iv) security interest or collateral assignment of the Cable System or the Company's rights hereunder to secure repayment of indebtedness.

Section XII

Franchise Subject to Police Power

The Company shall at all times during the term of this franchise be subject to all lawful exercise of the police power by the Village, which reserves the right to adopt from time to time such ordinances as may be necessary to the exercise of that police power as it may be related to this Franchise or cable television. If there shall be any conflict between the provisions of this Franchise and any present or future lawful exercise of the Village's police power, then the latter shall control and the Company shall be bound by such.

Section XIII

Other Permits Required

This Franchise does not supersede any other provisions of any Village Ordinance or regulation which may require the Company to obtain other permits, licenses, etc., or relieve the Company from compliance with such ordinances. Specifically, the Company is not relieved from the requirements to obtain building permits, utility pole agreements, etc.

Section XIV

Modifications of Franchise

This Franchise contains the entire agreement between the Village and the Company and may be amended or modified as agreed upon by the Village and the Company.

Section XV

Franchise Violations and Enforcement

1. If the Company defaults in the performance of or violates any of the regulations set forth in Section VIII A. of this Franchise, the Village may pursue an ordinance violation against the Company and seek the fines set forth in said Section.

2. If the Company defaults in the performance of or violates any other provision of this Franchise the Village:

(a) Shall comply with subsection 3 hereafter; and

(b) If such hearing and procedures set forth in subsection 3 hereof have not resolved the dispute, the Village may proceed in any appropriate court of law or administrative agency to compel compliance with the provisions of this Franchise, to collect any sums due hereunder which have not been paid, or to terminate the franchise granted hereby.

3. If the Village believes that the Company has violated any provision of this Franchise, other than Section VIII A., it shall take the following actions.

(a) The Village shall notify the Company in writing, with a certified letter of the alleged violation and of the Village's proposed remedy; the Company shall: i) have THIRTY (30) days after its actual receipt of such notice to cure such violations; or ii) if the Company disputes the existence of the violation or the proposed remedy, the Company shall have TWENTY (20) days in which to request a hearing on the matter. If the Company fails to request a hearing within TWENTY (20) days, then the Company does waive its right to such hearing and shall be deemed to be in concurrence and agreement with the

violations and proposed remedy and shall be obligated to comply with the same within FORTY-FIVE (45) days from the date of actual receipt of the notice of violation.

- (b) If a public hearing is requested by the Company as provided above, it shall be held after public notice at least TEN (10) days in advance, and written notice of the hearing and the alleged violations shall be mailed, certified mail, to the Company not less than TEN (10) days prior to the date of the hearing.
- (c) At the hearing, the Village shall publicly list all the alleged violations, and shall give the Company and all other interested parties an opportunity to be heard as to the alleged violation. Within a reasonable time after the hearing, the Village shall determine whether the Company has violated this Franchise and the remedy for the violation, and shall issue written findings and conclusions with respect thereto, and the Company shall be given a reasonable opportunity of not less than FORTY-FIVE (45) days after the issuance of said findings and conclusions to remedy the matter or comply with this Franchise.

4. Prevention or delay of any performance under this Franchise due to circumstances beyond the reasonable control of the Company, unforeseen circumstances, or acts of God, shall not be deemed noncompliance with or a violation of this Franchise.

Section XVI

Severability

The provisions of this Franchise shall be severable, and if any provision hereof shall be held to be unconstitutional, invalid or illegal, by any court of competent jurisdiction, such decision shall not affect the validity of any of the remaining provisions of this Franchise. It is hereby declared as legislative intent that this Franchise would have been enacted had such unconstitutional, invalid or illegal provisions not been included herein, and that any court of competent jurisdiction should reform such

unconstitutional, invalid or illegal provision to the minimum extent necessary to make such constitutional, valid and legal.

Section XVII

Final Termination of the Franchise

Upon termination of the Franchise, the Company shall remove its cables, wires and equipment from all poles of the Village and all space reserved for the Village's use on poles belonging to others, within a SIX (6) month period. If not so removed, the Village shall have the right to remove or have its contractor remove them at the risk, cost and expense of the Company and without any liability therefore.

Section XVIII

Effective Date

This Franchise and the Ordinance granting the Franchise shall become effective ten (10) days after its passage and approval by the Village and its publication in pamphlet form, as required by law. The Company's acceptance of its terms shall be memorialized by the authorized officers affixing their signatures hereto.

DATED THIS 5 DAY OF July, 1995.

PASSED THIS 5 DAY OF July, 1995 AT A ^{Regular} ~~SPECIAL~~ MEETING OF THE PRESIDENT AND BOARD OF TRUSTEES, AT WHICH A QUORUM WAS PRESENT, BY A VOTE OF 4 IN FAVOR AND 1 OPPOSED.

Shirley Coffman
VILLAGE CLERK

APPROVED BY ME THIS 5 DAY OF July, 1995.

Robert L. Bond
VILLAGE PRESIDENT

THE TERMS AND CONDITIONS OF THE FOREGOING FRANCHISE ARE HEREBY
ACCEPTED AND AGREED TO THIS ____ DAY OF _____, 1995.

By: _____

By: Triax Cable General Partner,
L.P., Its General Partner


By: Triax Associates IV, Inc.
Its General Partner,

By: _____
Noel Bambrough
Vice-President of Operations

STATE OF ILLINOIS)
) SS
COUNTY OF MORGAN)

I, Shirley Coffman, Village Clerk of the Village of Chapin, Morgan County, Illinois, do hereby certify that the foregoing and attached copy of Ordinance No. 95-4 is a true and correct copy of Ordinance No. 95-4, entitled, "An Ordinance Granting a Television Franchise to Triax Midwest Associates, L.P., d.b.a. Triax Cablevision and the Right to Erect, Install, Maintain and Operate a Cable Television System Within the Village of Chapin, Morgan County, Illinois, Providing for the Regulation and Administration of the Franchise and Activities Undertaken Pursuant Thereto" passed by the President and Board of Trustees of the Village of Chapin at a regular meeting of said City Council held on the 5 day of July, 1995, all as the original of the same remains on file in the records of my office.

IT WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Village of Chapin, this 5 day of July, 1995.



Village Clerk

(SEAL)

STATE OF ILLINOIS)
)
COUNTY OF MORGAN) SS

I, Shirley Coffman, certify that I am the duly elected and acting Village Clerk of the Village of Chapin, Morgan County, Illinois.

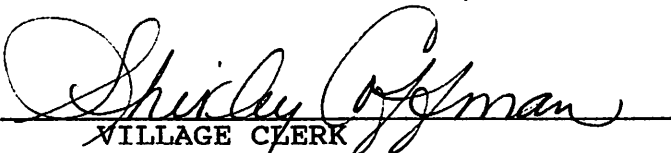
I further certify that on the 5 day of July, 1995, the President and Board of Trustees of the Village of Chapin, Illinois, passed and approved Ordinance No. 95- entitled:

"AN ORDINANCE GRANTING A TELEVISION FRANCHISE TO TRIAX MIDWEST ASSOCIATES, L.P., d.b.a. TRIAX CABLEVISION AND THE RIGHT TO ERECT INSTALL, MAINTAIN AND OPERATE A CABLE TELEVISION SYSTEM WITHIN THE VILLAGE OF CHAPIN, MORGAN COUNTY, ILLINOIS, PROVIDING FOR THE REGULATION AND ADMINISTRATION OF THE FRANCHISE AND ACTIVITIES UNDERTAKEN PURSUANT THERETO"

which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 95-4, including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance was posted at the Village Hall, commencing on the 5 day of July, 1995, and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request in the Office of the Village Clerk .

DATED at Chapin, Illinois, this 5 day of July, 1995.


VILLAGE CLERK

(SEAL)