

CABLE TELEVISION FRANCHISE ORDINANCE

City of Luverne, Minnesota

July 25, 2017

Prepared By:

**Brian T. Grogan
Moss & Barnett
150 South Fifth Street, Suite 1200
Minneapolis, MN 55402
(612) 877-5340
Brian.Grogan@lawmoss.com**

TABLE OF CONTENTS

SECTION 1 SHORT TITLE AND DEFINITIONS	1
1.) Short Title	1
2.) Definitions	1
SECTION 2 GRANT OF AUTHORITY AND GENERAL PROVISIONS	4
1.) Franchise Required	4
2.) Grant of Franchise	4
3.) Grant of Nonexclusive Authority	4
4.) Franchise Term	5
5.) Previous Franchises	5
6.) Rules of Grantee	5
7.) Territorial Area Involved.....	5
8.) Written Notice	6
9.) Drops to Public Buildings.....	6
10.) EAS/Emergency Use by City	7
SECTION 3 MINNESOTA REQUIRED CONSTRUCTION STANDARDS	7
1.) Permits	7
2.) Construction Codes.....	7
3.) Repair of Streets and Property	7
4.) Conditions on Street Use	7
5.) Protection of facilities.....	7
6.) Relocation	7
7.) Procedure for Removal of Cable	8
8.) Movement of Buildings	8
9.) Undergrounding of Cable	8
10.) Erection, Removal and Joint Use of Poles.....	8
SECTION 4 DESIGN PROVISIONS	8
1.) Minimum Channel Capacity	8
2.) Operation and Maintenance of System.....	8
3.) Technical Standards.....	8
4.) Special Testing.....	8
5.) FCC Reports	9
6.) Lockout Device.....	9
7.) Right of Inspection	9
SECTION 5 SERVICE PROVISIONS.....	9
1.) Regulation of Service Rates.....	9
2.) Leased Channel Service.....	9
3.) Sales Procedures	9
4.) Consumer Protection and Customer Service Standards	9
SECTION 6 PUBLIC ACCESS PROVISIONS.....	9
1.) Public, Educational and Government Access.....	9
2.) Digital and HD PEG Carriage Requirement.....	10
3.) Noncommercial Use of PEG	10
4.) Charges for Use	10
5.) Access Rules	11
6.) Dedicated Fiber Return Lines for PEG.....	11
7.) Access Operating Support	11
8.) Technical Quality.....	12
9.) Change in Technology	12
10.) Relocation of Grantee's Headend	12
11.) Periodic Evaluation.....	12
12.) Compliance with Minnesota Statutes Chapter 238.....	12
SECTION 7 OPERATION AND ADMINISTRATION PROVISIONS	13
1.) Franchise Fee	13
2.) Not Franchise Fees - Taxes.....	13
3.) Reports to be Filed with City.....	13
SECTION 8 GENERAL FINANCIAL AND INSURANCE PROVISIONS.....	13
1.) Security Fund.....	13

2.)	Indemnification.....	15
3.)	Insurance.....	16
4.)	Workers’ Compensation Insurance.....	16
SECTION 9 SALE, ABANDONMENT, TRANSFER and REVOCATION		16
1.)	Franchise Non-transferable.....	16
2.)	City’s Right to Purchase System	17
3.)	Abandonment or Removal of Franchise Property	18
4.)	Receivership and Foreclosure.....	18
5.)	Procedure for Enforcing Franchise.....	18
6.)	Reservation of Rights	19
SECTION 10 MISCELLANEOUS PROVISIONS		19
1.)	Franchise Renewal.....	19
2.)	Work Performed by Others.....	19
3.)	Amendment of Franchise.....	19
4.)	Right of Individuals	20
5.)	Compliance with Applicable Laws.....	20
6.)	Administration of Franchise	20
7.)	Governing Requirements and Non-waiver of Rights	22
SECTION 11 PUBLICATION EFFECTIVE DATE; ACCEPTANCE AND EXHIBITS...22		
1.)	Publication: Effective Date.....	22
2.)	Acceptance.....	22
EXHIBIT A Service to Public Facilities		
EXHIBIT B Consumer Protection and Customer Service Standards		
EXHIBIT C Franchise Fee Payment Worksheet		

ORDINANCE NO. 355, THIRD SERIES

AN ORDINANCE GRANTING A FRANCHISE TO MEDIACOM MINNESOTA LLC TO CONSTRUCT, OPERATE, AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF LUVERNE, MINNESOTA; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE.

The City Council of the City of Luverne ordains.

STATEMENT OF INTENT AND PURPOSES

The City of Luverne intends, by the adoption of this Franchise, to bring about the development of a Cable System, and the continued operation of it. Such a development can contribute significantly to the communications needs and desires of the residents and citizens of the City and the public generally. Further, City may achieve better utilization and improvement of public services and enhanced economic development with the development and operation of a Cable System.

FINDINGS

In the review of the request for renewal by Mediacom Minnesota LLC ("Grantee") and negotiations related thereto, and as a result of a public hearing, the City Council makes the following findings:

- 1). Grantee's technical ability, financial condition, legal qualifications, and character were considered and approved in a full public proceeding after due notice and a reasonable opportunity to be heard;
- 2). Grantee's plans for constructing and operating the Cable System were considered and found adequate and feasible in a full public proceeding after due notice and a reasonable opportunity to be heard;
- 3). The Franchise granted to Grantee by City complies with the existing applicable state statutes, federal laws and regulations; and
- 4). The Franchise granted to Grantee is nonexclusive.

SECTION 1 SHORT TITLE AND DEFINITIONS

- 1.) Short Title. This Franchise shall be known and cited as the Mediacom Franchise Ordinance.
- 2.) Definitions. For the purposes of this Franchise, the following terms, phrases, words, and their derivations shall have the meaning given herein. When not inconsistent with the context, words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory. The word "may" is directory and discretionary and not mandatory.
 - (a) "Applicable Laws" means any local law specifically including the City Code, or federal or State statute, law, regulation or other final legal authority governing any of the matters addressed in this Franchise.
 - (b) "Basic Cable Service" means any service tier which includes the lawful retransmission of local television broadcast signals. Basic Cable Service as defined herein shall not be inconsistent with 47 U.S.C. § 522(c).
 - (c) "Cable Act" means the Cable Communications Policy Act of 1984, Pub. L. No. 98-549, 98 Stat. 2779 (1984) (codified at 47 U.S.C. §§ 521-611 (1982 & Supp. V 1987)) as amended by the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385 and the Telecommunications Act of 1996, Pub. L. No. 104-458 and as the same may, from time to time, be amended.
 - (d) "Cable Board" means the Cable Television Advisory Board of the City of Luverne, Minnesota, appointed by the Council.
 - (e) "Cable Service" or "Service" means:

- (i) The one-way transmission to Subscribers of (i) video programming, or (ii) other programming service; and
 - (ii) Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.
- (f) “Cable System,” or “System” means a facility, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple Subscribers within a community, but such term does not include:
- (i) A facility that serves only to retransmit the television signals of one (1) or more television broadcast stations;
 - (ii) A facility that serves Subscribers without using any public rights-of-way;
 - (iii) A facility of a common carrier which is subject, in whole or in part, to the provisions of 47 U.S.C. §§ 201-226, except that such facility shall be considered a Cable System (other than for purposes of 47 U.S.C. § 541) to the extent such facility is used in the transmission of video programming directly to Subscribers; unless the extent of such use is solely to provide interactive on-demand services;
 - (iv) An open video system that complies with Section 653 of the Cable Act; or
 - (v) Any facilities of any electric utility used solely for operating its electric utility system.
- (g) “Channel” or “Cable Channel” means a portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television Channel as defined by the Federal Communications Commission.
- (h) “City” means the City of Luverne, Minnesota as represented by the Council or any delegate acting within the scope of its jurisdiction.
- (i) “Complaint” means any verbal or written allegation or assertion of noncompliance with or nonperformance of the terms and conditions of this Franchise made by a Subscriber which is received by the Grantee.
- (j) “Converter” means an electronic device which converts signals to a frequency acceptable to a television receiver of a Subscriber and by an appropriate selector permits a Subscriber to view all Subscriber signals included in the service.
- (k) “Council” means the City Council of the City of Luverne, Minnesota.
- (l) “Drop” means the cable that connects the ground block on the Subscriber’s residence to the nearest distribution point of the System.
- (m) “Expanded Cable Service” means most highly penetrated tier of Cable Service offered by Grantee other than Basic Cable Service.
- (n) “FCC” means the Federal Communications Commission and any legally appointed, designated or elected agent or successor.
- (o) “Franchise” means this Franchise and the regulatory and contractual relationship established hereby.
- (p) “Franchise Fee” means any tax, fee or assessment of any kind imposed by the City or any other Governmental Authority on a grantee or cable Subscriber, or both, solely because of their status as such. The term “Franchise Fee” does not include: (i) any tax, fee or assessment of general applicability (including any such tax, fee or assessment imposed on both utilities and cable operators or their services but not including a tax, fee, or assessment which is unduly discriminatory against cable operators or cable Subscribers); (ii) capital costs which are required by the Franchise to be incurred by the Grantee for PEG access facilities; (iii) requirements or charges incidental to the awarding

or enforcing of the Franchise, including payments for bonds, security funds, letters of credit, insurance, indemnification, penalties or liquidated damages; or (iv) any fee imposed under Title 17 of the United States Code.

(q) “GAAP” means generally accepted accounting principles as promulgated and defined by the Financial Accounting Standards Board (“FASB”), Emerging Issues Task Force (“EITF”) and/or the U.S. Securities and Exchange Commission (“SEC”).

(r) “Governmental Authority” means any court or other federal, State, county, municipal or other governmental department, commission, board, agency or instrumentality.

(s) “Grantee” is Mediacom Minnesota LLC, its agents and employees, lawful successors, transferees or assignees.

(t) “Gross Revenues” means any and all revenue derived by the Grantee from the or in connection with the operation of the Cable System to provide Cable Service in the City. Gross Revenues shall include, by way of example but not limitation, revenues from Basic Cable Service, all Cable Service fees, premium, pay-per-view, pay television, Franchise Fees, late fees, guides, home shopping revenue, Installation and reconnection fees, upgrade and downgrade fees, advertising revenue, Converter rental fees and lockout device fees. Gross Revenue shall not include FCC fee, PEG fees, refundable deposits, bad debt, investment income nor any taxes, fees or assessments of general applicability imposed or assessed by any governmental entity. A Franchise Fee is not such a tax, fee or assessment. The City acknowledges and accepts that Grantee shall maintain its books and records in accordance with Generally Accepted Accounting Principles.

(u) “Lockout Device” means an optional mechanical or electrical accessory to a Subscriber’s terminal which inhibits the viewing of a certain program, certain Channel, or certain Channels provided by way of the System.

(v) “Normal Business Hours” means those hours during which most similar businesses in the City are open to serve customers. In all cases, “Normal Business Hours” must include some evening hours at least one (1) night per week and/or some weekend hours.

(w) “Normal Operating Conditions” means those service conditions which are within the control of the Grantee. Those conditions which are not within the control of the Grantee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the Grantee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the System.

(x) “Pay Television” means the delivery over the System of pay-per-channel or pay-per-program audio-visual signals to Subscribers for a fee or charge, in addition to the charge for Basic Cable Service or Cable Programming Services.

(y) “PEG” means public, educational and governmental.

(z) “Person” means any individual or any association, firm, general partnership, limited partnership, joint stock company, joint venture, trust, corporation, limited liability company or other legally recognized entity, private or public, whether for-profit or not-for-profit.

(aa) “Service Area” or “Franchise Area” means the entire geographic area within the City as it is now constituted or may in the future be constituted, unless otherwise specified in this Franchise.

(bb) “Service Interruption” means the loss of picture or sound on one (1) or more Cable Channels.

(cc) “Standard Installation” or “Installation” means any residential installation which can be completed using a Drop of one hundred fifty (150) feet or less.

(dd) “State” means the State of Minnesota.

(ee) “Street” means any street, alley, other land or waterway, dedicated or commonly used for utility purposes, including general or utility easements in which the City has the right and authority to authorize, regulate or permit the location of facilities other than those of the City. “Street” shall not include any real or personal City property that is not specifically described in the previous sentence and shall not include City buildings, fixtures and other structures or improvements, regardless of whether they are situated in the public right-of-way.

(ff) “Subscriber” means any Person who lawfully elects to subscribe to Cable Service via the System.

(gg) “Wireline MVPD” means a multichannel video programming distributor that utilizes the Streets to install cable or fiber and is engaged in the business of making available for purchase, by Subscribers, multiple Channels of video programming in the City.

SECTION 2

GRANT OF AUTHORITY AND GENERAL PROVISIONS

1.) Franchise Required. It shall be unlawful for any Person, unless specifically required by Applicable Laws, to construct, install, operate or maintain a Cable System or to offer Cable Service in the City, unless such Person or the Person for whom such action is being taken shall have first obtained and shall currently hold a valid franchise.

2.) Grant of Franchise.

(a) This Franchise is granted pursuant to the terms and conditions contained herein. The City hereby authorizes Grantee to occupy or use the City’s Streets subject to: 1) the provisions of this non-exclusive Franchise to provide Cable Service within the City; and 2) all applicable provisions of the City Code. Said Franchise shall constitute both a right and an obligation to provide Cable Services as required by the provisions of this Franchise. Nothing in this Franchise shall be construed to prohibit Grantee from: (1) providing services other than Cable Services to the extent not prohibited by Applicable Law; or (2) challenging any exercise of the City’s legislative or regulatory authority in an appropriate forum. The City hereby reserves all of its rights to regulate such other services to the extent not prohibited by Applicable Law and no provision herein shall be construed to limit or give up any right to regulate.

(b) The Grantee shall have the right and privilege to construct, erect, operate, and maintain, in, upon, along, across, above, over and under the Streets, alleys, public ways and public places now laid out or dedicated and all extensions thereof; and additions thereto in City, poles, wires, cables, underground conduits, manholes, and other television conductors and fixtures necessary for the maintenance and operation in City of a Cable System as herein defined.

3.) Grant of Nonexclusive Authority.

(a) The Franchise granted herein shall be nonexclusive. The City specifically reserves the right to grant, at any time, such additional franchises for a Cable System as it deems appropriate provided; however, such additional grants shall not operate to materially modify, revoke, or terminate any rights previously granted to Grantee other than as described herein. If any other Wireline MVPD enters into any agreement with the City to provide multichannel video programming or its equivalent to residents in the City, the City, upon written request of the Grantee, shall permit the Grantee to construct and/or operate its Cable System and provide multichannel video programming or its equivalent to Subscribers in the City under a substantially similar agreement as applicable to the new MVPD. Within one hundred eighty (180) days after the Grantee submits a written request to the City, the Grantee and the City shall enter into an agreement or other appropriate authorization (if necessary) containing substantially similar terms and conditions, as determined in City’s reasonable discretion, as are applicable to the new Wireline MVPD.

(b) The Cable System constructed and maintained by Grantee or its agents shall not interfere with other uses of Streets. Grantee shall make use of existing poles and other facilities available to Grantee to the extent it is technically and economically feasible to do so.

(c) Consistent with Applicable Law, no Street shall be used by Grantee if City, in its sole opinion, determines that such use is inconsistent with the terms, conditions, or provisions by which such Street was created or dedicated, or with the present use of the Street.

(d) Grantee shall have the authority to use City Streets for the distribution of Grantee's System. The City may, in City's sole discretion, require all developers of future subdivisions to allow and accommodate the construction of the System as part of any provisions for utilities to serve such subdivisions.

(e) The Grantee specifically agrees to comply with the lawful generally applicable and lawful provisions of the City's Right-of-Way Code and applicable regulations of the City. Subject to the police power exception below, in the event of a conflict between A) the lawful provisions of the City's Right-of-Way Code or applicable regulations of the City and B) this Franchise, the express provisions of the City's Right-of-Way Code shall govern. Subject to express federal and state preemption, the material terms and conditions contained in this Franchise may not be unilaterally altered by the City through subsequent amendments to the City Code, ordinances or any regulation of City, except in the lawful exercise of City's police power. Grantee acknowledges that the City may modify its regulatory policies by lawful exercise of the City's police powers throughout the term of this Franchise. Grantee agrees to comply with such lawful modifications to the City Code; however, Grantee reserves any rights it may have to challenge such modifications to the City Code whether arising in contract or at law. The City reserves all of its rights and defenses to such challenges whether arising in contract or at law.

(f) Nothing in this Franchise shall (A) abrogate the right of the City to perform any public works or public improvements of any description, (B) be construed as a waiver of any codes or ordinances promulgated by the City, or (C) be construed as a waiver or release of the rights of the City in and to the Streets.

(g) This Franchise complies with the Minnesota franchise standards set forth in Minnesota Statutes Section 238.084. The City and Grantee shall conform to State laws and rules regarding cable communications not later than one (1) year after they become effective, unless otherwise stated, and to conform to federal laws and regulations regarding cable as they become effective.

4.) Franchise Term. This Franchise shall be in effect for a period of ten (10) years from the date of acceptance by Grantee, unless renewed, revoked or terminated sooner as herein provided or extended pursuant to Section 10 herein.

5.) Previous Franchises. Upon acceptance by Grantee as required by Section 11 herein, this Franchise shall supersede and replace any Franchise or Agreement granting a Franchise to Grantee to own, operate and maintain a Cable System within City.

6.) Rules of Grantee. The Grantee shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable said Grantee to exercise its rights and perform its obligation under this Franchise and to assure uninterrupted service to each and all of its Subscribers; provided that such rules, regulations, terms and conditions shall not be in conflict with provisions hereto, the City Code, the rules of the FCC, the laws of the State of Minnesota, City, or any other body having lawful jurisdiction thereof.

7.) Territorial Area Involved. This Franchise is granted for the corporate boundaries of City, as it exists from time to time. In the event of annexation by City, or as development occurs, any new territory shall become part of the area covered, provided, however, that Grantee shall not be required to extend service beyond its present System boundaries unless there is a minimum of seven (7) homes per one-quarter (1/4) linear strand mile of cable as measured from the nearest tap required to deliver a signal that complies with FCC Technical Standards, if applicable.

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. Access to Cable Service shall not be denied to any group of potential residential cable Subscribers because of the income of the residents of the area in which such group resides. Grantee shall be given a reasonable period of time, not to exceed twelve (12) months, to construct and activate cable plant to service annexed or newly developed areas.

8.) Written Notice. All notices, reports, or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to any officer of Grantee or City's Administrator of this Franchise or forty-eight (48) hours after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, addressed to the party to whom notice is being given, as follows:

If to City: City of Luverne
P.O. Box 659
Luverne, MN 56156
Attn: City Administrator

If to Company: Mr. William Jensen
Mediacom Minnesota LLC
P.O. Box 110
1504 Second Street SE
Waseca, MN 56093

With copies to: Bruce Gluckman, Esq.
Mediacom Communications Corporation
One Mediacom Way
Mediacom Park, NY 10918

Such addresses may be changed by either party upon notice to the other party given as provided in this section.

9.) Drops to Public Buildings.

(a) Grantee shall provide installation of one (1) cable Drop, one (1) cable outlet, one (1) Converter or other customer premises equipment ("CPE") and monthly Basic Service and Expanded Cable Service without charge ("Complimentary Service") to the institutions which City has designated on the attached Exhibit A. If Converters or other CPE are required to receive Complimentary Service, Grantee reserves the right to commence billing the institution the published rate for such CPE.

(b) Redistribution of the free Basic Service and Expanded Cable Service provided pursuant to this section shall be allowed. Additional Drops and/or outlets in any of the above locations will be provided by Grantee at the cost of Grantee's time and material. Alternatively, at the institution's request, said institution may add outlets at its own expense, as long as such installation meets Grantee's technical standards. If ancillary equipment, such as a Converter or CPE, is required to receive the signal at additional outlets, the institution shall be required to pay the same monthly equipment rate that Subscribers pay. Service to such additional outlet shall remain complimentary.

(c) Notwithstanding subparagraph (a-b) above, Grantee may implement fees or charges for Complimentary Service, additional outlets and CPE in the City (or seek to offset or deduct from Franchise Fees to the extent permitted by Applicable Law) only if Grantee also imposes the same fees or charges in the majority of other municipalities served by Grantee that are located within Minnesota.

(d) Grantee shall, in any municipal or school public building hereinafter built in the City, provide all materials, design specifications and technical advice to provide Complimentary Service to such building. If the installation to such building exceeds three hundred fifty (350) feet, Grantee will accommodate the installation up to three hundred fifty (350) feet if the City or other agency provides the necessary attachment point for aerial service or conduit pathway for underground service. If the necessary pathway is not provided, the City or other agency shall pay the incremental cost of such

installation in excess of two hundred fifty (250) feet for an aerial service installation or in excess of one hundred fifty (150) feet for an underground service installation. For purposes of this paragraph, "incremental cost" means Grantee's actual cost to provide the installation beyond the applicable distances, with no mark-up for profit. The recipient of the service will secure any necessary right of entry. The Grantee shall use best efforts to complete construction of the Drop and outlet within ninety (90) days, weather permitting, from the date of City's written request to Grantee designating the additional institution(s).

10.) EAS/Emergency Use by City. At all times during the term of this Franchise, the Grantee shall provide and maintain an Emergency Alert System (EAS) consistent with federal law and regulation including 47 C.F.R., Part 11 and any applicable Minnesota EAS requirements. The City may identify authorized emergency officials for activating the EAS consistent with the Minnesota EAS Statewide Plan ("EAS Plan"). The City may also develop a local plan containing methods of EAS message distribution, subject to Applicable Laws and the EAS Plan. Nothing in this section is intended to expand Grantee's obligations beyond that which is required by the EAS Plan and Applicable Law.

SECTION 3 MINNESOTA REQUIRED CONSTRUCTION STANDARDS

1.) Permits. Grantee shall not construct any Cable System facilities until Grantee has secured the necessary permits from City or other Governmental Authority.

2.) Construction Codes.

(a) Grantee shall comply with Applicable Law before commencing any construction upgrade or extension of the System, including the opening or disturbance of any Street, or private or public property within City. Grantee shall strictly adhere to all Applicable Laws and building and zoning codes currently or hereafter applicable to construction, operation or maintenance of the System in City and give due consideration at all times to the aesthetics of the property.

(b) City shall have the right to inspect all construction, reconstruction or installation work performed by Grantee pursuant to all applicable provisions of the City Code.

3.) Repair of Streets and Property. Any and all Streets or public property or private property, which are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance or reconstruction of the System shall be promptly and fully restored by Grantee in accordance with Applicable Law.

4.) Conditions on Street Use.

(a) Nothing in this Franchise shall be construed to prevent City from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any Street; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or other public work.

(b) All System transmission and distribution structures, lines and equipment erected by the Grantee within City shall be located in accordance with Applicable Law. The Grantee shall comply with Section 15.22, Mapping Data, of the City Code.

(c) Grantee shall have the authority to trim any trees, in accordance with Applicable Law.

5.) Protection of facilities. Nothing contained in this section shall relieve any Person from liability arising out of the failure to exercise reasonable care to avoid damaging Grantee's facilities while performing any work connected with grading, regrading or changing the line of any Street or public place or the construction or reconstruction of any sewer or water system.

6.) Relocation. Grantee shall comply with Section 15.23, Location and Relocation of Facilities, of the City Code.

7.) Procedure for Removal of Cable. Grantee shall comply with Section 15.28, Abandoned and Unusable Facilities, of the City Code.

8.) Movement of Buildings. Grantee shall, upon request by any Person holding a building moving permit, Franchise or other approval issued by the City, temporarily remove, raise or lower its wire to permit the movement of buildings. The expense of such removal, raising or lowering shall be paid by the Person requesting same, and Grantee shall be authorized to require such payment in advance. The City shall require all building movers to provide not less than fifteen (15) days' notice to the Grantee to arrange for such temporary wire changes.

9.) Undergrounding of Cable. Grantee shall comply with Sections 3.23, 12.25 and 15.23 and all other applicable sections of the City Code.

10.) Erection, Removal and Joint Use of Poles. No poles, conduits, or other wire-holding structures shall be erected or installed by the Grantee without prior approval of City with regard to location, height, type and other pertinent aspects.

SECTION 4 DESIGN PROVISIONS

1.) Minimum Channel Capacity.

(a) Grantee currently provides a System utilizing 750 MHz equipment which is capable of delivering at least eighty (80) Channels of programming.

(b) All programming decisions remain the sole discretion of Grantee subject to City's rights pursuant to 47 U.S.C. § 545. Grantee shall comply with federal law regarding notice to City and Subscribers prior to any Channel additions, deletions, or realignments, and further subject to Grantee's signal carriage obligations pursuant to 47 U.S.C. §§ 531-536.

(c) If commercially reasonable and legally permitted, Grantee shall maintain a Twin City based news, weather and information broadcast channel on its Channel lineup available to Subscribers in the City.

2.) Operation and Maintenance of System. The Grantee shall render effective service, make repairs promptly, and interrupt service only for good cause and for the shortest time possible. Such interruption, to the extent feasible, shall be preceded by notice in accordance with Section 2.8 herein and shall occur during periods of minimum use of the System.

3.) Technical Standards. The technical standards used in the operation of the System shall comply, at minimum, with the technical standards promulgated by the FCC relating to Cable Communications Systems pursuant to the FCC's rules and regulations and found in Title 47, Sections 76.601 to 76.617, as may be amended or modified from time to time, which regulations are expressly incorporated herein by reference.

4.) Special Testing. City may require special testing of a location or locations within the System if there is a particular matter of controversy or unresolved Complaints pertaining to such location(s). Demand for such special tests may be made on the basis of Complaints received or other evidence indicating an unresolved controversy or noncompliance. Such tests shall be limited to the particular matter in controversy or unresolved Complaints. The City shall endeavor to so arrange its request for such special testing so as to minimize hardship or inconvenience to Grantee or to the Subscribers caused by such testing. Before ordering such tests, Grantee shall be afforded thirty (30) days to correct problems or Complaints upon which tests were ordered. The City shall meet with Grantee prior to requiring special tests to discuss the need for such and, if possible, visually inspect those locations which are the focus of concern. If, after such meetings and inspections, City wishes to commence special tests and the thirty (30) days have elapsed without correction of the matter in controversy or unresolved Complaints, the tests shall be conducted by a qualified engineer selected by City. In the event that special testing is required by City to determine the source of technical difficulties, the cost of said testing shall be borne by the Grantee if the testing reveals the source of the technical difficulty to be within Grantee's reasonable control. If the testing reveals the difficulties to be caused by factors which are beyond Grantee's reasonable control, then the cost of said test shall be borne by City.

- 5.) FCC Reports. The results of tests required by the FCC must be filed within ten (10) days of the conduct of the tests with the City.
- 6.) Lockout Device. Upon the request of a Subscriber, Grantee shall provide by sale or lease a Lockout Device.
- 7.) Right of Inspection. City shall have the right to inspect all construction, reconstruction or installation work performed by Grantee pursuant to all applicable provisions of the City Code.

SECTION 5 SERVICE PROVISIONS

- 1.) Regulation of Service Rates.
- (a) The City may regulate rates for the provision of Cable Service, equipment, or any other communications service provided over the System to the extent not inconsistent with Applicable Law(s). In exercising its jurisdiction to regulate any such rates, City will adhere to regulations adopted by the FCC at 47 C.F.R., §76.900 et seq., as they may be amended from time to time.
- (b) A list of Grantee's current Subscriber rates and charges shall be maintained on file with City and shall be available for public inspection. Grantee shall give City and Subscribers written notice of any change in a rate or charge no less than thirty (30) days prior to the effective date of the change.
- 2.) Leased Channel Service. Grantee shall offer leased channel service on reasonable terms and conditions and in accordance with Applicable Laws.
- 3.) Sales Procedures. Grantee shall not exercise deceptive sales procedures when marketing its Cable Services within City. Grantee shall have the right to market its Cable Services door-to-door during reasonable hours consistent with local ordinances and regulation.
- 4.) Consumer Protection and Customer Service Standards. Grantee shall maintain a convenient local customer service or bill payment location for receiving Subscriber payments, provided; however, this section does not require Grantee to maintain an office in the City. Grantee shall also maintain or arrange for a location where equipment can be dropped off or exchanged as is necessary or, in the alternative, establish a system for having Subscriber equipment picked up at the Subscriber residence free-of-charge. Grantee shall also provide the necessary facilities, equipment and personnel to comply with the consumer protection standards attached hereto as Exhibit B under Normal Operating Conditions.

SECTION 6 PUBLIC ACCESS PROVISIONS

- 1.) Public, Educational and Government Access.
- (a) Grantee shall provide two (2) Channels for PEG access use. One (1) Channel shall be activated immediately and an additional PEG Channel shall be activated upon ninety (90) days prior written notice from City to Grantee. The parties intend for the 2nd PEG Channel, if triggered by the City, to be used for high definition ("HD") simulcast of the initial PEG channel in accordance with section 6.2 herein. Grantee shall have the right to use the second Channel until such time as City provides ninety (90) days' notice of its intent to program same. All residential Subscribers who receive all or any part of the total services offered on the System shall be eligible to receive the PEG Channels at no additional charge. Nothing herein shall be construed to diminish the City's rights pursuant to Minnesota Statutes Section 238.084, incorporated herein by reference.
- (b) Grantee shall not degrade the visual or audio quality of the PEG Channel(s) received from the City. Grantee shall not be required to carry a PEG Channel in a higher quality format than that of the signal delivered to Grantee, but Grantee shall not implement a change in the method of delivery of PEG Channels that results in a material degradation of signal quality or impairment of viewer reception of PEG Channels, provided that this requirement shall not prohibit Grantee from implementing new technologies also utilized for commercial Channels carried on its Cable System.

(c) Within twenty-four (24) hours of a written request from City to the Grantee identifying a technical problem with a PEG Channel and requesting assistance, Grantee will provide technical assistance or diagnostic services to determine whether or not a problem with a PEG signal is the result of matters for which Grantee is responsible and if so, Grantee will take prompt corrective action. If the problem persists and there is a dispute about the cause, then the parties shall meet with engineering representation from Grantee and the City in order to determine the course of action to remedy the problem.

(d) Grantee shall cablecast the entire programming stream of each PEG Channel including any Program Related Material, as defined below in this Paragraph 6(d)), "Program Related Material" shall mean (i) closed-captioning information, (ii) program identification codes, (iii) program ratings information, (iv) such other material as may be essential, necessary or appropriate for the delivery or distribution of the signal, and (v) information and material that is directly related to the subject matter of the programs on the PEG Channels, if such information or material is transmitted concurrently or substantially concurrently with its associated program content.

(e) Grantee may relocate the PEG Channels from their present Channel location with ninety (90) days prior written notice to City. The PEG Channels will be located in the channel neighborhood within reasonable proximity to other commercial video or broadcast Channels in Grantee's reasonable discretion, excluding pay-per-view programming offered by Grantee in the City. Grantee agrees not to encrypt the PEG Channels any differently than other commercial Channels available on the Cable System. In conjunction with any occurrence of PEG Channel(s) relocation, Grantee shall provide a minimum of Five Thousand and No/100 (\$5,000) of in-kind air time on advertiser supported Channels (e.g. USA, TNT, TBS, Discovery Channel, or other comparable Channels) for the purpose of airing City's (or City's designee's) pre-produced thirty (30) second announcement explaining the change in location.

(f) In addition to the foregoing, PEG Channels may be used for transmission of non-video signals in compliance with federal law.

(g) Grantee agrees that if it utilizes a visual interface under its control on its Cable System for all Channels, the PEG Channels shall be treated in a non-discriminatory fashion consistent with Applicable Law so that Subscribers will have ready access to PEG Channels. This shall not be construed to require Grantee to pay any third party fees that may result from this obligation.

2.) Digital and HD PEG Carriage Requirement.

(a) Grantee shall provide the PEG Channels on the Basic Cable Service tier in accordance with the Cable Act, Section 611, and as further set forth in this Section 6. Grantee shall carry the 1st PEG Channel in a standard digital ("SD") format in Grantee's Basic Cable Service package. Upon the City's written request for activation of a second (2nd) PEG Channel, Grantee shall carry the PEG Channel in both SD and HD formats. HD resolution will be equivalent to the resolution used in Grantee's HD tier.

(b) The City acknowledges that receipt of an HD format PEG Channel may require Subscribers to buy or lease special equipment, or pay additional HD charges applicable to all HD services.

3.) Noncommercial Use of PEG. Permitted noncommercial uses of the PEG Channels shall include by way of example and not limitation: (1) the identification of financial supporters similar to what is provided on public broadcasting stations; or (2) the solicitation of financial support for the provision of PEG programming by the City or third party users for charitable, educational or governmental purposes; or (3) programming offered free of charge by accredited, non-profit, educational institutions which may offer telecourses over a PEG Channel.

4.) Charges for Use. Channel time and playback of prerecorded programming on the specially designated PEG Channel must be provided without charge to the general public, except that personnel, equipment and production costs may be assessed for live studio presentations exceeding five (5) minutes in length. Charges for production costs must be consistent with the goal of affording the public a low-cost means of television access.

5.) Access Rules.

(a) City shall implement rules for use of any specially designated PEG Channels. The access rules and any amendments thereto shall be maintained on file with City and available for public inspection during Normal Business Hours.

(b) Prior to the cablecast of any program on any PEG Channel established herein, City shall require any Person who requests PEG access to the System to provide written certification in a form and substance acceptable to Grantee and City which releases, indemnifies, and holds harmless City, Grantee and their respective employees, offices, agents, and assigns from any liability, cost, damages and expenses, including reasonable expenses for legal fees, arising or connected in any way with said program.

6.) Dedicated Fiber Return Lines for PEG.

(a) Grantee shall provide and maintain, free of charge, throughout the life of this Franchise the existing return lines and associated equipment that are in place as of the Effective Date of this Franchise from the Grantee's headend to the City Office Building. This return line shall allow the City to transmit its PEG Channel(s) to the Grantee's System twenty-four (24) hours per day throughout the term of the Franchise. The City shall ensure PEG Channels and signals leaving the City Office Building are in compliance with applicable FCC technical standards.

(b) At such time that the City determines that it desires the capacity to allow Subscribers in the City to receive PEG programming (video and character generated) which may originate from schools, Luverne High School, City facilities and/or other government facilities (other than those indicated above); or at such time that the City determines that it wants to establish or change a location from which PEG programming is originated; or in the event the City wants to upgrade the connection to Grantee from an existing signal point of origination, the City will give Grantee written notice detailing the point of origination and the capability sought by the City. Grantee agrees to submit a cost estimate to implement the City's plan within a reasonable period of time. The cost estimate will be on a time and materials basis or at Grantee's cost if work is performed by outside contractor. After an agreement to reimburse Grantee for its costs as mutually agreed, Grantee will implement any necessary Cable System changes within a reasonable and mutually agreed upon period of time.

7.) Access Operating Support.

(a) Grantee shall collect on behalf of City, a per Subscriber fee initially set at ninety-five cents (95¢) per month, solely to fund PEG access related capital expenditures (hereinafter "PEG Fee"). Solely for the purpose of calculating the PEG Fee required by this section, in the case of buildings receiving Cable Service on a bulk basis, "Subscriber" shall be determined on an equivalent basic unit ("EBU") basis as follows: Cable Service revenue received from bulk billed units divided by the retail residential rate (billed on non-bulk per Subscriber basis) to other Subscribers for the applicable Cable Services. By way of example: If a 10-unit apartment building is billed \$600 per month for bulk Cable Services and the monthly retail residential rate for that level of Cable Service is \$75 per Subscriber, then the calculation is $\$600/\$75 = 8$ EBUs. Therefore, Grantee would remit to the City each month $\$.95 \times 8 = \7.60 for this bulk billed account. The PEG Fee shall be paid on the same schedule as the Franchise Fee set forth in Section 7.1(b) of this Franchise. The PEG Fee may be automatically increased every two (2) years on or about the effective date of this Franchise by an amount not to exceed three percent (3%), so long as the City provides ninety (90) days prior written notice to the Grantee stating the amount of the increased PEG Fee. Grantee shall not be required to remit the PEG Fee until such time as the City requires the same PEG Fee to be paid by all Cable Systems franchised by the City serving Subscribers in the City. In no event shall Grantee be required to remit a PEG Fee at a higher per Subscriber level than any Cable Systems franchised by the City.

(b) The PEG Fee is not part of the Franchise Fee, and falls within one or more of the exceptions in 47 U.S.C. § 542. Such costs may be categorized, itemized, and passed through to Subscribers as permissible, in accordance with 47 U.S.C. § 542 or other

Applicable Law. Except as expressly permitted by Applicable Law, Grantee agrees that it will not offset or reduce its payment of past, present or future Franchise Fees required as a result of its obligation to remit the PEG Fee.

(c) Should Grantee continue to provide Cable Service after the scheduled expiration of this Franchise, until and unless this Franchise is superseded by a renewed Franchise in accordance with Applicable Law, Grantee shall continue to make monthly PEG Fee payments for, and in support of PEG Channels as specified hereinabove.

(d) Any PEG Fee owing pursuant to this Franchise which remain unpaid more than twenty-five (25) days after the date the payment is due shall be delinquent and shall thereafter accrue interest at one percent (1%) per month.

(e) Upon acceptance of this Franchise, Grantee shall pay the City a one-time Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) capital equipment grant ("Grant"). Grantee retains all legal authority it may possess to recover the Grant from Subscribers in any manner permitted by Applicable Laws.

8.) Technical Quality.

(a) Grantee shall maintain its Cable System in accordance with FCC Technical Standards so that PEG Channels and return lines are at the same level of technical quality and reliability as other commercial signals carried by Grantee, so long as the signal comes to Grantee at that level of quality. There shall be no significant deterioration in signal from the point of origination upstream to the point of reception downstream on the Cable System.

(b) Within twenty-four (24) hours of a written request from City to the Grantee identifying a technical problem and requesting assistance, Grantee will provide technical assistance or diagnostic services to determine whether or not a problem with a PEG signal is the result of matters for which Grantee is responsible and if so, Grantee will take prompt corrective action. If the problem persists and there is a dispute about the cause, then the parties shall meet with engineering representation from Grantee and the City in order to determine the course of action to remedy the problem.

(c) Grantee shall continue to comply with closed captioning pass-through requirements.

9.) Change in Technology. In the event Grantee makes any change in the Cable System and related equipment and facilities or in its signal delivery technology, which requires new equipment in order to transport PEG Channel programming, Grantee shall be responsible for any equipment, free of charge to the City, required on its side of the demarcation point.

10.) Relocation of Grantee's Headend. In the event Grantee relocates its headend, Grantee will be responsible for replacing or restoring the existing dedicated connection at Grantee's cost so that all the functions and capacity remain available, operate reliably and satisfy all applicable technical standards without additional costs to the City.

11.) Periodic Evaluation. Upon written request from City to Grantee, Grantee and City shall meet to evaluate the effect of Section 6.6, above. Both parties agree to discuss any proposal for modification presented by the other party. Nothing herein shall presume or require consent to any such proposed modification. Modifications may only occur by mutual written consent of both parties. The notice and meeting contemplated herein shall be required to occur no more than every three (3) years after adoption of this Franchise, however, nothing shall prevent mutually agreed upon negotiations between both parties at any time.

12.) Compliance with Minnesota Statutes Chapter 238. In addition to the requirements contained in this Section 6 of this Franchise, Grantee and City shall comply with the PEG requirements mandated by Minnesota Statutes 238.084.

SECTION 7 OPERATION AND ADMINISTRATION PROVISIONS

1.) Franchise Fee.

- (a) Grantee shall pay to City a Franchise Fee in an amount equal to five percent (5%) of its annual Gross Revenues.
- (b) The payment of Franchise Fees shall be made on a quarterly basis and shall be due forty-five (45) days following the end of a given quarter. Each Franchise Fee payment shall be accompanied by a report prepared by a representative of the Grantee showing the basis for the computation of the Franchise Fees paid during that period in a form and substance substantially equivalent to Exhibit D attached hereto.
- (c) All amounts paid shall be subject to audit and recomputation by City and acceptance of any payment shall not be construed as an accord that the amount paid is in fact the correct amount.
- (d) Any Franchise Fees owing pursuant to this Franchise which remain unpaid more than thirty (30) days after the end of a given quarter shall be delinquent and shall immediately thereafter accrue interest at one percent (1%) per month. Enforcement of unpaid Franchise Fees shall be handled in accordance with Section 9.5; however, Grantee shall in all cases be subject to interest on any payment more than thirty (30) days after the end of a given quarter.

2.) Not Franchise Fees - Taxes.

- (a) Grantee acknowledges and agrees that the Franchise Fees payable by Grantee to City pursuant to this section shall take precedence over all other material provisions of the Franchise and shall not be deemed to be in the nature of a tax, and shall be in addition to any and all taxes of general applicability and other fees and charges which do not fall within the definition of a Franchise Fee under 47 U.S.C. § 542.
- (b) Grantee shall not apply or seek to apply all or any part of any taxes, fees or assessments of general applicability levied or imposed by the City or (including any such tax, fee or assessment imposed on both utilities and cable operators or their services) that do not fall within the definition of a Franchise Fee under 47 U.S.C. § 542 as a deduction or other credit from or against any of the Franchise Fees or other payments or contributions to be paid or made by Grantee to City pursuant to this Franchise which shall be deemed to be separate and distinct obligations of Grantee.

- 3.) Reports to be Filed with City. In addition to all reports required pursuant to this Franchise, Grantee shall prepare and furnish to City, at the times and in the form prescribed, such reports with respect to the operations, affairs, transactions or property, as they relate to the System, which Grantee and City may agree upon.

SECTION 8 GENERAL FINANCIAL AND INSURANCE PROVISIONS

1.) Security Fund.

- (a) At the time of acceptance of this Franchise, Grantee shall deposit into a bank account in the name of City the sum of Seven Thousand Five Hundred and No/100 Dollars (\$7,500.00). Grantee shall maintain said security fund throughout the term of this Franchise and until such time as Grantee has liquidated all of its obligations with City. Interest accrued on this deposit shall remain with the deposit as additional security.
- (b) The security fund shall provide that funds will be paid to City, upon written demand of City, and after the procedures of this section have been complied with in payment for penalties charged pursuant to this section, in payment for any monies owed by Grantee pursuant to its obligations under this Franchise, or in payment for any damage incurred as a result of any acts or omissions by Grantee pursuant to this Franchise.

(c) In addition to recovery of any monies owed by Grantee to City or damages to City as a result of any acts or omissions by Grantee pursuant to the Franchise, City in its sole discretion may charge to and collect from the security fund the following penalties:

(i) For failure to provide data, documents, reports required to be provided herein, the penalty shall be One Hundred Fifty and No/100 Dollars (\$150) per day for each day, or part thereof, such failure occurs or continues.

(ii) For failure to comply with construction, operation or maintenance standards; the penalty shall be Two Hundred Fifty and No/100 Dollars (\$250) per day for each day, or part thereof, such failure occurs or continues.

(iii) For failure to provide the services Grantee has proposed; including, but not limited to, the implementation and the utilization of the PEG Channels and the maintenance and/or replacement of the equipment and other facilities, the penalty shall be One Hundred and No/100 Dollars (\$100) per day for each day, or part thereof, such failure occurs or continues.

(iv) For failure to comply with any of the provisions of this Franchise the penalty shall be One Hundred Fifty and No/100 Dollars (\$150) per day for each day, or part thereof, such failure occurs or continues.

(d) Each violation of any provision of this Franchise shall be considered a separate violation for which a separate penalty can be imposed.

(e) Whenever City finds that Grantee has violated one (1) or more terms, conditions or provisions of this Franchise, a written notice shall be given to Grantee, specifying with particularity the alleged violation. At any time after thirty (30) days (or such additional reasonable time which is necessary to cure the alleged violation) following local receipt of notice, provided Grantee remains in violation of one (1) or more material terms, conditions or provisions of this Franchise, City may draw from the security fund all penalties and other monies due City from the date of the local receipt of notice.

(f) Whenever notice of an alleged violation has been received by Grantee, Grantee may, within thirty (30) days of local receipt of notice, notify City that there is a dispute as to whether a violation or failure has, in fact, occurred. Such notice by Grantee to City shall toll the running of the time frames for cure and the accrual of any penalties herein and shall specify with particularity the matters disputed by Grantee. City shall hear Grantee's dispute at its next regularly scheduled Council meeting or as soon thereafter as possible pursuant to this Section 8. In no event shall City delay hearing Grantee's dispute for more than ninety (90) days from receipt of Grantee's notice. Grantee shall be afforded a reasonable notice of the meeting and afforded a reasonable opportunity to participate in and be heard at the meeting. City shall supplement its decision with a written order sustaining or overruling the decision, and shall specify with particularity the factual and legal basis for its decision.

(g) Upon determination by City that no violation has taken place, City shall withdraw the notice alleging a violation.

(h) Grantee shall have the right to challenge in a court of competent jurisdiction the City's findings that Grantee has violated one (1) or more material terms, conditions or provisions of this Franchise or has failed to substantially cure such violation.

(i) If said security fund or any subsequent security fund delivered pursuant thereto expires prior to the expiration of the Franchise, it shall be renewed or replaced during the term of this Franchise to provide that it will not expire earlier than the expiration of this Franchise. The renewed or replaced security fund shall be on the same form and with a bank authorized herein and for the full amount stated in paragraph (a) of this section.

(j) If City draws upon the security fund or any subsequent security fund delivered pursuant hereto, in whole or in part, Grantee shall replace the same within fifteen (15) days and shall deliver to City a like replacement security fund for the full amount stated in paragraph (a) of this section as a substitution of the previous security fund.

(k) If any security fund is not so replaced, City may draw on said security fund for the whole amount thereof and hold the proceeds, without interest, and use the proceeds to pay costs incurred by City in performing and paying for any or all of the obligations, duties and responsibilities of Grantee under this Franchise that are not performed or paid by Grantee pursuant hereof, including attorneys' fees incurred by the City in so performing and paying.

(l) The collection by City of any damages, monies or penalties from the security fund shall not affect any other right or remedy available to City, nor shall any act, or failure to act, by City pursuant to the security fund, be deemed a waiver of any right of City pursuant to this Franchise or otherwise.

2.) Indemnification.

(a) Grantee shall indemnify, defend and hold City, its officers, boards, commissions, agents and employees (collectively the "Indemnified Parties") harmless from and against any and all lawsuits, claims, causes of action, actions, liabilities, demands, damages, judgments, settlements, disability, losses, expenses (including attorney's fees and disbursements of counsel) and costs of any nature that any of the Indemnified Parties may at any time suffer, sustain or incur arising out of, based upon or in any way connected with the grant of this Franchise, the operation of Grantee's System, the breach by Grantee of its obligations under this Franchise and/or the activities of Grantee, its subcontractor, employees and agents hereunder. Grantee shall be solely responsible for and shall indemnify, defend and hold the Indemnified Parties harmless from and against any and all matters relative to payment of Grantee's employees, including compliance with social security and withholdings.

(b) The indemnification obligations of Grantee set forth in this Franchise are not limited in any way by the amount or type of damages or compensation payable by or for Grantee under Workers' Compensation, disability or other employee benefit acts, acceptance of insurance certificates required under this Franchise, or the terms, applicability or limitations of any insurance held by Grantee.

(c) City does not, and shall not, waive any rights against Grantee which it may have by reason of the indemnification provided for in this Franchise, because of the acceptance by City, or the deposit with City by Grantee, of any of the insurance policies described in this Franchise.

(d) The indemnification of City by Grantee provided for in this Franchise shall apply to all damages and claims for damages of any kind suffered by reason of any of the Grantee's operations referred to in this Franchise, regardless of whether or not such insurance policies shall have been determined to be applicable to any such damages or claims for damages.

(e) Grantee shall not be required to indemnify City for negligence or misconduct on the part of City or its officials, boards, commissions, agents, or employees. City shall hold Grantee harmless, subject to the limitations in Minnesota Statutes Chapter 466, for any damage resulting from the negligence or misconduct of the City or its officials, boards, commissions, agents, or employees in utilizing any PEG Channels, equipment, or facilities and for any such negligence or misconduct by City in connection with work performed by City and permitted by this Franchise, on or adjacent to the Cable System.

(f) In order for City to assert its rights to be indemnified, defended, and held harmless, City must, with respect to each claim:

(i) Promptly notify Grantee within fifteen (15) days in writing of any claim or legal proceeding which gives rise to such right;

(ii) Afford Grantee the opportunity to participate in and fully control any compromise, settlement or other resolution or disposition of any claim or proceeding (to the extent Applicable Law requires City approval of the settlement); and

(iii) Fully cooperate with reasonable requests of Grantee, at Grantee's expense, in its participation in, and control, compromise, settlement or resolution or other disposition of such claim or proceeding subject to subparagraph (ii) above.

3.) Insurance.

(a) On the Effective Date of this Franchise, the Grantee shall file with the City, and at all times thereafter maintain in full force and effect at its sole expense, a comprehensive general liability insurance policy, including contractual liability coverage, in protection of the City in its capacity as such, its officers, elected officials, boards, commissions, agents and employees. The policy or policies shall name as additional insured the City, its, officers, agents and employees. The policies of insurance shall be in the sum of not less than One Million Dollars (\$1,000,000) for personal injury or death of any one (1) Person, and Two Million Dollars (\$2,000,000) for personal injury or death of two (2) or more Persons in any one occurrence, One Million Dollars (\$1,000,000) for property damage to any one (1) Person and One Million Dollars (\$1,000,000) for property damage resulting from any one (1) act or occurrence.

(b) The policy or policies of insurance shall be maintained by the Grantee in full force and effect during the entire term of the Franchise. Each policy of insurance shall contain a statement on its face that the insurer will not cancel the policy or fail to renew the policy, whether for nonpayment of premium, or otherwise, and whether at the request of the Grantee or for other reasons, except after thirty (30) days' advance written notice have been provided to the City.

4.) Workers' Compensation Insurance. Grantee shall obtain and maintain Workers' Compensation Insurance for all of Grantee's employees, and in case any work is sublet, Grantee shall require any subcontractor similarly to provide Workers' Compensation Insurance for all of their employees, all in compliance with State laws, and to fully indemnify the City from and against any and all claims arising out of occurrences on the work. Grantee hereby indemnifies City for any and all costs, expenses (including attorneys' fees and disbursements of counsel), damages and liabilities incurred by City as a result of any failure of either Grantee or any subcontractor to take out and maintain such insurance. Grantee shall provide the City with a certificate of insurance indicating Workers' Compensation coverage upon its acceptance of this Franchise.

SECTION 9 SALE, ABANDONMENT, TRANSFER AND REVOCATION

1.) Franchise Non-transferable.

(a) Grantee shall not voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, lease, sublet or otherwise dispose of, in whole or in part, the Franchise and/or Cable System or any of the rights or privileges granted by the Franchise, without the prior written consent of the City and then only upon such terms and conditions as may be prescribed by the City with regard to the proposed transferee's legal, technical and financial qualifications, which consent shall not be unreasonably denied or delayed. Any attempt to sell, assign, transfer, lease, sublet or otherwise dispose of all or any part of the Franchise and/or Cable System or Grantee's rights therein without the prior written consent of the Council shall be null and void and shall be grounds for termination of the Franchise pursuant to Section 9.5 hereof and the applicable provisions of any Franchise.

(b) Without limiting the nature of the events requiring the Council's approval under this section, the following events shall be deemed to be a sale, assignment or other transfer of the Franchise and/or Cable System requiring compliance with this section: (i) the sale, assignment or other transfer of all or a majority of Grantee's assets or the assets comprising the Cable System to any Person; (ii) the merger of the Grantee or any of its parents with or into another Person (including the merger of Grantee or any parent with or into any parent or subsidiary corporation or other Person); (iii) the consolidation of the Grantee or any of its parents with any other Person; (iv) the creation of a subsidiary corporation or other entity; (v) the sale, assignment or other transfer of capital stock or partnership, membership or other equity interests in Grantee or any of its parents by one

or more of its existing shareholders, partners, members or other equity owners so as to create a new Controlling Interest in Grantee; (vi) the issuance of additional capital stock or partnership, membership or other equity interest by Grantee or any of its parents so as to create a new Controlling Interest in Grantee; and (vii) the entry by the Grantee into an agreement with respect to the management or operation of the Grantee, any of Grantee's parents and/or the System or the subsequent amendment thereof. The term "Controlling Interest" as used herein is not limited to majority equity ownership of the Grantee, but also includes actual working control over the Grantee, any parent of Grantee and/or the System in whatever manner exercised.

(c) Grantee shall notify City in writing of any foreclosure or any other judicial sale of all or a substantial part of the property and assets comprising the Cable System of the Grantee or upon the termination of any lease or interest covering all or a substantial part of said property and assets. Such notification shall be considered by City as notice that a change in control or ownership of the Franchise has taken place and the provisions under this section governing the consent of City to such change in control or ownership shall apply.

(d) For the purpose of determining whether it shall consent to such change, transfer or acquisition of control, City may inquire into the qualifications of the prospective transferee or controlling party, and Grantee shall assist City in any such inquiry. In seeking City's consent to any change of ownership or control, Grantee shall have the responsibility of insuring that the transferee completes an application in form and substance reasonably satisfactory to City, which application shall include the information required under this Franchise and Applicable Laws. The transferee shall be required to establish to the satisfaction of the City that it possesses the legal, technical and financial qualifications to operate and maintain the System and comply with all Franchise requirements for the remainder of the term of this Franchise. If, after considering the legal, financial, and technical qualities of the transferee and determining that they are satisfactory, the City finds that such transfer is acceptable, the City shall permit such transfer and assignment of the rights and obligations of this Franchise as may be in the public interest. The consent of the City to such transfer shall not be unreasonably denied.

(e) Any financial institution having a security interest in any and all of the property and assets of Grantee as security for any loan made to Grantee or any of its affiliates for the construction and/or operation of the Cable System must notify the City that it or its designee satisfactory to the City shall take control of and operate the Cable System, in the event of a default in the payment or performance of the debts, liabilities or obligations of Grantee or its affiliates to such financial institution. Further, said financial institution shall also submit a plan for such operation of the System within thirty (30) days of assuming such control that will insure continued service and compliance with all Franchise requirements during the term the financial institution or its designee exercises control over the System. The financial institution or its designee shall not exercise control over the System for a period exceeding one (1) year unless extended by the City in its discretion and during said period of time it shall have the right to petition the City to transfer the Franchise to another Grantee.

(f) In addition to the aforementioned requirements in this Section 9.1, the City and Grantee shall, at all times, comply with the requirements of Minnesota Statutes Section 238.083 regarding the sale or transfer of a franchise and with all other Applicable Laws.

2.) City's Right to Purchase System.

(a) The City shall have a right of first refusal to purchase the Cable System in the event the Grantee receives a bona fide offer to purchase the Cable System from any Person. Bona fide offer as used in this section means a written offer which has been accepted by Grantee, subject to the City's rights under this Franchise. The price to be paid by the City shall be the amount provided for in the bona fide offer, including the same terms and conditions as the bona fide offer. The City shall notify Grantee of its decision to purchase within sixty (60) days of the City's receipt from Grantee of a copy of the written bona fide offer and such other relevant and pertinent information as the City shall deem appropriate.

(b) Consistent with Section 627 of the Cable Act and all other Applicable Laws, at the expiration, cancellation, revocation or termination of this Franchise, the City shall have the option to purchase, condemn or otherwise acquire and hold the Cable System.

3.) Abandonment or Removal of Franchise Property.

(a) Grantee may not abandon the Cable System or any portion thereof without having first given three (3) months written notice to City. Grantee may not abandon the Cable System or any portion thereof without compensating the City for damages resulting from the abandonment.

(b) In the event of termination or forfeiture of the Franchise, City shall have the right to require Grantee to remove all or any portion of the System from all Streets and public property within City associated solely with the provision of Cable Service; provided, however, that if Grantee is providing services other than Cable Services or pursuant to Minnesota Statutes Section 237.01 *et seq.*, City shall not require the removal of the Cable System. Nothing in this section shall be deemed either to grant or to preclude the provision of services other than Cable Service.

(c) If Grantee has failed to commence removal of Cable System, or such part thereof as was designated by City, within one hundred twenty (120) days after written notice of City's demand for removal is given, or if Grantee has failed to complete such removal within twelve (12) months after written notice of City's demand for removal is given, City shall have the right to declare all right, title, and interest to the Cable System to be in City with all rights of ownership including, but not limited to, the right to operate the System or transfer the System to another for operation by it pursuant to the provisions of 47 U.S.C. § 547 (1989).

(d) Notwithstanding anything to the contrary set forth in this Franchise, the Grantee may, with the written consent of the City, abandon any underground Franchise property in place so long as it does not materially interfere with the use of the Street or public rights-of-way in which such property is located or with the use thereof by any public utility or other cable operator.

4.) Receivership and Foreclosure.

(a) The Franchise granted hereunder shall, at the option of City, cease and terminate one hundred twenty (120) days after appointment of a receiver or receivers, or trustee or trustees, to take over and conduct the business of Grantee, whether in a receivership, reorganization, bankruptcy or other action or proceeding, unless such receivership or trusteeship shall have been vacated prior to the expiration of said one hundred twenty (120) days, or unless: (1) such receivers or trustees shall have, within one hundred twenty (120) days after their election or appointment, fully complied with all the terms and provisions of this Franchise granted pursuant hereto, and the receivers or trustees within said one hundred twenty (120) days shall have remedied all the defaults and violations under this Franchise or provided a plan for the remedy of such defaults and violations which is satisfactory to the City; and (2) such receivers or trustees shall, within said one hundred twenty (120) days, execute an agreement duly approved by the court having jurisdiction in the premises, whereby such receivers or trustees assume and agree to be bound by each and every term, provision and limitation of this Franchise.

(b) In the case of a foreclosure or other judicial sale of the Franchise property, or any material part thereof, City may give notice of termination of this Franchise upon Grantee and the successful bidder at such sale, in which the event this Franchise and all rights and privileges of the Grantee hereunder shall cease and terminate thirty (30) days after such notice has been given, unless (1) City shall have approved the transfer of the Franchise in accordance with the provisions of this Franchise; and (2) such successful bidder shall have covenanted and agreed with City to assume and be bound by all terms and conditions of this Franchise.

5.) Procedure for Enforcing Franchise.

(a) In the event the City Council finds that a material violation or breach exists and that Grantee has not cured the same in a satisfactory manner, has not diligently commenced correction of such violation or breach or has not diligently proceeded to fully remedy such violation or breach, the City Council may impose liquidated damages, assessable from the security fund or, in the event City believes that Grantee has breached or violated any material provision of this Franchise, City may act in accordance with the following procedures:

(i) City may notify Grantee of the alleged violation or breach and demand that Grantee cure the same within a reasonable time, which shall not be less than ten (10) days in the case of an alleged failure of the Grantee to pay any sum or other amount due the City under this Franchise and thirty (30) days in all other cases. If Grantee fails either to cure the alleged violation or breach within the time prescribed or to commence correction of the violation or breach within the time prescribed and thereafter diligently pursue correction of such alleged violation or breach, the City shall then give written notice of not less than fourteen (14) days of a public hearing to be held before the City Council. Said notice shall specify the violations or breaches alleged to have occurred. At the public hearing, the City Council shall hear and consider relevant evidence and thereafter render findings and its decision. In the event the City Council finds that a material violation or breach exists and that Grantee has not cured the same in a satisfactory manner or has not diligently commenced to cure of such violation or breach after notice thereof from City and is not diligently proceeding to fully cure such violation or breach, the City Council may impose penalties from the security fund or may terminate this Franchise. If the City chooses to terminate this Franchise, the following additional procedure shall be followed:

1. The City shall provide Grantee with written notice of the City's intention to terminate this Franchise and specify in detail the reason or cause for the proposed termination. The City shall allow Grantee a minimum of fifteen (15) days subsequent to receipt of the notice in which to cure the default.
2. Grantee shall be provided with an opportunity to be heard at a regular or special meeting of City prior to any final decision of City to terminate this Franchise.
3. In the event that City determines to terminate this Franchise, the Grantee shall have an opportunity to appeal said decision in accordance with all Applicable Laws.
4. If a valid appeal is filed, the Franchise shall remain in full force and affect while said appeal is pending, unless the term of the Franchise sooner expires.

6.) Reservation of Rights. City and Grantee reserve all rights that they may possess under Applicable Laws unless expressly waived herein.

SECTION 10 MISCELLANEOUS PROVISIONS

1.) Franchise Renewal. Any renewal of this Franchise shall be done in accordance with Applicable Laws and regulations.

2.) Work Performed by Others. All provisions of this Franchise shall apply to any subcontractor or others performing any work or services pursuant to the provisions of this Franchise. Grantee shall provide notice to City of the name(s) and address(es) of any entity, other than Grantee, which performs substantial services pursuant to this Franchise.

3.) Amendment of Franchise. Grantee and City may agree, from time to time, to amend this Franchise. Such written amendments may be made if City and Grantee agree that such an amendment will be in the public interest or if such an amendment is required due to changes in

Applicable Laws. City shall act pursuant to local law pertaining to the ordinance amendment process.

4.) Right of Individuals.

(a) Grantee shall comply at all times with all other Applicable Laws, relating to nondiscrimination including but not limited to race, color, religion, disability, national origin, age, gender or sexual preference.

(b) Grantee shall adhere to the applicable equal employment opportunity requirements of Applicable Laws, as now written or as amended from time to time including 47 U.S.C. Section 551, Protection of Subscriber Privacy.

(c) To the extent required by Minnesota Statutes §238.084 Subd. 1(s) Grantee shall comply with the following:

(i) No signals of a class IV cable communications channel may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of a Subscriber. The request for permission must be contained in a separate document with a prominent statement that the Subscriber is authorizing the permission in full knowledge of its provisions. The written permission must be for a limited period of time not to exceed one year which is renewable at the option of the Subscriber. No penalty may be invoked for a Subscriber's failure to provide or renew the authorization. The authorization is revocable at any time by the Subscriber without penalty of any kind. The permission must be required for each type or classification or class IV cable communications activity planned.

(ii) No information or data obtained by monitoring transmission of a signal from a Subscriber terminal, including but not limited to the lists of the names and addresses of the Subscribers or lists that identify the viewing habits of Subscribers may be sold or otherwise made available to any Person other than to Grantee and its employees for internal business use, or to the Subscriber who is the subject of that information, unless the Grantee has received specific written authorization from the Subscriber to make the data available.

(iii) Written permission from the Subscriber must not be required for the Systems conducting system-wide or individually addressed electronic sweeps for the purpose of verifying system integrity or monitoring for the purpose of billing. Confidentiality of this information is subject to paragraph (i) above.

(iv) For purposes of this Section 10.4, a "class IV cable communications channel" means a signaling path provided by a System to transmit signals of any type from a Subscriber terminal to another point in the System.

5.) Compliance with Applicable Laws. If any Applicable Law or regulation shall require or permit City or Grantee to perform any service or act or shall prohibit City or Grantee from performing any service or act which may be in conflict with the terms of this Franchise, then as soon as possible following knowledge thereof, either party shall notify the other of the point in conflict believed to exist between such law or regulation.

6.) Administration of Franchise. The City shall have continuing regulatory jurisdiction and supervision over the System and the Grantee's operation under the Franchise. The City may issue such reasonable rules and regulations concerning the construction, operation and maintenance of the System as are consistent with the provision of the Franchise.

(a) The City Administrator shall be responsible for administering the Franchise, sending notices pursuant to the procedures outlined in Section 8.1 of this Franchise and monitoring the Grantee's compliance with its terms and conditions of the Franchise, provided; however, the City Council shall have the sole authority to: 1) determine if a disputed violation has occurred; and 2) to conduct any public hearings required by this Franchise regarding such alleged violations and issue any decisions regarding enforcement the Franchise; and 3) enforce penalties and remedies under the Franchise.

(b) Subject to Section 10.6 (a), the Grantee recognizes and accepts that the Council has appointed a citizens' advisory cable board ("Cable Board") to assist and advise the City Administrator and Council regarding the administration of the Franchise and in monitoring the Grantee's compliance with its terms and conditions. The Cable Board shall meet at the call of its chairperson or at such other times as the Cable Board shall determine.

(c) The Cable Board shall:

- (i) Advise the City Council on all matters regarding the administration and enforcement of this Franchise;
- (ii) Oversee compliance by the Grantee with the provisions of this Franchise and advise the City Council on matters which might constitute grounds for imposition of liquidated damages or revocation of the Franchise in accordance with the provisions contained herein and make recommendations regarding the same;
- (iii) Advise the City Council on the regulation of rates in accordance with Applicable Law;
- (iv) Hear all Complaints of Subscribers which have not been satisfied by appeal to the Grantee, and record all such Complaints, along with actions and results;
- (v) Review any proposed change in Franchise ownership and make recommendations to the City Council regarding City approval of such transfers pursuant to Section 9.1 of this Franchise;
- (vi) Audit all of the Grantee's records as required by this Franchise;
- (vii) Advise and coordinate with the Grantee regarding the promotion, development, and utilization of access and local origination channels and programming;
- (viii) Prescribe rules and procedures consistent with this Franchise under which the Grantee may use PEG Channel capacity for the provision of other services while PEG Channels are not being used for access purposes;
- (ix) Prescribe rules and procedures consistent with this Franchise under which use of the PEG Channels for non-access purposes by the Grantee shall cease;
- (x) Study and evaluate any System upgrade and make recommendations to the City Council;
- (xi) Evaluate the need and economic feasibility of an institutional network as well as the implementation of such a system;
- (xii) Provide the Grantee with recommendations regarding programming based upon input from community groups, Subscribers, and other interested parties;
- (xiii) Study and evaluate the progress of the Grantee's efforts to interconnect the System with neighboring communities and institutions;
- (xiv) Evaluate and monitor the picture quality of signals on the System taking into consideration all applicable technical standards and propose to the Grantee ways in which the picture quality can be improved or maintained;
- (xv) Keep current and abreast of all changes in the law, technology, and service which may impact the enforcement of this Franchise and report such developments to the City Council;
- (xvi) Participate in all evaluations as prescribed in this Franchise; and

(xvii) Submit an annual report to the City Council regarding the activities of the Cable Board during the previous year and outlining future goals and long-range plans for cable communications in the City;

(xviii) Other matters relating to cable communications as the City Council of the City from time to time delegates to the Cable Board.

7.) Governing Requirements and Non-waiver of Rights. City and Grantee shall comply with all lawful requirements of this Franchise and Applicable Law. Grantee acknowledges that it has had an opportunity to review the terms and conditions of this Franchise and has the right to enter into, execute and perform its obligations under this Franchise and that Grantee believes that said terms and conditions are not unreasonable and are valid and binding obligations. Subject to the foregoing, nothing in this Franchise shall be construed as a waiver of any rights of the City or Grantee.

SECTION 11

PUBLICATION EFFECTIVE DATE; ACCEPTANCE AND EXHIBITS

1.) Publication: Effective Date. This Franchise shall be published in accordance with applicable State law. The effective date of this Franchise shall be the date of acceptance by Grantee in accordance with the provisions of Section 11.2.

(a) Summary: Summary Approved. The Council hereby determines that the text of the summary of this ordinance marked "Official Summary of Ordinance 355, Third Series", and a copy of which is attached to this ordinance, clearly informs the public of the intent and effect of this ordinance. The Council further determines that publication of the title and this summary will clearly inform the public of the intent and the effect of this ordinance. The City Clerk shall file a copy of this ordinance and the summary in the City Clerk's office which shall be available for inspection by any person during regular office hours.

2.) Acceptance.

(a) Grantee shall accept this Franchise within sixty (60) days of its enactment by the City Council, unless the time for acceptance is extended by City. Such acceptance by the Grantee shall be deemed the grant of this Franchise for all purposes. In the event acceptance does not take place, this Franchise and any and all rights previously granted to Grantee shall be null and void.

(b) Upon acceptance of this Franchise, Grantee shall be bound by all the terms and conditions contained herein.

(c) Grantee shall accept this Franchise in the following manner:

(i) This Franchise will be properly executed and acknowledged by Grantee and delivered to City.

(ii) With its acceptance, Grantee shall also deliver any security fund and insurance certificates required herein that have not previously been delivered.

Passed and adopted this 25th day of July, 2017.

ATTEST:

By: 

Its: City Administrator

CITY OF LUVERNE, MINNESOTA

By: 

Its: Mayor

ACCEPTED: This Franchise is accepted and we agree to be bound its terms and conditions.

MEDIACOM MINNESOTA LLC

Dated: August 8, 2017.

By: Bruce Melman
Its: Group Vice President, Legal & Regulatory Affairs

SWORN TO BEFORE ME this
8th day of August, 2017.

[Signature]
NOTARY PUBLIC

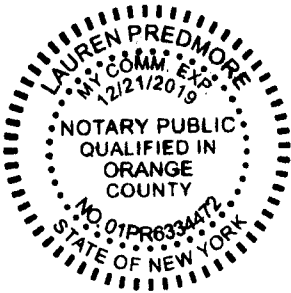


EXHIBIT A
Cable Drops to Public Buildings

CITY:

City Office Building
Library

SCHOOL:

Luverne High School

EXHIBIT B
Consumer Protection and Customer Service Standards

- 1) Cable System office hours and telephone availability.
 - a) Grantee will maintain a local, toll-free or collect call telephone access line which will be available to its Subscribers twenty-four (24) hours a day, seven (7) days a week.
 - i) Trained Grantee representatives will be available to respond to customer telephone inquiries during Normal Business Hours.
 - ii) After Normal Business Hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after Normal Business Hours must be responded to by a trained Grantee representative on the next business day.
 - b) Under Normal Operating Conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety percent (90%) of the time under Normal Operating Conditions, measured on a quarterly basis.
 - c) Grantee shall not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless an historical record of Complaints indicates a clear failure to comply.
 - d) Under Normal Operating Conditions, the customer will receive a busy signal less than three percent (3%) of the time.
 - e) Customer service center and bill payment locations will be open at least during Normal Business Hours and will be conveniently located.
- 2) Installations, Outages and Service Calls. Under Normal Operating Conditions, each of the following standards will be met no less than ninety-five percent (95%) of the time measured on a quarterly basis:
 - a) Standard Installations will be performed within seven (7) business days after an order has been placed.
 - b) Excluding conditions beyond the control of Grantee, Grantee will begin working on "Service Interruptions" promptly and in no event later than twenty-four (24) hours after the interruption becomes known. Grantee must begin actions to correct other Service problems the next business day after notification of the Service problem.
 - c) The "appointment window" alternatives for Installations, Service calls, and other Installation activities will be either a specific time or, at maximum, a four (4) hour time block during Normal Business Hours. (Grantee may schedule Service calls and other Installation activities outside of Normal Business Hours for the express convenience of the customer.)
 - d) Grantee may not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment.
 - e) If Grantee's representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer.
- 3) Communications between Grantee and Subscribers:
 - a) Refunds. Refund checks 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 Grantee if Cable Service is terminated.
 - b) Credits. Credits for Cable Service will be issued no later than the customer's next billing cycle following the determination that a credit is warranted.
- 4) Billing:
 - a) Consistent with 47 C.F.R. § 76.1619, bills will be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, Basic Cable Service and premium Cable Service charges and equipment charges. Bills will also clearly delineate all activity during the billing period, including optional charges, rebates and credits.
 - b) In case of a billing dispute, Grantee must respond to a written Complaint from a Subscriber within thirty (30) days.
- 5) Subscriber Information. Grantee will provide written information on each of the following areas at the time of Installation of Service, at least annually to all Subscribers, and at any time upon request:
 - a) Products and Services offered;
 - b) Prices and options for programming services and conditions of subscription to programming and other services;
 - c) Installation and Service maintenance policies;
 - d) Instructions on how to use the Cable Service;
 - e) Channel positions of programming carried on the System; and
 - f) Billing and Complaint procedures, including the address and telephone number of the Grantee's customer service department.

Subscribers shall be advised of the procedures for resolution of Complaints about the quality of the television signal delivered by Grantee, including the address of the responsible officer of the Grantee. Subscribers will be notified of any changes in rates, programming services or Channel positions as soon as possible in writing. Notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if the change is within the control of Grantee. In addition, Grantee shall notify Subscribers thirty (30) days in advance of any significant changes in the information required by this Section 5).

6) Notice of Rate Programming Change. In addition to the requirement of this subparagraph (6) regarding advance notification to Subscribers of any changes in rates, programming services or Channel positions, Grantee shall give thirty (30) days written notice to both Subscribers and the City before implementing any rate or Service change. Such notice shall state the precise amount of any rate change and briefly explain in readily understandable fashion the cause of the rate change (e.g., inflation, change in external costs or the addition/deletion of Channels). When the change involves the addition or deletion of Channels, each Channel added or deleted must be separately identified. For purposes of the carriage of digital broadcast signals, Grantee need only identify for Subscribers, the television signal added and not whether that signal may be multiplexed during certain dayparts.

7) Subscriber Contracts. Grantee shall, upon written request, provide the City with any standard form residential Subscriber contract utilized by Grantee. If no such written contract exists, Grantee shall file with the City a document completely and concisely stating the length and terms of the Subscriber contract offered to customers. The length and terms of any standard form Subscriber contract(s) shall be available for public inspection during Normal Business Hours. A list of Grantee's current Subscriber rates and charges for Cable Service shall be maintained on file with City and shall be available for public inspection.

8) Refund Policy. If a Subscriber's Cable Service is interrupted or discontinued, for twenty-four (24) or more consecutive hours, Grantee shall, upon request by the Subscriber, credit such

Subscriber pro rata for such interruption. For this purpose, every month will be assumed to have thirty (30) days.

9) Late Fees. Grantee shall comply with all applicable state and federal laws with respect to any assessment, charge, cost, fee or sum, however characterized, that Grantee imposes upon a Subscriber for late payment of a bill. The City reserves the right to enforce Grantee's compliance with all Applicable Laws to the maximum extent legally permissible.

10) Disputes. All Subscribers and members of the general public may direct Complaints, regarding Grantee's Service or performance to the city administrator of the City or the city administrator's designee, which may be a board or Commission of the City.

11) Customer Bills. Customer bills shall be designed in such a way as to present the information contained therein clearly and comprehensibly to Customers, and in a way that (A) is not misleading and (B) does not omit material information. Notwithstanding anything to the contrary in Section 4), above, Grantee may, in its sole discretion, consolidate costs on Customer bills as may otherwise be permitted by Section 622(c) of the Cable Act (47 U.S.C. §542(c)).

12) Failure to Resolve Complaints. Grantee shall resolve a Complaint within thirty (30) days in a manner deemed reasonable by the City under the terms of the Franchise.

13) Maintain a Complaint Phone Line. Grantee shall maintain a local or toll-free telephone Subscriber Complaint line, available to its Subscribers twenty-four (24) hours per day, seven (7) days a week.

14) Notification of Complaint Procedure. Grantee shall have printed clearly and prominently on each Subscriber bill and in the customer service agreement provided for in Section 5), the twenty-four (24) hour Grantee phone number for Subscriber Complaints. Additionally, Grantee shall provide information to customers concerning the procedures to follow when they are unsatisfied with measures taken by Grantee to remedy their Complaint. This information will include the contact information for Grantee's corporate customer service department as provided in Grantee's Privacy Policy.

15) Grantee Identification. Grantee shall provide all customer service technicians and all other Grantee employees, subcontractors and agents entering private property with appropriate picture identification so that Grantee employees may be easily identified by the property owners and Subscribers.

EXHIBIT C
Franchise Fee Payment Worksheet
TRADE SECRET – CONFIDENTIAL

	Month/Year	Month/Year	Month/Year	Total
Cable Service Revenue				
Installation Charge				
Franchise Fee Revenue				
Advertising Revenue				
Home Shopping Revenue				
Other Revenue				
Equipment rental				
REVENUE				
Fee Calculated				

Fee Factor: 5%



Lauren Predmore
Paralegal

August 25, 2017

Jessica Mead
City Clerk
City of Luverne
305 E Luverne Street
Luverne, MN 56156

Re: Franchise Agreement

Dear Ms. Mead:

On behalf of Mediacom Minnesota LLC, enclosed please find a fully executed Franchise Agreement along with the requested Certificate of Insurance. Please be advised that the requested Security Bond will be sent to the City under a separate cover.

Please do not hesitate to contact me using the information below if you have any questions.

Sincerely,

Lauren Predmore
Lauren Predmore

Encl.