

## FRANCHISE AGREEMENT

**This Franchise Agreement** (“Franchise”) is between the CITY of UNION GAP, WASHINGTON, hereinafter referred to as the “Grantor” and FALCON VIDEO COMMUNICATIONS, L.P., locally known as CHARTER COMMUNICATIONS, hereinafter referred to as the “Grantee.”

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

### 1. Definitions:

- a. “Cable Act” means the Cable Communications Policy Act of 1984, P.L. 98-549, 47 U.S.C. §521 Supp., as it may be amended or superseded.
- b. “Cable System,” “Cable Service,” and “Basic Cable Service” shall be defined as set forth in the Cable Act.
- c. “Facilities” means all Grantee underground, surface, and/or aerial facilities in, under or above public Streets necessary to provide Cable and other ancillary Services into, within, and through the Service Area, including, without limitation, poles, wires, cables, conductors, ducts, manholes, amplifiers, attachments, appliances, conduits, pipes, apparatus, ducts, poles, guys, anchors, vaults, pedestals, supports, fixtures, and related equipment.
- d. “Franchise” means the authorization granted hereunder of a franchise, privilege, permit, license or otherwise to construct, operate and maintain a Cable System within the Service Area.
- e. “Gross Revenues” means all revenues, as determined in accordance with generally accepted accounting principles, actually received by Grantee from Subscribers residing within the Service Area for Cable Services purchased by such Subscribers on a regular, recurring monthly basis. Gross Revenues shall not include (1) any taxes, fees or assessments collected by the Grantee from Subscribers for pass-through to a government agency, including, without limitation, the FCC user fee, franchise fee, or sales or utility taxes; (2) bad debt; (3) credits, refunds and deposits paid to Subscribers; and (4) any exclusion available under applicable state law.
- f. “Service Area” shall mean the geographic boundaries of the Grantor.
- g. “Streets” means the public streets, avenues, highways, boulevards, concourses, driveways, bridges, tunnels, parks, parkways, waterways, alleys, all other rights-

of-way and easements, and the public grounds, places or water within the geographic boundaries of Grantor.

h. “Subscriber” means any person lawfully receiving any Cable Service from the Grantee.

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

b. **Limited Rights.** This Franchise is intended to convey limited rights and interests only as to those Streets in which the City has an actual interest. It is not a warranty of title or interest in any Street; it does not provide the Grantee with any interest in any particular location within the Streets. Subject to applicable law, this Franchise does not deprive the City of any powers, rights or privileges it now has, pursuant to its police powers, to use, perform work on or to regulate the use of and to control the City’s Streets covered by this Franchise, including without limitation the right to perform work on its roadways, streets or appurtenant drainage facilities, water and waste water facilities and including constructing, altering, paving, widening, grading, or excavating such streets.

c. **Police Powers and Conflicts with Franchise.** The Grantee agrees to comply with the terms of any lawfully adopted generally applicable local ordinance necessary to the safety, health, and welfare of the public, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations of the Grantee that are granted by this Franchise. This Franchise is a contract and except as to those changes which are the result of the Grantor’s lawful exercise of its general police power, the Grantor may not take any unilateral action which materially changes the explicit mutual promises in this contract. Any changes to this Franchise must be made in writing signed by the Grantee and the Grantor.

3. **Term.** The Franchise shall be for a term of ten (10) years, commencing on the Effective Date of this Franchise as set forth in Section 14. This Franchise will be automatically extended for an additional term of five (5) years from the expiration date as set forth in Section 14, unless either party notifies the other in writing of its desire to not exercise this automatic extension (and enter renewal negotiations under the Cable Act) at least three (3) years before the expiration of this Franchise. If such a notice is given, the parties will then proceed under the federal Cable Act renewal procedures.

4. **Use of the Streets and Dedicated Easements.**

a. Grantee shall have the right to use the Streets of the Grantor for the construction, operation and maintenance of the Cable System, including the right to repair, replace and enlarge and extend the Cable System, provided that Grantee shall utilize the facilities of utilities whenever practicable.

- b. Non-exclusive Grant: This grant for the use of all City Streets is nonexclusive and does not establish priority for use over other franchise holders, permit holders and the City's own use of public property. Additionally, Grantee shall respect rights and property of the City and other authorized users of the Streets as the City and other authorized users of the Streets shall respect the rights and property of Grantee. Disputes between the Grantee and other entities over the use of the Streets shall first be submitted to the Mayor or Administrator of the City for possible resolution.
- c. Interference with Persons and Improvements: The Grantee's System shall be located, erected and maintained so that none of its facilities shall endanger or interfere with the lives of persons, or interfere with any improvements the City may deem proper to make, or unnecessarily hinder or obstruct the free use of Streets or other public property. If in the opinion of the City's Public Works Director (or his designee), Grantee's facilities cause an emergency situation resulting in an immediate hazard to public safety, health or property, the City shall have power at any time to order and require Grantee to remove and abate any pole, wire, cable, or other structure that is dangerous to life or property, and in case Grantee, after notice, fails or refuses to act 'within a reasonable time, the City shall have the power to remove or abate the same at the expense of the Grantee.
- d. Relocation of the Facilities: In the event that at any time during the period of this Franchise the City shall elect to alter or change the grade of any Street, the Grantee, upon reasonable notice by the City, shall begin removing and/or relocating as necessary, its poles, wires, cables, underground conduits, manholes and other fixtures at the Grantee's expense, provided, if Grantee's wires, cable, or other fixtures are placed within or attached to conduit, poles, or appliances owned or maintained by others, such as utility poles of a utility pursuant to a pole attachment agreement, Grantee shall undertake such removal or relocation in cooperation with the pole owner. However, if said requirements impose a financial hardship upon the Grantee, the Grantee shall have the right to present alternative proposals for the City's consideration. Except for Franchise revocation or termination or System abandonment, the City shall not require Grantee to remove its facilities entirely from a Street unless suitable alternatives are available for relocation at a reasonable cost. If Grantee fails or refuses to act within sixty days (60), of notice from the City, the City shall have the power to relocate the same at the expense of the Grantee using a contractor qualified by Grantee.
- e. Interference with utilities: The Grantee, with the consent of the Public Works Director (or his designee), shall place Grantee's poles or conduit in such a manner that does not unreasonably interfere with existing gas, electric or telephone facilities, traffic control signalization, street lights, fire alarm lines or communications lines.
- f. Cooperation with Building Movers: The Grantee shall, at the request of any person holding a building-moving permit issued by the City, temporarily raise or

lower its wires to permit the moving of buildings. The expense of such temporary removal, raising or lowering of wires shall be paid by the person requesting the same, and the Grantee shall have the authority to require such payment from such person in advance. Unless otherwise agreed, the Grantee shall be given not less than fourteen (14) calendar days advance notice to arrange for such temporary wire changes.

g. Construction and Maintenance, Excavation:

1. The route of any underground portions of the system shall be subject to review and approval by the City. Plans for construction in Streets shall be submitted to the City prior to construction in accordance with the City's non-discriminatory and generally applicable permitting procedure.

2. Except in an emergency, the Grantee shall comply with generally applicable City ordinances, policies and rules pertaining to notification when excavating pavement in any Streets.

h. Coordination of Placement of Manholes: The Grantee shall coordinate the placement of its manholes, if any, with the affected City Departments.

i. Movement of Facilities during Emergencies: During emergencies, the City may move the Grantee's Facilities, but shall first make reasonable attempts to notify the Grantee.

j. Payment of the City's Locate Costs: Subject to applicable law, the Grantee shall not pay for City's locates costs for the first three requests within six months for the same section of the Streets. The Grantee shall only pay for the City's locate costs that specifically relate to the Grantee and so long as those costs are not already included in the permit fees. The Grantee shall be required to obtain verifiable locates prior to any digging, trenching or excavation.

k. Acquisition of Facilities: Upon the Grantee's acquisition of Facilities in any Street, or upon the addition or annexation of any area in which the Grantee owns or operates any Facility, the Grantee shall, at the City's request, submit to the City a statement describing all Facilities involved, whether authorized by the Franchise, permit, license or other prior right, and specifying the location of all such Facilities to the extent the Grantee has possession of such information. Such Facilities shall immediately be subject to the terms of this Franchise.

l. Discontinuing Use of Facilities: Whenever the Grantee intends to permanently discontinue using any Facility within the Streets, the Grantee shall submit for the City's approval a complete description of the Facility and the date on which the Grantee intends to discontinue using the Facility. The Grantee may remove the Facility or request that the City permit it to remain in place. Notwithstanding the Grantee's request that any such Facility remain in place, the City may require the Grantee to remove the Facility from the Streets or modify the Facility as a condition of its remaining in place to protect the public health, welfare, or safety.

The Grantee shall complete such removal or modification in accordance with a schedule to be mutually agreed upon but in no event shall Grantee fail to remove said facility within one hundred and eighty (180) days of written demand by the City. Until such time as the Grantee removes or modifies the Facility, or until the rights to and responsibility for the Facility are accepted by another Person having authority to construct and maintain such Facility, the Grantee shall be responsible for all necessary repairs and relocations of the Facility, as well as maintenance of the Streets, in the same manner and degree as if the Facility were in active use, and the Grantee shall retain all liability for such Facility.

**5. Joint Use of Trenches and Conduits.** The Grantee may be required by the City to share trench space with another person or entity for the placement of facilities underground. Compensation to the Grantee as well as terms of sharing trench space shall be resolved between the affected entities. Ducts, cables, or wires shall be placed in trenches in compliance with applicable safety standards and, pursuant to the space allocation plan of the City.

**6. Maintenance of the System.**

- a. The Cable System shall be designed, constructed and operated so as to meet those technical standards adopted by the FCC relating to Cable Systems contained in part 76 of the FCC's rules and regulations as they may, from time to time, be amended, regardless of the transmission technology utilized.
- b. Standards: The Grantee's System constructed within the City shall comply with all applicable federal, state and local laws enacted pursuant to the City's police powers.
- c. Tree Trimming and Removal: To the extent permitted by law, the Grantee shall have the authority after obtaining any consent legally required from any affected property owner to trim trees or other natural growth overhanging any of its Cable System in the City so as to prevent branches from coming in contact with the Grantee's wires, cables, or other equipment. The Grantee shall reasonably compensate the City or property owner for any damages caused by such trimming, or shall, at its own cost and expense, reasonably replace all trees or shrubs damaged as a result of any construction, operation or maintenance of the System. The Grantee shall make reasonable efforts not to harm such trees or shrubs. Any pruning or removal of trees or shrubs in the City shall comply with standard practices and with City Code including licensing and permitting provisions. If it is required to trim branches that are more than 2 inches in diameter or to trim several trees along a Street then the trimming will be done by a qualified, professional arborist.
- d. Inspection: The City shall have the right, but not a duty, to inspect all construction and installation work performed in the Streets by the Grantee pursuant to this Franchise as it shall find necessary to ensure compliance by the Grantee. Such inspection shall be in accordance with the provisions of this Franchise.

- e. Restoration of City Property: The Grantee at its own cost and expense and in the manner approved by the City shall replace and restore all City property, including Streets, which is disturbed by the Grantee's construction, installation, maintenance or operation of its Facilities, in accordance with the City's Design Standards and Standard Construction Specifications. Nothing herein shall prevent the City from charging the Grantee its usual and customary fees of general applicability for inspection of such restoration or replacement work, as included in the generally applicable permit fee. The Grantee shall be solely responsible for protecting the public health, safety and welfare on such City property from the time of disturbance until proper restoration. Failure of the Grantee to replace or restore such City property within a reasonable time period after written notification by the City shall entitle the City to cause the proper restoration to be made at the Grantee's expense. The Grantee shall pay to the City the cost thereof, in the itemized amounts reported by the City to the Grantee, within 60 days after receipt of such itemized report.
- f. Restoration of Property: Whenever the Grantee shall cause or any person acting on its behalf shall cause any disturbance, injury or damage to City property by or because of the installation, maintenance or operation of its Facilities, such disturbance, injury or damage shall be remedied fully by the Grantee at its expense.
- g. Construction Necessary For Operation: Subject to applicable laws, regulations and ordinances of the City and the provisions of this Franchise, the Grantee may perform all construction necessary for the operation of its System. All construction and maintenance of any and all Facilities within the Streets incident to the Grantee's Cable System shall, regardless of who performs the construction, be and remain the Grantee's responsibility.
- h. Joint Trenching and Boring: The Grantee may make excavations in the Streets for any Facility needed for the maintenance or extension of the Cable System. Prior to doing such work, the Grantee shall give appropriate notice to the City and the notification association in accordance with applicable law (namely the Northwest Utility Notification Center). Whenever it is possible and reasonably practicable to joint trench or share bores or cuts, the Grantee shall work with other providers, licensees, permittees, and Grantees so as to reduce so far as possible the number of street cuts within the City.
- i. Emergency Repairs: In the event that emergency repairs are necessary to any part of its System, the Grantee shall immediately notify the City of the need for such repairs. The Grantee may initiate such emergency repairs, and shall apply for appropriate permits within seventy-two (72) hours after discovery of the emergency. The Grantee shall comply with all applicable City regulations relating to such excavations or construction, including the payment of permits or license fees, and shall reimburse the City for any damage to City utilities as a result of the emergency repairs. Likewise, in the event emergency repairs are necessary to any underground municipal utility to ameliorate a serious risk to the public health

and/or safety, if the City knows or has reason to believe part of Grantee's system is buried in the area which is to be excavated, the City shall immediately notify Grantee of the City's intent to excavate. Such notification shall be done in such manner as may be reasonably calculated under the circumstances of the emergency to provide Grantee with an opportunity to identify the location of any part of its system buried within the proposed excavation site. If the City then damages the system while making the emergency excavation, so long as its actions are not negligent, the City and its officers, employees, and contractor shall have no liability for the damage.

- j. Location of Facilities: The Franchisee shall be a member of the Northwest Utility Notification Center as soon as underground assets are in place.
- k. Restoration of Streets: If the Grantee excavates the surface of any Street, the Grantee shall be responsible for restoration of the Street in accordance with generally applicable specifications and regulations of the City. The City may, after providing notice to the Grantee, resurface any opening made by the Grantee in the Street, and the reasonable expense thereof shall be paid by the Grantee. The City may, after providing notice to the Grantee, remove and/or repair any work done by the Grantee which, in the determination of the City, is inadequate or unsatisfactory. The cost thereof, including the costs of inspection and supervision, shall be paid by the Grantee. All of the Grantee's work under this Franchise, and this Section, in particular shall be performed and completed in strict compliance with all generally applicable rules, regulations and ordinances of the City.
- l. Reservation of City Rights: Nothing in this Franchise shall prevent the City from constructing or establishing any public work or improvement. All such work shall be done, insofar as practicable, so as not to obstruct, injure or prevent the use and operation of the Grantee's System. However, if any of the Grantee's System unreasonably interferes with the construction, maintenance or repair of any public improvement, the Grantee's System shall be relocated.

Any and all such relocation shall be at the expense of the Grantee. Should the Grantee fail to relocate its Facilities by the reasonable date established by the City's written notice to the Grantee, the City may affect such removal, adjustment or relocation, and the expense thereof shall be paid by the Grantee. However, in the event that any telephone or electric utilities are reimbursed by the Grantor or any agency thereof for the placement of cable underground or the movement of cable, Grantee shall be reimbursed upon the same terms and conditions as any telephone, electric or other utilities.

m. Building Codes

- 1. The Grantee shall strictly adhere to all generally applicable and non-discriminatory building and zoning codes currently or hereafter in effect. The Grantee shall arrange its lines, cables, and other appurtenances, on both public and private property, in such a manner as to cause no unreasonable interference with the use of said

public or private property by any person. In the event of such interference, the City may require the removal or relocation of the Grantee's lines, cables, and other appurtenances from the property in question.

2. All plans for aerial crossings near existing or proposed traffic signals, signs, flashers, or other traffic control devices shall be submitted to the City for approval. No crossings shall be permitted that obstruct traffic signals or other official traffic control devices.

n. Underground and Overhead Construction

1. Preference for underground Installation. In all sections of the City where the cables, wires, utilities or other like facilities are placed underground, the Grantee shall place its wires, or other like facilities underground. If at any time the City determines that all existing wires, cables, utilities or other like facilities anywhere in the City shall be changed from an overhead to an underground installation, the Grantee shall, convert its facilities to an underground installation. If Grantee's wire, cable, utilities or other facilities are to be placed underground in a common trench or bore shared by others, Grantee shall share equally the expense of the trenching and/or boring in proportion to the number of joint users. The Grantee shall pay for all cable, wire conduit, or facilities installed for Grantee's own use. However, in the event that any telephone or electric utilities are reimbursed by the Grantor or any agency thereof for the placement of cable underground or the movement of cable, Grantee shall be reimbursed upon the same terms and conditions as any telephone, electric or other utilities. If the Grantee owns the aerial supporting structures, the additional incremental cost of undergrounding compared to aerial allocation will be paid by the City. Where no overhead poles exist, all wires and facilities shall be constructed underground.

2. Overhead. In areas of the City where electrical or telephone systems are installed on poles above ground, the Grantee shall have the option of installing its System in like manner above ground or, alternatively, underground.

o. Rights-of-Way Occupancy

1. Nothing in this Franchise shall give the Grantee the right to attach its Cable System to structures or poles owned by the City without consent of the City.

2. The Grantee shall:

(a) To the extent technologically and financially feasible, locate and install all transmission lines, equipment and structures so as to cause minimum interference with the rights and reasonable convenience of property owners;

(b) Keep and maintain all transmission lines, equipment and structures in a safe condition, and in good order and repair;

(c) To the extent required by City's generally-applicable rules and permitting obligations, Grantee shall submit a traffic control plan to the City for approval and

receive such approval at least 48 hours prior to commencing construction except in the case of emergency. Such traffic control plan shall be available for public inspection on the construction site at all times; and

(d) Notify adjacent property owners, businesses, residents, and others specified by the City prior to major construction and major maintenance projects.

3. The Grantee shall not make street cuts or curb cuts unless absolutely necessary, and only after a permit has been obtained from the City under generally applicable and non-discriminatory conditions.

4. Before beginning any excavation or other construction activity on a Street which crosses or abuts any private property, the Grantee shall clearly mark and delineate with flags, stakes or non-polluting water-soluble spray paint the boundaries of that right-of-way where it abuts or crosses the private property. After such excavation or other construction activity, the Grantee shall restore such property to not less than the City's standards.

p. Stop Work

On notice from the City that any work in the Streets is being performed contrary to the provisions of this Franchise, or in an unsafe or dangerous manner as determined by the City, or in violation of the terms of any applicable permit, the work may immediately be stopped by the City.

q. Grantee's Contractors. The Grantee and its contractors shall be licensed and bonded in accordance with the City's ordinances, regulations and requirements for any contractors working in the Streets. Any act or omission of any contractor of the Grantee, acting within the scope of authority granted contractor by Grantee, which violates any provision of this Franchise shall be considered an act or omission of the Grantee for the purposes of this Franchise.

## **7. Service.**

a. The Grantee may continue to provide Cable Service to all residences within the Service Area where Grantee currently provides Cable Service. Grantee shall have the right, but not the obligation, to extend the Cable System into any other portion of the Service Area, including annexed areas. Cable Service offered to Subscribers pursuant to this Franchise shall be conditioned upon Grantee having legal access to any such Subscriber's dwelling unit or other units wherein such Cable Service is provided.

b. The Grantor shall promptly provide written notice to the Grantee of its annexation of any territory which is being provided Cable Service by the Grantee or its affiliates. Such annexed area will be subject to the provisions of this Franchise upon sixty (60) days' written notice from the Grantor, subject to the conditions set forth below and subsection (a) above. The Grantor shall also notify Grantee in writing of all new street address assignments or changes within the Service Area.

Grantee shall within ninety (90) days after receipt of the annexation notice, pay the Grantor franchise fees on revenue received from the operation of the Cable System to provide Cable Services in any area annexed by the Grantor if the Grantor has provided a written annexation notice that includes the addresses that will be moved into the Service Area in an Excel format or in a format that will allow Grantee to change its billing system. If the annexation notice does not include the addresses that will be moved into the Service Area, Grantee shall pay franchise fees within ninety (90) days after it receives the annexed addresses as set forth above. All notices due under this section shall be sent by certified mail, return receipt requested to the addresses set forth in Section 11 with a copy to the Director of Government Relations. In any audit of franchise fees due under this Agreement, Grantee shall not be liable for franchise fees on annexed areas unless and until Grantee has received notification and information that meets the standards set forth in this section.

**8. Insurance/Indemnity.**

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

Workers' Compensation	Statutory Limits
Commercial General Liability	\$1,000,000 per occurrence, Combined Single Limit (C.S.L.) \$2,000,000 General Aggregate
Auto Liability including coverage on all owned, non owned hired autos	\$1,000,000 per occurrence C.S.L.
Umbrella Liability	\$1,000,000 per occurrence C.S.L.

- b. The Grantor shall be added as an additional insured, arising out of work performed by Charter, to the above Commercial General Liability, Auto Liability and Umbrella Liability insurance coverage.
- c. The Grantee shall furnish the Grantor with current certificates of insurance evidencing such coverage upon request.
- d. Grantee hereby agrees to indemnify and hold the Grantor, including its agents and employees, harmless from any claims or damages resulting from the actions of Grantee in constructing, operating or maintaining the Cable System. Grantor agrees to give the Grantee written notice of its obligation to indemnify Grantor within ten (10) days of receipt of a claim or action pursuant to this section. Notwithstanding the foregoing, the Grantee shall not be obligated to indemnify Grantor for any damages, liability or claims resulting from the willful misconduct or negligence of Grantor or for the Grantor's use of the Cable System.

**9. Enforcement or Revocation.**

a. Notice of Violation. If the Grantor believes that the Grantee has not complied with the terms of the Franchise, the Grantor shall first informally discuss the matter with Grantee. If these discussions do not lead to resolution of the problem, the Grantor shall notify the Grantee in writing of the exact nature of the alleged noncompliance (the “Violation Notice”).

b. Grantee’s Right to Cure or Respond. The Grantee shall have thirty (30) days from receipt of the Violation Notice to (i) respond to the Grantor, contesting the assertion of noncompliance, or (ii) to cure such default, or (iii) if, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the Grantor of the steps being taken and the projected date that they will be completed.

c. Public Hearing. If the Grantee fails to respond to the Violation Notice received from the Grantor, or if the default is not remedied within the cure period set forth above, the City Council shall schedule a public hearing if it intends to continue its investigation into the default. The Grantor shall provide the Grantee at least twenty (20) days prior written notice of such hearing, which specifies the time, place and purpose of such hearing, notice of which shall be published by the Clerk of the Grantor in a newspaper of general circulation within the Grantor. The Grantee shall have the right to present evidence and to question witnesses. The Grantor shall determine if the Grantee has committed a violation and shall make written findings of fact relative to its determination. If a violation is found, the Grantee may petition for reconsideration before any competent tribunal having jurisdiction over such matters.

d. Enforcement. Subject to applicable federal and State law, in the event the Grantor, after the hearing set forth in subsection 8(c) above, determines that the Grantee is in default of any provision of the Franchise, the Grantor may:

1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or
2. Commence an action at law for monetary damages or seek other equitable relief; or
3. In the case of a substantial default of a material provision of the Franchise, seek to revoke the Franchise itself in accordance with subsection 8(e) below.

e. Revocation.

1. Prior to revocation or termination of the Franchise, the Grantor shall give written notice to the Grantee of its intent to revoke the Franchise on the basis of a pattern of noncompliance by the Grantee, including one or more instances of substantial noncompliance with a material provision of the Franchise. The notice shall set forth the exact nature of the noncompliance. The Grantee shall have sixty (60) days from such notice to either object in writing and to state its reasons for such objection and provide any explanation or to cure the alleged noncompliance. If the Grantor has not received a satisfactory response from Grantee, it may then seek to revoke the Franchise at a public

hearing. The Grantee shall be given at least thirty (30) days prior written notice of such public hearing, specifying the time and place of such hearing and stating its intent to revoke the Franchise.

2. At the hearing, the City Council shall give the Grantee an opportunity to state its position on the matter, present evidence and question witnesses, after which it shall determine whether or not the Franchise shall be revoked. The public hearing shall be on the record and a written transcript shall be made available to the Grantee within ten (10) business days. The decision of the City Council shall be made in writing and shall be delivered to the Grantee. The Grantee may appeal such determination to an appropriate court, which shall have the power to review the decision of the City Council *de novo*. The Grantee may continue to operate the Cable System until all legal appeals procedures have been exhausted.

3. Notwithstanding the above provisions, the Grantee does not waive any of its rights under federal law or regulation.

f. Removal of System

Upon the lawful termination or revocation of this Franchise as provided herein, the Grantee shall forthwith, upon notice by the City, remove at the Grantee's own expense all designated portions of the System from all Streets within the City, and shall restore said Streets in accordance with the City's Design Standards and Standard Construction Specifications; provided, however, the Grantee shall have the right to sell its physical plant to a subsequent Grantee, subject to City approval, not to be unreasonably withheld, in which case said plant need not be removed and the Grantee shall continue to operate the System during such interim period prior to the sale. If the Grantee fails to commence removing its Facilities within one hundred and eighty (180) days of request, the City may perform the work at the Grantee's expense. Any property of the Grantee remaining in place in any Street one year after the termination or revocation of this Franchise shall be considered permanently abandoned and may become the property of the City at the City's discretion.

**10. Equal Protection.** If any other provider of cable services or video services (without regard to the technology used to deliver such services) is lawfully authorized by the Grantor or by any other state or federal governmental entity to provide such services using facilities located wholly or partly in the public Streets of the Grantor, the Grantor shall, within thirty (30) days of a written request from Grantee, modify this Franchise to insure that the obligations applicable to Grantee are no more burdensome than those imposed on the new competing provider. If the Grantor fails to make modifications consistent with this requirement, Grantee's Franchise shall be deemed so modified thirty (30) days after the Grantee's initial written notice. As an alternative to the Franchise modification request, the Grantee shall have the right and may choose to have this Franchise with the Grantor be deemed expired thirty (30) days after written notice to the Grantor. Nothing in this Franchise shall impair the right of the Grantee to terminate this Franchise and, at Grantee's option, negotiate a renewal or replacement franchise, license, consent, certificate or other authorization with any appropriate government entity.

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

12. **Notices, Miscellaneous.**

- a. Unless otherwise provided by federal, state or local law, all notices, reports or demands pursuant to this Franchise shall be in writing and shall be deemed to be sufficiently given upon delivery to a Person at the address set forth below, or by U.S. certified mail, return receipt requested, nationally or internationally recognized courier service such as Federal Express or electronic mail communication to the designated electronic mail address provided below. Grantee shall provide thirty (30) days written notice of any changes in rates, programming services or channel positions using any reasonable written means. As set forth above, notice served upon the Grantor shall be delivered or sent to:

Grantor: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

E-mail: \_\_\_\_\_

Grantee: Director, Government Affairs  
Charter Communications  
222 NE Park Plaza Drive, #231  
Vancouver, WA 98684

Copy to: Charter Communications  
Attn: Vice President of Government Affairs  
12405 Powerscourt Drive  
St. Louis, MO 63131

- b. All provisions of this Franchise shall apply to the respective parties, their lawful successors, transferees and assigns.
- c. If any particular section of this Franchise shall be held invalid, the remaining provisions and their application shall not be affected thereby.
- d. In the event of any conflict between this Franchise and any Grantor ordinance or regulation, this Franchise will prevail.

13. **Force Majeure.** The Grantee shall not be held in default under, or in noncompliance with the provisions of the Franchise, nor suffer any enforcement or penalty relating to

noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by circumstances reasonably beyond the ability of the Grantee to anticipate and control. This provision includes, but is not limited to, severe or unusual weather conditions, fire, flood, or other acts of God, strikes, work delays caused by failure of utility providers to service, maintain or monitor their utility poles to which Grantee's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

**14. Franchise Fee.**

- a. Pursuant to applicable law, the Grantee shall pay to City during the term of this Franchise annually an amount equal to five percent (5%) of the Gross Revenues for such calendar year, transmitted by electronic funds transfer to a bank account designated by Grantor.
- b. Each year during which the Franchise is in force, Grantee shall pay Grantor no later than ninety (90) days after the end of each calendar year the franchise fees required by this section, together with a financial statement showing total Gross Revenues derived from the Cable System during such year. The Grantor shall have the right to review the previous year's books of the Grantee to the extent necessary to ensure proper payment of the fees payable hereunder.

**16. Waivers.**

Neither Party shall be relieved of its obligations to comply with any of the provisions of this Franchise by reason of any failure or delay of the other Party to enforce prompt compliance. Any waiver by a Party of a breach or violation of any provision of this Franchise shall not operate as or be construed to be a waiver of any subsequent breach or violation.

- 17. Effective Date.** The Franchise granted herein will take effect and be in full force from such date of acceptance by Grantee recorded on the signature page of this Franchise ("Effective Date"). The initial term of this franchise shall expire ten (10) years from the Effective Date defined herein, unless extended in accordance with Section 2.2 of the Franchise or by the mutual agreement of the parties.

- 18. Acceptance and Entire Agreement.** The Grantor and the Grantee, by virtue of the signatures set forth below, agree to be legally bound by all provisions and conditions set forth in this Franchise. The Franchise constitutes the entire agreement between the Grantor and the Grantee. No modifications to this Franchise may be made without an appropriate written amendment signed by both parties. If any fee or grant that is passed through to Subscribers is required by this Franchise, other than the franchise fee, such fee or grant shall go into effect sixty (60) days after the Effective Date of this Franchise.

Considered and approved this \_\_\_ day of \_\_\_\_\_, 2018

CITY OF UNION GAP, WASHINGTON

Signature: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Accepted this \_\_\_\_ day of \_\_\_\_, 2018, subject to applicable federal, state and local law.

Falcon Video Communications, L.P.

By: Charter Communications VII, LLC, its General Partner

By: Charter Communications, Inc., its Manager

Signature: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_