

RESOLUTION AND
ENACTING ORDINANCE THEREON

RESOLUTION OF THE MAYOR AND COUNCIL OF THE MAYOR AND COUNCIL OF KEEDYSVILLE, a Maryland municipal corporation, authorizing the renewal of a non-exclusive cable television franchise.

JUN 15 1989

Recital

The Mayor and Council of Keedysville ("Town") is a municipal corporation existing under and by virtue of the laws of the State of Maryland.

GS Communications, Inc. is a corporation existing and authorized to conduct a cable television transmission business in the State of Maryland.

The Mayor and Council ("Council"), as the duly constituted legislative body of the Town, awarded a non-exclusive cable television franchise to Regional Cable Corporation on May 3, 1973, by Ordinance 73-53, amended January 3, 1974.

The Council further amended said Ordinance 73-53 on April 12, 1978, and transferred the franchise to Great Southern Printing and Manufacturing Company, Inc. and its agent GS Communications, Inc.

On April 8, 1989, Great Southern Printing and Manufacturing Company, Inc. requested that the existing franchise be renewed in the name of Frederick Cablevision, Inc., its agent. The Council accepted same and granted a non-exclusive franchise on April 7, 1989 to Frederick Cablevision, Inc.

It has been determined that the name of Frederick Cablevision, Inc. has been changed to GS Communications, Inc. Appropriate documentation has been furnished to the Council and is incorporated herein. GS Communications, Inc. is desirous of renewing the franchise and has requested that the appropriate Resolution(s) and Ordinance(s) be passed granting said non-exclusive franchise at and for the terms hereinafter set forth.

Each and every paragraph of this Recital is incorporated in the Renewal Ordinance attached, and each and every paragraph of the following Ordinance and Acceptance Agreement is incorporated in this Resolution and Recital.

00008 00478

CLERK OF THE CIRCUIT COURT
WASHINGTON COUNTY

NOW, THEREFORE, be it **RESOLVED, ENACTED** and **ORDAINED** that a non-exclusive franchise be and is hereby granted to GS Communications, Inc. ("Franchisee") and that the following Renewal Ordinance is hereby enacted:

**AN ORDINANCE RENEWING A NON-EXCLUSIVE FRANCHISE TO
GS COMMUNICATIONS, INC., (FORMERLY FREDERICK CABLEVISION, INC.)**

Preamble

The Mayor and Council of Keedysville, a municipal corporation existing under and by virtue of the laws of the State of Maryland, pursuant to applicable federal law and the applicable provisions of the Annotated Code of Maryland, Article 23A, is authorized to grant by Ordinance one or more non-exclusive franchises or to renew same to construct, operate, maintain and reconstruct cable television systems within the corporate limits of the municipal corporation.

The Mayor and Council, as the legislative body of the Town, has determined at a duly constituted public meeting that the public convenience, safety and general welfare of the citizens can best be served by granting a non-exclusive franchise as set forth herein.

TABLE OF CONTENTS

Section	1	Definitions (A through AG)	3-6
Section	2	Application Procedures (A through D)	6
Section	3	Franchise Award	6-7
Section	4	Franchise Provisions and Restrictions	7-13
	A	General Provisions (1 through 14)	7-11
	B.	Number of Channels	11
	C.	Use of Channels	12
	D.	Subscriber Equipment	12
	E.	Public Service Installations and Basic Service	12
	F.	Other Business Activities	12
	G.	Building Apartments	13
	H.	Repair	13
	I.	Removal of Facilities Upon Request	13
Section	5	Forfeiture or Surrender of Franchise	13-15
Section	6	Town's Right of Intervention	15
Section	7	Local Office: Complaint Procedures	15-16
Section	8	Insurance and Indemnification	16-17
Section	9	Area of Coverage and Construction	17
Section	10	Rates, Changes in Rates and Refunds for Basic Subscriber Service	17-18
Section	11	Franchise Fee	18
	A.	Annual Fees	18
	B.	Method of Computation	18
	C.	Right of Recomputation	18
	D.	Failure to Make Required Payment	18
Section	12	Administrative Oversight of a Cable System	19
Section	13	System Extension	19
Section	14	Adverse Actions	20
Section	15	Miscellaneous	20-21
	A.	Captions	20
	B.	Recourse	20
	C.	Arbitration	20
	D.	Separability	20
	E.	Costs	21
Section	16	Effective Date	21

Section 1: Definitions

A. "Town" means The Mayor and Council of Keedysville, Washington County, Maryland, a Maryland municipal corporation, including all areas within its existing boundaries and territory hereafter acquired or annexed.

B. "Town Agency" means the person, department, committee or agency designated by the Council in a contemporaneous Resolution to act for it in certain matters relating to cable television; or otherwise the Council itself.

C. "Council" means the legislative body of The Mayor and Council of Keedysville. Same is defined also as the Mayor and Council.

D. "FCC" means the Federal Communications Commission.

E. "Cable Communications System", or "System", or "Cable TV System", or "CATV System", or "Broadband Communications Network", means a system of antennas, cables, amplifiers, towers, microwave links, waveguides, laser beams, satellites, or any other conductors, converters, equipment or facilities, designed and constructed for the service of producing, receiving, amplifying, storing, processing, or distributing audio, video, digital, or other forms of electronic signals, and the facilities of a common carrier to the extent that such facility is used in the transmission of video programming directly to subscribers.

F. "Subscriber" means any person, firm, institution, corporation or other entity who or which elects to receive, for any purpose, the service provided by the cable communications system.

G. "Residential Subscriber" means a subscriber who receives service in an individual dwelling unit, where the service is not in connection with a business, trade, profession or institution.

H. "Commercial Subscriber" means a subscriber who receives service in connection with a business, trade or profession or institution.

I. "Programmer" means any person, firm, corporation, institution or entity who or which produces or otherwise provides program material for distribution to subscribers by means of the cable communications system.

J. "Channel" means a frequency path, 6 megahertz wide, in the electromagnetic spectrum.

K. "Local Origination Channel" means any channel where the franchisee is the programmer.

L. "Public Access Channel" means any channel where any member of the general public may be a programmer.

M. "Educational Access Channel" means any channel where educational authorities are the designated programmers.

N. "Local Government Access Channel" means any channel where the Council or other local governments or agencies are the designated programmers.

O. "Leased Access Channel" means any channel designed for commercial lease.

P. "Private Channel" means any channel which is available only to subscribers who possess equipment to receive signals of the appropriate frequency.

Q. "Secure Channel" means any channel so arranged electronically as to be available only to subscribers who possess special decoding equipment in order to receive a usable signal.

R. "Converter" means an electronic device which converts signals to a frequency not susceptible to interference within the TV receiver of a subscriber, and by an appropriate channel selector which also permits a subscriber to view all signals delivered at designated dial locations.

S. "Broadcast Signal" means a signal that is transmitted by a Cable Communication System, including microwave links, which is not involved in a broadcast transmission path.

T. "Basic Subscriber Service" means the transmission of local broadcast video channel signals required to be carried pursuant to Subpart D of Part 76 of the Rules and Regulations of the Federal Communications Commission.

U. "Additional Services include:

1. The services such as the transmission of all leased access signals not included in the basic subscriber service, non-local broadcast signals, and pay television signals.

2. Services not involving the transmission of signals, including rental of equipment, training services, and all other services which may be provided by the franchisee to residential subscribers.

V. "Public Street" means the surface of and the space above and below any public street, avenue, highway, boulevard, concourse, driveway, bridge, tunnel, park, parkway, waterway, dock, bulkhead, wharf, pier, alley, right-of-way, public utility easement, public utility and any other public ground or water subject to the jurisdiction and control of the Town.

W. "Pay Television" means the delivery to subscribers over the cable communications system, of television signals for a fee or charge to subscribers over and above the charge for basic subscriber service, on a per-program, per-channel, or other subscriber basis.

X. "Monitoring" means observing a one-way communications signal, where the observer is neither the subscriber nor the programmer, whether the signal is observed by visual or electronic means for any purpose whatsoever.

Y. "Illegal Connection" means observing a two-way communications signal exchange, where the observer is neither of the communicating parties, whether the communications signal exchange is observed by visual or electronic means, for any purpose whatsoever.

Z. "Total Gross Receipts" means any and all compensation and other consideration collected or received or in any manner gained or derived by a franchisee from the operation of its CATV service within the service area of the Town.

AA. "Gross Subscriber Revenues" means all revenues derived by the franchisee from monthly fees for furnished basic subscriber service, all additional service, and pay television service.

AB. "Subscriber Service Drop" means each extension wiring from the franchisee's distribution lines to a subscriber's point of use.

AC. "Franchise" or "Franchise Agreement" means this Ordinance by which a franchise is granted to a franchisee.

AD. "Ordinance" shall include the ordinances of The Mayor and Council of Keedysville.

AE. "Service Area" means the geographical area in which the franchisee provides CATV service, as legally granted by the franchisor.

AF. "Franchisee" means GS Communications, Inc., its approved successors and assigns.

AG. "Cable Act" means the Cable Communications Policy Act of 1984, 47 U.S.C. §52-611 1982 & Supp. V 1987) (and all other applicable provisions of 47 U.S.C.) as amended by the Cable

Television Consumer Protection and Competition Act of 1992, Pub.L. No. 102-385, and as may, from time to time, be amended.

Section 2. Application Procedures

The Mayor and Council ("Council"), as the duly constituted legislative body of the Town, awarded a non-exclusive cable television franchise to Regional Cable Corporation on May 3, 1973, by Ordinance 73-53, amended January 3, 1974.

The Council further amended said Ordinance 73-53 on April 12, 1978, and transferred the franchise to Great Southern Printing and Manufacturing Company, Inc. and its agent GS Communications, Inc.

On April 8, 1989, Great Southern Printing and Manufacturing Company, Inc. requested that the existing franchise be renewed in the name of Frederick Cablevision, Inc., its agent. The Council accepted same and granted a non-exclusive franchise on April 7, 1989 to Frederick Cablevision, Inc.

It has been determined that the name of Frederick Cablevision, Inc. has been changed to GS Communications, Inc. Appropriate documentation has been furnished to the Council and is incorporated herein. GS Communications, Inc. is desirous of renewing the franchise and has requested that the appropriate Resolution(s) and Ordinance(s) be passed granting said non-exclusive franchise at and for the terms hereinafter set forth.

Each and every paragraph of this Recital is incorporated in the Renewal Ordinance and each and every paragraph of the following Ordinance and Acceptance Agreement is incorporated in this Recital.

NOW, THEREFORE, be it RESOLVED, ENACTED and ORDAINED as follows:

Section 3. Franchise Award

A. The Mayor and Council (Council) does hereby grant unto GS Communications, Inc., a Maryland corporation and a corporation authorized to do business in the State of Maryland, a renewal of its non-exclusive franchise to engage in the business of providing cable service and such other services as may be permitted by this franchise and any agreements hereunder for a period of ten (10) years commencing on the 5th day of April, 1999 and terminating automatically on the 5th day of April, 2009.

By this Ordinance, the Council confirms the grant of a franchise renewal for a CATV system to GS Communications, Inc. as, in the Council's opinion, best qualified to render proper and efficient CATV service to subscribers in the Town of Keedysville. Such grant is non-exclusive, provided, however, that the Town shall not authorize or permit another cable television system to operate within the Town without first conducting a hearing, in which existing Company(ies) may participate, which will consider (1) highest and best use of the public rights-of-way; (2) public convenience and necessity; (3) impact on private property; (4) aesthetic consequences; (5) economic impact on delivery of cable services and cable service areas; (6) other societal interests implicated in cable television franchising; provided further that the Town shall not authorize or permit a cable television system to operate within the Town on terms or conditions more favorable or less burdensome to such operator than those applied to Company(ies) pursuant to its Franchise; and provided further, that if the Town authorizes or permits another cable television system to operate within the Town, it shall do so on condition that such cable television system indemnify and hold harmless existing Company(ies) from and against all costs and expenses incurred in strengthening poles, replacing poles, rearranging attachments, placing underground facilities, and all other costs and expenses incurred in strengthening poles, replacing poles, rearranging attachments placing underground facilities, and all other costs including those of company's(ies's), Town, and utilities, incident to inspections, make-ready, and construction of an additional cable television system in the franchise area; and provided further that existing Company(ies) shall be designated a third party beneficiary of such conditions as are incorporated into the authorization(s) granted to another cable television system.

Section 4: Franchise Provisions and Restrictions.

A. General Provisions:

The franchise granted pursuant to this Resolution is subject to the following:

1. Federal, state and local laws, rules, regulations, and ordinances, as they exist and as from time to time may be amended.
2. The Right of the Council:
 - a. To terminate the same for failure to comply with any material provisions of the Ordinance, and federal, state or local laws, ordinances, rules or regulations.
 - b. To require reasonable extension of plant, service and maintenance thereof.
 - c. To control and regulate the use of its streets, alleys, bridges and public places

and the space above and beneath them. The franchisee shall pay such part of the reasonable cost of improvement or maintenance of streets, alleys, bridges and public places, as shall arise from the franchisee's use thereof and shall protect and save the County, Town, their agents, employees and servants harmless from all claims and/or damages arising from said use.

d. To require joint-use of the property and appurtenance of each franchisee located in the streets, alleys and public places of the Town of Keedysville at reasonable compensation, insofar as joint-use may be reasonable and practicable.

e. Through its appropriately designated representatives, inspect construction or installation work performed subject to the provisions of this Ordinance, rule or regulation thereunder, and make such inspections as are reasonably necessary to insure compliance therewith. However, the franchisee shall remain primarily responsible for design and installation and for compliance with all requirements.

f. To require, at the expiration of the term of this franchise, or its renewal term, or upon the termination and cancellation as provided herein, the franchisee to remove, at its own expense any and all portions of the CATV system from the public ways within the service area within a reasonable period of time, not to exceed 180 days.

3. The franchise shall not be transferred or assigned, either in whole or in part, or leased, sublet, or mortgaged in any manner, nor shall title thereto, either legal or equitable, or any right, interest or property therein, pass to or vest in any person, corporation, association or other entity either by act of the franchisee or by operation of law, except as security for monies borrowed, or intra-corporate transfers, without the written consent of the Council, which consent shall not be unreasonably withheld.

4. Prior approval of the Council shall be required where control of more than 25% of the franchisee or all or substantially all of its assets is/are proposed to be acquired by a person, partnership, association, corporation or group of persons acting in concert, none of whom own or control 25% or more of such right of control, singularly or collectively, at the time the franchise is granted. By its acceptance of a franchise, the franchisee acknowledges and agrees that any such acquisition occurring without prior approval of the Council shall constitute a violation of the franchise.

5. The franchise shall be non-exclusive and shall be for a renewal term of ten (10) years from the effective date. Subsequent renewals shall conform to the Cable Communications Policy Act of 1984 and be approved by ordinance in accordance with applicable provisions of the Annotated Code of Maryland.

6. The franchisee shall be governed by the lawful rules and regulations of the FCC and other applicable local state and federal laws, ordinances and regulations as are now in force and as may be subsequently amended from time to time.

7. The franchisee shall not disseminate information as to the names, addresses or telephone numbers of subscribers or any subscriber information furnished in connection with a request for service except in conformity with Section 631 of the Cable Communications Policy Act of 1984; subject, however to the right of the Council to audit the records of the franchisee to establish compliance with this Ordinance.

8. The franchisee shall have the right to erect, maintain and operate a cable communication system in, under, over, along, across and upon the streets, lanes, avenues, sidewalks, alleys, bridges, easements, rights-of-way, utility poles and other public places in the Town and subsequent additions thereto, for the transmission and distribution of audio and visual impulses and television energy as hereinbefore defined, in accordance with the laws and regulations of the United States of America, the State of Maryland, and the ordinances and regulations of the Town. The Town specifically reserves the right to grant a similar use of said streets, lanes, avenues, sidewalks, alleys, bridges, rights of way, utility poles and other public places to any person at any time during the period of this franchise. Detailed plans and specifications for the installation of works or improvements authorized herein shall first be approved by the Council, which approval shall not be unreasonably withheld, and may be inspected by the Council during the construction to ensure compliance to plans and specifications.

9. (a) The franchisee shall when and where practicable lease, rent, or in any other lawful manner obtain, the use of towers, poles, conduits, cables and other equipment and facilities, from present holders of public licenses and franchises within the corporate limits of the Town on such terms as agreed, subject to all existing and future Ordinances and regulations of the Town and copies of all agreements with public utilities operating within the Town shall be placed on file in the office of the Council upon their execution. (b) Whenever such facilities are not reasonably available from the sources specified in Section 9(a) hereof, the franchisee shall have the right at its own expense to erect and maintain its own poles, conduits and related facilities as may be necessary for the proper construction and maintenance of its cable television distribution system, subject to applicable laws, ordinances and regulations and restrictions of title.

10. (a) All transmission and distribution structures, lines and equipment erected by the franchisee within the Town shall be so located as to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any of the said streets, alleys, or other public ways and places. Any opening or obstruction in the streets or other public places made by the franchisee in the course of its operations shall be guarded and protected at all times by the placement

of adequate barriers, fences or boardings, the bounds of which, during periods of dusk and darkness, shall be clearly designated by warning lights. (b) In case of any disturbance of pavements, sidewalks, driveway or other surfacing, the franchisee shall, at its own cost and expense, and in a manner authorized by the Town, replace and restore all paving, sidewalk, driveway or surface of any street or alley disturbed, in as reasonably as good condition as before said work was commenced. (c) In the event that at any time during the period of this franchise the Town shall lawfully elect to alter, or change the grade of any public street, water main or sewer mains, the franchisee shall upon reasonable notice by the Town, remove, re-lay and relocate its poles, wires, cables, underground conduits, manholes and other telephone fixtures at its own expense. Where public funds are made available for purposes such as urban renewal or historic preservation, which requires relocation of franchisee's facilities, franchisee shall share ratably in such funds. (d) The franchisee shall not place new poles or other fixtures where they will interfere with any gas, electric or telephone fixtures, water hydrant or main sewer main, sewer and water services, or other fixtures placed in any street, and they shall, where practicable, be placed at the outer edge of the sidewalk and inside the curb line, and those placed in alleys shall be placed close to the line of the lot abutting on said alley, and then in such a manner as not to interfere with the usual travel on said public streets. (e) The franchisee shall, upon the request of any person holding a building moving permit, 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 franchisee may require such payment in advance. The franchisee shall be given not less than forty-eight (48) hours advance notice to arrange for such temporary wire changes. (f) the franchisee may trim trees upon and over-hanging streets, alleys, sidewalks and public places of the Town so as to prevent the branches of such trees from coming in contact with the wires and cables of the franchisee, all trimming to be done at the expense of the franchisee.

11. The construction and maintenance of the cable television system, including house connections, shall be in accordance with the provisions of the National Electrical Safety Code prepared by the National Bureau of Standards, and such applicable laws and regulations of the Town, affecting such installations, which may be presently in effect or may be from time to time in the future in effect, including a securing of all permits for such construction and maintenance required by applicable law. All structures, equipment lines and connections shall be of permanent nature, durable, and installed in accordance with good engineering practice, and maintained in a safe condition in good order and repair wherever situated or located.

12. Copies of all petitions, applications and communications by or to the franchisee involving the Federal Communications Commission or any state or county or Town regulatory commission or agency or department having jurisdiction in respect to any matters affecting the franchisee shall also be furnished to the Council by the franchisee.

13. The franchisee shall obtain all permits and authorizations required in the conduct of its business.

14. The franchisee shall, throughout the life of such franchise, keep the Council fully informed with respect to the matters specified below, and the failure to disclose such information during the life of such franchise shall be considered a violation of the franchise and may subject such franchisee to suspension or termination in the case of material violations which are not cured after reasonable notice.

a. The franchisee shall allow the town to audit its financial records relating to gross subscriber revenues upon reasonable notice; make available its engineering, statistical, and customer service records relating to its system; and at all times maintain complete and accurate books of account and records of its business and operation.

b. The franchisee shall file annually with the Council a report indicating all persons who, at any time during the preceding year, controlled an interest in the franchise of 3% or more, setting forth for each the extent of this interest, and all creditors, secured and unsecured, in excess of \$10,000.00, setting forth for each the amounts loaned.

c. The franchisee shall also file annually such other information concerning its operation as reasonably may be required by the Council. The Council shall retain, throughout the life of any franchise given in pursuance of the franchise the right to demand reasonable, supplemental, additional or other information as above noted, and, upon proof of the failure to supply such information upon reasonable demand, the franchise under which any applicant may be operating may, at the option of the Council, be suspended upon order of the Council until such information is forthcoming.

B. Number of Channels

The franchisee's distribution system shall be capable of carrying 60 channels, including all TV stations required to be carried by the FCC. The system capacity in the forward path shall be at least 440 megahertz. The system shall be designed to have the capability of providing simultaneous reverse direction signals for digital, audio and video signal transmission on all elements of the system when and as allowed by the FCC.

1. The system shall comply with lawful technical regulations promulgated by the FCC.

2. Whenever it is necessary to interrupt service for the purpose of making repairs,

adjustments or installations, the franchisee shall do so at such times as will cause the least amount of inconvenience to its subscribers, and unless such interruption is unforeseen and immediately necessary, it shall give reasonable notice thereof to its subscribers.

C. Use of Channels

1. Cablecasting shall be offered pursuant to Subpart G of Part 76 of the Rules and Regulations of the Federal Communications Commission as amended from time to time.

2. There shall be at least three (3) channels designated for local access: One (1) channel for the franchisee's local origination, one (1) channel of shared, local government access, and one (1) channel of shared, local education access.

D. Subscriber Equipment

The franchisee shall make available to every subscriber all equipment necessary for reception on the subscriber's set of channels to which he has subscribed. The franchisee shall install all equipment and begin service to each subscriber within ten (10) working days after requested by such subscriber to do so, provided that service is available to a public way abutting the subscriber's property or can readily be made available.

E. Public Service Installations and Basic Service

The franchisee shall provide one free installation and free basic service to all Municipal Buildings, Police Stations, Fire Stations, Public Libraries, and Schools within the service area. Such installation shall be made at such reasonable locations as shall be requested by the respective units of government or educational institutions. Any charge for relocation of such installation shall, however, be charged at actual costs. Additional installations at the same location may be made at cost plus 10%. No monthly service charges shall be made for distribution of the franchisee's basic subscriber service within such publicly-owned buildings.

F. Other Business Activities

This franchise authorizes only the operators of a system as provided for herein, and does not take the place of any other franchise, license or permit which might be required by law of the franchisee in order to install its system.

G. Building Apartments

No franchisee shall be required to pay any fee to the building(s) owner(s) to provide cable television service to any member of the public in any privately-owned buildings which are in the Town. any disputes between the franchisee and any building owner shall be heard at and resolved by a hearing by the Council. Each franchisee shall report to the Council any building owner who requests a fee from the franchisee as a condition for allowing the franchisee to install a cable system service in the building owner's building. Provided, however, that an owner may receive reasonable reimbursement for direct adverse economic impact of such access, if any, based upon evidence of the diminution of investment-back expectations, the impairment of the premises' usefulness, the amount of space occupied by the facilities of the cable communications system, the prior use, if any, of the space, the continued physical availability of space on the premises for installations of alternative modes of television program reception or delivery, the difference in fair market value of the premises resulting from the installation of system facilities and other reasonable, non-speculative factors excluding the holdup value resulting from a landlord's monopoly control of such access. The aforesaid economic impact shall be rebuttably presumed to be a one-time charge of one dollar per dwelling unit. Any controversy or dispute over the reasonableness of reimbursement shall be submitted for resolution by the Council.

H. Repair

Any damage caused to the property of building owners or users or any other person by the sole negligence of the franchisee shall be repaired by the franchisee.

I. Removal of Facilities Upon Request

Upon termination of service to any subscriber, the franchisee shall promptly remove all its facilities and equipment from the premises of such subscriber upon his written request. Franchisee shall not charge a fee for same. Such removal shall be accomplished within fifteen (15) working days after request in writing is made by subscriber to do so.

Section 5: Forfeiture or Surrender of Franchise.

A. Forfeiture of the franchise may occur:

If the franchisee fails to substantially comply with the material provisions of the Ordinance, except for causes beyond the reasonable control of the franchisee, as heretofore provided and fails, within thirty (30) days written notice from the Town to correct such default or noncompliance.

B. Upon the termination or forfeiture of this franchise or any renewal thereof, the franchisee shall within 6 months thereafter remove its posts, poles, and all above ground equipment from the streets, lanes, sidewalks, highways, alleys, bridges and other public places in the service area and shall restore such streets, lanes, highways, sidewalks, alleys, bridges and other public places as nearly as possible to their original condition.

C. The franchise may surrender this franchise at any time upon filing with the Town a written notice of its intention to do so, at least sixty (60) days before the surrender date. On the surrender date specified in such notice, all the rights and privileges, and all of the obligations, duties and liabilities of the franchisee shall cease and terminate; except that the franchisee shall have an additional six (6) months to remove its plant and equipment from the Town streets and all other public lands upon which it is located. At the end of said six (6) months, any property owned by the franchisee and not removed from Town properties will become the property of the Town, to do with as it may choose. Any costs occurring to the Town in removing the franchisee's former possessions from Town streets or land will be a claim against the franchisee. Provided, however, that the Town must comply with Section 627 of the Cable Communications Policy Act of 1984.

D. In order that the Town may exercise its option to take over the facilities and property of the system as authorized herein upon expiration or forfeiture or revocation of the rights and privileges of the franchisee, the franchisee shall not make, execute or enter into any deed, deed of trust, conditional sales contract, sale, gift, or other agreement disposing of the facilities or property, real or personal, of the system without prior approval of the Council, if the Council determines that the transaction proposed by the franchisee will be harmful to the rights of the Town under this franchise. Provided, however, that this section shall not apply to the disposition or replacement of worn out or obsolete facilities or personal property in the normal course of carrying on the CATV business, or to routine financing and contractual relationships entered into in the ordinary course of the cable business. Provided, however, that the Town must comply with Section 627 of the Cable Communications Policy Act of 1984.

E. The franchise herein granted shall, at the option of the Council, cease and terminate upon the appointment of a receiver or receivers or trustee or trustees to take over and conduct the business of the franchisee whether in a receivership, reorganization, bankruptcy or other similar action or preceding. In the case of a foreclosure or other judicial sale of the plant, property and equipment of the franchisee, or any part thereof, including or excluding this franchise, the Council may serve notice of termination upon the franchisee and the successful bidder at such sale, in which even the franchise granted herein and all rights and privileges of the franchisee hereunder shall cease and terminate thirty (30) days after service of such notice, unless:

1. The Council shall have approved the transfer of this franchise, as and in the manner

in this Ordinance provided; and

2. Such successful bidder shall have covenanted and agreed with the Council to assume and be bound by all the terms and conditions of the franchise.

Section 6: Town's Right of Intervention

The franchise shall not oppose intervention by the Town in any suit or proceeding to which the franchise is a party.

Section 7: Local Office: Complaint Procedures

A. The franchisee shall maintain a local business office, or designated agent, or toll-free telephone line, for the purpose of receiving and resolving all complaints regarding the quality of service, equipment malfunctions and other similar matters.

B. The franchisee shall provide a toll-free telephone number at which subscriber may contact the franchisee or agent thereof on a twenty-four hour basis in the case of emergencies and shall notify its subscribers of such service.

C. Complaints by any subscriber may be filed with the franchisee in writing or delivered to the franchisee orally in person or by means of the telephone.

D. Any complaints received from subscribers shall be investigated by the franchisee within eight working hours (9:00 A.m. to 5:00 P.M., Monday through Friday) and service restored within at least forty-eight (48) hours of their receipt. In the event service is not restored within forty-eight (48) hours, the subscriber shall be credited with a reduction in his monthly payment for each full day that such service is not restored by determining from the monthly charge the prorated charge for each day's service, then multiplying said daily charge by the number of days during which service was not wholly restored and subtracting the result from the monthly charge.

E. The franchisee shall keep records that will indicate the nature of each complaint, the name of the employee of the franchisee receiving the complaint, the date and time it was received, the disposition of the complaint, and the time and date thereof. In said records, the franchisee shall state the specific steps taken by the company to remedy the complaint. These records shall be made available for reasonable inspection by the Town.

F. The procedure for reporting and resolving complaints shall be stated in writing by the franchisee to each subscriber at the time of initial subscription to the cable system.

G. The franchisee shall maintain the staff and facilities needed to properly handle system maintenance and complaints.

H. The franchisee shall employ qualified technicians to respond to complaints or malfunctions at other than normal office hours.

I. If a subscriber has an unresolved complaint regarding cable service, the subscriber may file his complaint with the Town and thereafter may meet jointly with a representative of the Council and a representative of the franchise to fully discuss and resolve such matter.

Section 8: Insurance and Indemnification

A. Liabilities and Indemnification of the Town

The franchise shall indemnify and hold harmless the Town and the Council, its agents, servants, officials and employees at all times and specifically agrees that it will pay all damages and costs which the Town or its agencies, servants, officials or employees may be legally required to pay arising from the franchise granted herein. Such damages and penalties shall include, but not limited to, damages arising out of copyright infringements, and other damages arising out of the installation, operation or maintenance of the CATV system authorized or allowed by the franchise. In the event suit shall be filed against the Town or its agents, servants, officials, or employees either independently or jointly with the franchisee to recover any claim or damages, the franchisee, upon immediate notice to it by the Council shall defend the Town or its agents, servants, officials, or employees, as the case may be, against the action and, in the event of a final judgment being obtained against any of them, either independently or jointly, with the franchisee by reason of the acts of the franchisee, the franchisee will pay said judgment and all costs and legal fees, and hold the Town, agents, servants, officials and employees harmless therefrom.

B. Insurance

Franchisee shall carry insurance in such form and in such companies as shall be approved by the Town, such approval not to be unreasonably withheld, to protect the Town, its agents, servants, officials and employees and the franchisee from and against any and all claims injury or damage. The insurance policies obtained by the franchisee in compliance with this and other sections shall be issued by a company, or companies, acceptable to the Council, and a current certificate or certificates of insurance shall be filed and maintained with the Council during the term of the franchise and prior to commencement of construction. Said policies shall contain a provision that a written notice of cancellation or reduction in coverage of said policy shall be delivered to the Council thirty (30) days in advance of the effective date thereof. The policies shall protect the Town, their agents, servants,

officials, and employees and the franchisee from and against any and all claims, injury or damage to persons or property, both real and personal, caused by the construction, erection, operation or maintenance of the system. The amount of such insurance shall be at the discretion of the Council, but not less than the following:

General Liability Insurance:

1 person	\$	500,000
1 accident	\$	1,000,000
Property damage	\$	100,000

Automobile Insurance:

1 person	\$	100,000
1 accident	\$	300,000
Property damage	\$	50,000

Workmen's Compensation Insurance shall also be provided as required by the laws of the State of Maryland.

Section 9: Area of Coverage and Construction

A. The franchisee shall offer service throughout the Town as rapidly as practicable. Inability to obtain easements if necessary, shall excuse franchisee from expanding its system, unless the Town exercises its power of eminent domain on franchisee's behalf.

B. The franchisee shall file a map and program report with the Council at the close of each calendar year, showing the exact area of the Town being serviced by the cable television system and the location and identification of major component parts of the system and plans for future service extensions by year.

C. Attached hereto is franchisee's map for projected areas of service to be completed within one (1) year of the date of this agreement.

Section 10: Rates, Changes in Rates and Refunds for Basic Subscriber Service

The Town shall not regulate the rates charged by franchisee except to prevent discrimination among customers of basic cable service. The franchisee is permitted to enter into bulk-rate

agreements at rates less than those charged to residential subscribers. In cases where franchisee fails to respond to legitimate complaints of service failures, poor service, inferior audio/video signals, the Council may: (a) require the franchisee to adjust billing charges for service deficiencies in whole or in part; or (b) require the franchisee to make reasonable refunds, in addition to any other remedies the Council may have by law or under this agreement.

Section 11: Franchise Fee

A. Annual Fee

During the term of this franchise, the franchisee shall pay to the Town for the use of its streets and public ways and other facilities, as well as the maintenance, improvements, and supervision thereof, an annual franchise fee equal to three percent (3%) of the annual gross subscriber revenues received by it from operations conducted within the Town. Such fee shall not exceed any limitation imposed by the FCC. This payment shall be in addition to any other tax owed to the Town by the franchisee.

B. Method of Computation

Payments due under the terms of the franchise shall be computed semi-annually and paid within sixty (60) days of December 31, and June 30, respectively. A statement shall be furnished with each payment certified as correct by the franchisee or by a certified public accountant. All statements shall reflect the total amount of gross subscriber service revenues. Statements accompanying payments of the franchise fee shall set forth a detailed computation of the payment.

C. Right of Recomputation

No acceptance of any payment shall be construed as a release or as an accord and satisfaction of any claim the Town may have for further or additional sums payable as a franchise fee under the Franchise Agreement or for the performance of any other obligation hereunder, unless such acceptance constitutes a waiver or acquiescence under governing law.

D. Failure to Make Required Payments

Failure to pay any fees required by this Section shall be considered a material violation of the franchise and may, at the option of the Council, result in suspension or termination of the franchise granted, and reinstatement thereof may, at the option of the Council, be had upon payment of the delinquent fee or fees, plus any interest and/or penalties as may be required by the Council, unless such failure constitutes a waiver or acquiescence by the Town under governing law.

Section 12. Administrative Oversight of a Cable System

The Council, in addition to any functions assigned to it elsewhere in the Charter, may have the following functions:

- A. Unless otherwise provided in this Ordinance, resolve disagreements among the franchisee, subscribers and public and private users of the system.
- B. Coordinate the franchisee's services for best public use of facilities and channels of the system.
- C. Determine general policy relating to the service provided subscribers and the operation and use of public channels with a view to maximizing the diversity of programs and services to subscribers.
- D. Encourage use of public channels among the widest range of institutions, groups and individuals. This endeavor shall be conducted with a view toward establishing different categories of use.
- E. Cooperate with other systems, and coordinate interconnection of systems.

Section 13. System Extension

- A. Within twelve (12) months of the receipt of final orders granting all necessary permits and authorizations which are required in the conduct of its business, including but not limited to utility joint-use attachment agreements, microwave carrier licenses issued by the FCC, and any other permits, licenses, and authorizations to be granted by duly constituted regulatory agencies having jurisdiction over the operation of cable television systems or their associated microwave transmission facilities, franchisee shall have an operable headend completed, and shall have extended energized trunk cable to Phase I as shown on attached map of the service area. The service area shall be the Town limits of Keedysville.
- B. Thereafter, franchisee, whenever it shall receive a request for service from at least 15 subscribers within 5,280 aerial cable feet, or 25 subscribers that are no more than 5,280 underground cable feet of its trunk cable, shall extend its system to such subscribers at no cost to the subscribers for system extension other than the usual connection fees for all subscribers, provided that such extension is technically and physically feasible. The 5,280 feet shall be measured in extension length of franchisee's cable required for service located within the public way or easement and shall not include length of necessary service drop to the subscriber's home or premises.

C. No person, firm or corporation in the franchisee's service area shall be arbitrarily refused service, provided that franchisee may charge an additional cost for providing service to subscribers who are beyond 150 feet from existing trunk or distribution cable.

Section 14: Adverse Actions

Any inquiry, proceedings, or other action taken or proposed to be taken by the Town adverse to operation of the franchisee's cable system shall be taken only after public notice is published at least ten (10), but not more than sixty (60) days before such action in a legal newspaper having general circulation in the Town and a written summary of such action or proposed action and the reasons therefore is served on the franchisee at least ten (1) days prior to the proposed action, and the franchisee has been given an opportunity to respond in writing and at any hearing held by the Town, provided that franchisee is able to acquire a reasonably suitable site for its necessary receiving equipment. This requirement shall not apply to portions of the service area which are not accessible to franchisee due to the franchisee's inability to obtain private or governmental permission for access to said portions, notwithstanding reasonable efforts by the franchisee to obtain such access.

Section 15: Miscellaneous

A. Captions. The captions to sections are inserted solely for information and shall not affect the meaning or interpretation of the franchise.

B. Recourse. The franchisee shall have no recourse whatsoever against the Council or Town or its officers, officials, boards, commissions, agents or employees for any loss, cost, expense or damage arising out of any lawful provisions or requirements of this franchise or because of its lawful enforcement.

C. Arbitration. In the event the Council and franchisee are unable to agree as to franchise amendment or any other matter that may be made subject to arbitration by this Ordinance, then each party shall designate an arbitrator and these two arbitrators shall in turn select a third arbitrator. The three arbitrators shall conduct proceedings in accordance with the applicable laws of the State of Maryland. Provided, however, that arbitration shall not be a condition to an action commenced pursuant to Section 635 of the Communications Policy Act of 1984.

D. Separability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

E. Costs. The franchisee shall pay a reasonable attorney fee for the legal services provided to the Town in connection with this agreement not to exceed \$300.00.

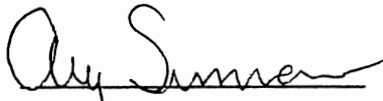
Section 16: Effective Date

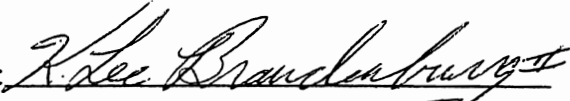
The franchise represented by this Ordinance shall take effect immediately upon its acceptance by the franchisee in the form of an acceptance agreement which is incorporated herein by reference.

Each and every paragraph of this Renewal Ordinance granting a non-exclusive franchise is incorporated in and made a part of the acceptance agreement of this franchise and each and every paragraph of the acceptance agreement of Franchisee is made a part of this Ordinance.

WITNESS AND ATTEST:

MAYOR AND COUNCIL OF THE
TOWN OF KEEDYSVILLE


Amy Simmons, Clerk

By: 
K. Lee Brandenburg, II, Mayor

Date of Introduction: April 5, 1999

Date of Passage: April 5, 1999

MAILED JUN 16 1999

Record and return to:

Ms. Amy Simmons, Clerk
Town of Keedysville
P. O. Box 359
Keedysville, MD 21756

AGREEMENT AND ACCEPTANCE OF TERMS OF RENEWAL
OF A NON-EXCLUSIVE CABLE TELEVISION FRANCHISE
ORDINANCE NO. #73-53 DATED APRIL 5, 1999

This Agreement and Acceptance entered into this 5th day of April, 1999, by and between The Mayor and Council of Keedysville, a municipal corporation existing under and by virtue of the laws of the State of Maryland, hereinafter "**TOWN**" and GS Communications, Inc., a Maryland corporation and a corporation authorized to do business in the State of Maryland.

Now, therefore, the **TOWN** and **GS Communications, Inc.** hereto agree as follows:

1. The Town, pursuant to its Charter and the provisions of Article 23A of the Annotated Code of Maryland is authorized to grant, and/or renew non-exclusive revocable franchises to operate, construct, maintain and reconstruct a cable television system within the geographical limits of the Town.

2. The Council of the Town, after due consideration and at a duly constituted public meeting, has determined that it is in the best interest of the Town and its citizenry to renew its non-exclusive franchise Ordinance and agreement with GS Communications, Inc. to perform such service.

3. The Council of the Town enacted an Ordinance renewing a NON-EXCLUSIVE franchise to GS Communications, Inc. (formerly Frederick Cablevision Inc.). The non-exclusive franchise granted by said Ordinance is to become effective upon acceptance by the franchisee.

4. GS Communications, Inc., franchisee, hereby accepts and agrees to all of the terms and conditions of said Ordinance which is incorporated herein as if fully set forth, and agrees to perform its obligations as set forth therein.

5. Each and every part of the Ordinance and Resolution enacting same, together with all attachments, is incorporated in this Agreement and made a part hereof.

6. Notices: All notices, reports or any other writings required shall be sent or delivered to:

Mayor and Council of Keedysville
Attention: Mayor K. Lee Brandenburg, Jr.
Town Hall
P. O. Box 359
Keedysville, MD 21756

GS Communications, Inc.
Attention: J. G. Tamse
442 West Patrick Street
Frederick, MD 21705-0398

7. GS Communications, Inc. does hereby warrant that the undersigned is duly authorized to execute this agreement and duly bind the franchisee to the terms and conditions of this Agreement. A notarized statement of ownership and authority to enter into a franchise agreement, as well as a Certificate of Good Standing from the Maryland Department of Assessment and Taxation is attached.

8. In the event of any conflict between the Ordinance and this Agreement accepting the terms of same, then the terms of the Ordinance shall govern.

WITNESS the hands and seal of the franchisee's duly authorized representative and the duly authorized representative of the Town.

WITNESS AND ATTEST
AS TO CORPORATE SEAL

Marlene B. Young

GS COMMUNICATION, INC.

By: Robert W. Cole
Printed Name Robert W. Cole
As Its: President

WITNESS AND ATTEST
AS TO CORPORATE SEAL

Amy Simmons
Amy Simmons, Clerk

TOWN OF KEEDYSVILLE MARYLAND

By: K. Lee Brandenburg
K. Lee Brandenburg, Mayor

CLERK OF THE CIRCUIT COURT
WASHINGTON COUNTY

STATE OF MARYLAND

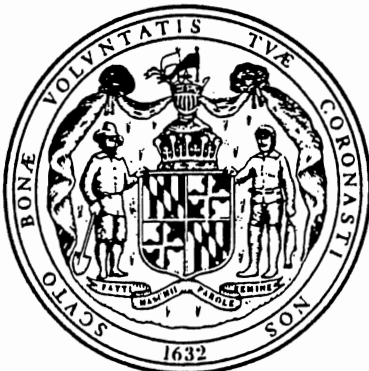
711937

STATE DEPARTMENT OF
ASSESSMENTS AND TAXATION

301 West Preston Street Baltimore, Maryland 21201

I, BETTY CHASE OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF THE STATE OF MARYLAND, DO HEREBY CERTIFY THAT SAID DEPARTMENT, BY THE LAWS OF SAID STATE, IS THE CUSTODIAN OF THE RECORDS OF THIS STATE RELATING TO THE FORFEITURE OR SUSPENSION OF CORPORATE CHARTERS, OR OF CORPORATIONS TO TRANSACT BUSINESS IN THIS STATE; AND I AM THE PROPER OFFICER TO EXECUTE THIS CERTIFICATE.

I FURTHER CERTIFY THAT GS COMMUNICATIONS, INC. IS A CORPORATION DULY INCORPORATED AND EXISTING UNDER AND BY VIRTUE OF THE LAWS OF MARYLAND AND SAID CORPORATION HAS FILED ALL ANNUAL REPORTS REQUIRED, HAS NO OUTSTANDING LATE FILING PENALTIES ON THOSE REPORTS, AND HAS A RESIDENT AGENT. THEREFORE, THE CORPORATION IS AT THE TIME OF THIS CERTIFICATE IN GOOD STANDING WITH THIS DEPARTMENT AND DULY AUTHORIZED TO EXERCISE ALL THE POWERS RECITED IN ITS CHARTER OR CERTIFICATE OF INCORPORATION, AND TO TRANSACT BUSINESS IN THE STATE OF MARYLAND.



IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE SEAL OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND AT BALTIMORE THIS 10TH DAY OF MARCH, 1999.

Betty Chase
BETTY CHASE
CHARTER DIVISION

00008 00503

CLERK OF THE CIRCUIT COURT
WASHINGTON COUNTY

GREAT SOUTHERN PTG. & MFG. COMPANY

GS COMMUNICATIONS, INC.

CERTIFICATE OF OWNERSHIP

The parent Company, Great Southern Printing & Mfg. Company was founded in 1880 by William T. Delaplaine who started a commercial print shop. By 1883, he saw newspaper publishing as a viable business and began The News which is currently in its 116th year of publication, never having missed a regularly scheduled edition. The Company was incorporated in the year 1888 and the Delaplaine family has maintained ownership of Great Southern since the Company's inception. Today, the newspaper (*The Frederick News-Post*) publishes two editions daily and has a circulation of 40,000 subscribers. Current ownership is between the George B. Delaplaine, Jr. family and the Frances Delaplaine Randall family. Mr. George B. Delaplaine, Jr. is President and CEO of Great Southern and CEO of GS Communications, Inc., a wholly owned subsidiary of Great Southern. Mr. Delaplaine got the Company involved with cable TV in 1967 and today, GS Communications, Inc. is rated as one of the top 100 MSOs (Multiple System Operators) in the nation. GS Communications is comprised of over 114,000 cable subscribers in the four-state region of MD, PA, WV and VA.

The Presidents of the subject companies are by virtue of their office fully authorized to sign and commit GS Communications, Inc. to all necessary agreements and franchises.

Officers for the Companies are:

Great Southern Ptg. & Mfg. Co.

George B. Delaplaine, Jr. - President/CEO
George E. Randall - Vice President
Marlene B. Young - Vice President/Corp. Sec.
Philip W. Hammond - Treasurer/CFO

GS Communications, Inc.

George B. Delaplaine, Jr. - Chairman/CEO
Robert W. Cole - President
Marlene B. Young - Vice President/Corp. Sec.
Philip W. Hammond - Treasurer/CFO

3/5/99

Date

Marlene B. Young Vice Pres (Seal)
Authorized Signature - Title Sec.

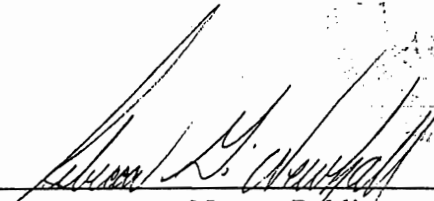
00008 00504

CLERK OF THE CIRCUIT COURT
WASHINGTON COUNTY

STATE OF MARYLAND, COUNTY OF FREDERICK, to wit:

I HEREBY CERTIFY that on this 5th day of MARCH, 1999, before,
the subscriber, a Notary Public in and for the State of Maryland, personally appeared
MARLENE B. YOUNG and acknowledged the foregoing signature and authorization of
Certificate of Ownership.

AS WITNESS my hand and Notarial Seal.



Notary Public
REBECCA G. NEWHALL
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires December 01, 2002
My Commission Expires: _____

00008 00505

CLERK OF THE CIRCUIT COURT
WASHINGTON COUNTY

KEEDYSVILLE, MARYLAND
CATV AS BUILT O/A 3/22/99
GS COMMUNICATIONS, INC

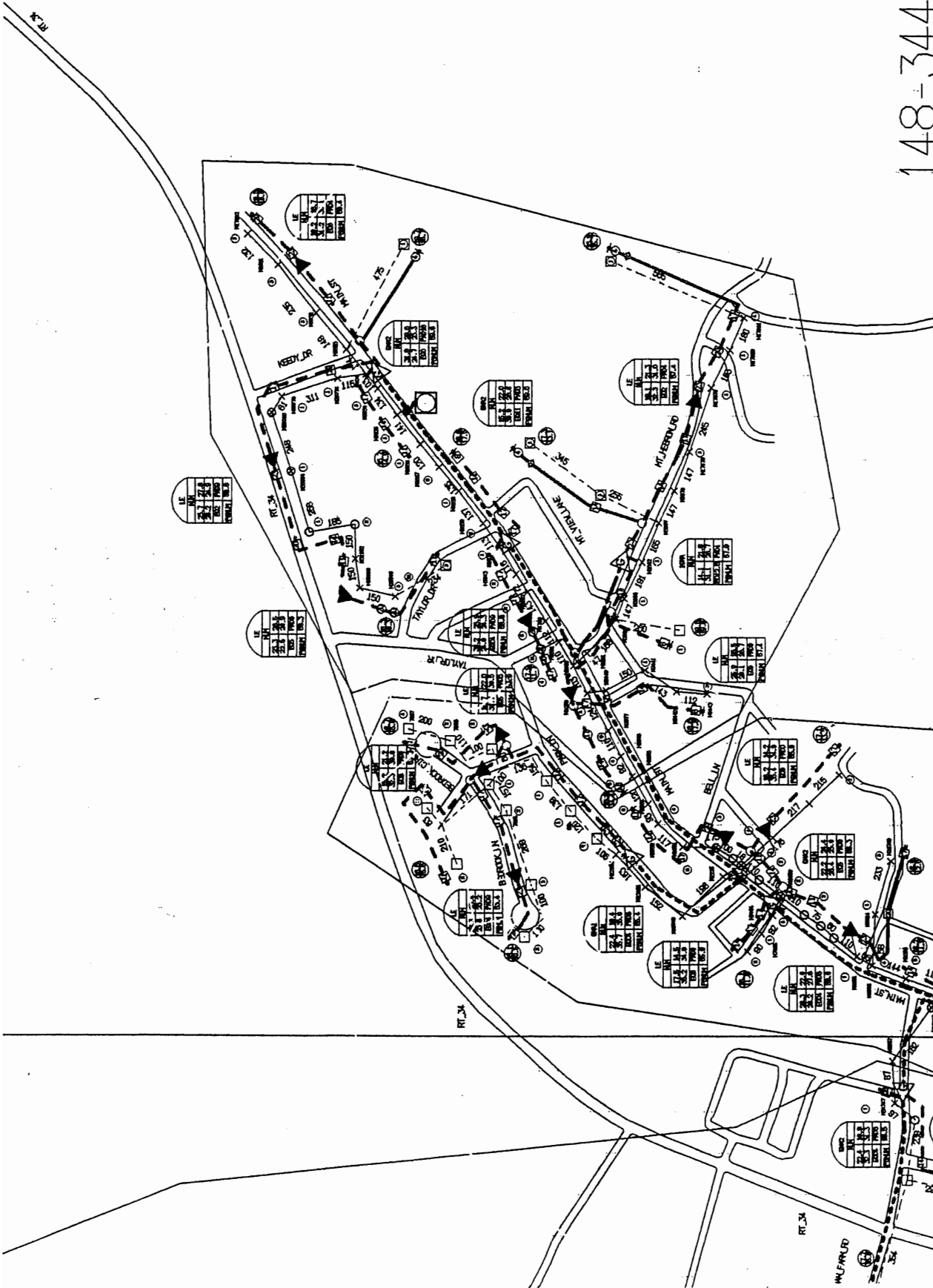
Legend for Maps:

	Border	=	Town Limits/Sub Division Limits
X		=	Utility Poles
□		=	CATV Pedestals
Blue		=	CATV Cable (Feeder)
Green		=	CATV Cable (750 Trunk)
Black		=	CATV Cable (875 Trunk)
▲		=	Amps

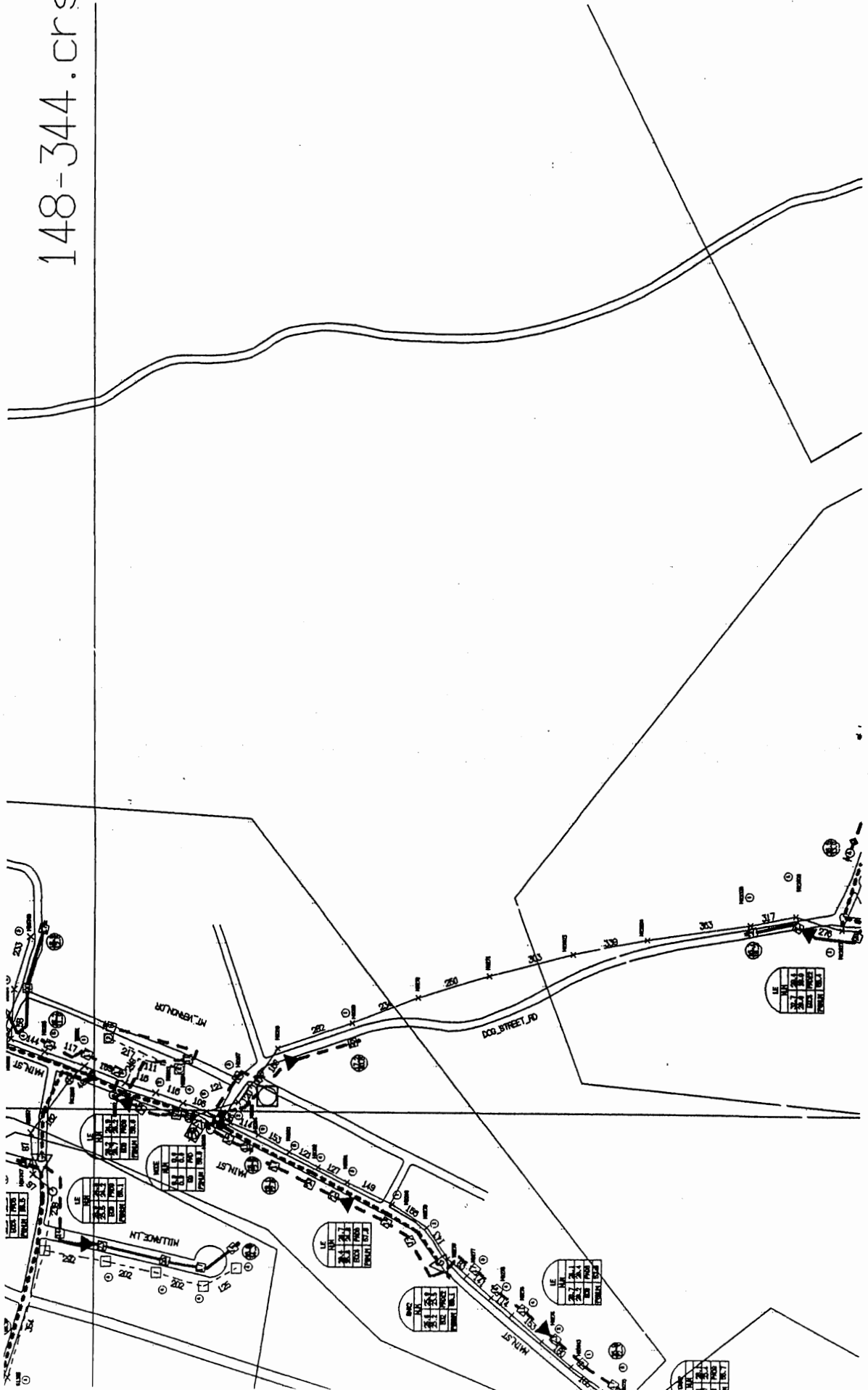
00008 00506

CLERK OF THE CIRCUIT COURT
WASHINGTON COUNTY

148-344.crs



148-344.crs



00008 00508

CLERK OF THE CIRCUIT COURT
WASHINGTON COUNTY

148-344.crs

