

**Cable Franchise Agreement
by and between
Hanover County, Virginia
and
Shenandoah Cable Television, LLC**

TABLE OF CONTENTS

ARTICLE	PAGE
1. DEFINITIONS.....	2
2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS	6
3. PROVISION OF CABLE SERVICE	7
4. SYSTEM FACILITIES	9
5. PEG SERVICES	12
6. FRANCHISE FEES	16
7. VIRGINIA COMMUNICATIONS SALES AND USE TAX AND FCC 621 ORDER.....	17
8. CUSTOMER SERVICE.....	18
9. REPORTS AND RECORDS	27
10. INSURANCE AND INDEMNIFICATION.....	29
11. TRANSFER OF FRANCHISE.....	30
12. RENEWAL OF FRANCHISE.....	31
13. ENFORCEMENT AND TERMINATION OF FRANCHISE	31
14. MISCELLANEOUS PROVISIONS.....	34

EXHIBIT A - COUNTY BUILDINGS TO BE PROVIDED COMPLIMENTARY CABLE SERVICE

EXHIBIT B – PRIORITY BUILDOUT MAP

EXHIBIT C – STANDARD INSTALLATION SCHEMATICS

Cable Franchise Agreement

THIS CABLE FRANCHISE AGREEMENT (“Franchise Agreement” or “Agreement”) is entered into by and between the County of Hanover, Virginia, a political subdivision of the Commonwealth of Virginia (“the County”) and Shenandoah Cable Television, LLC (“Shentel”), a corporation duly organized under the applicable laws of the Commonwealth of Virginia.

WHEREAS, the County wishes to grant Shentel a nonexclusive franchise to construct, install, maintain, extend and operate a cable communications system in the Franchise Area as designated in this Agreement;

WHEREAS, the County is a “franchising authority” in accordance with Title VI of the Communications Act (*see* 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to the Code of Virginia, Va. Code Ann. § 15.2-2108 and the Hanover County Cable Television Systems Ordinance, Chapter 5 of the Hanover County Code of Ordinances (the “Cable Ordinance”);

WHEREAS, Shentel proposes to construct and operate a Cable System in the Franchise Area for the transmission of Cable Service;

WHEREAS, the Cable System will occupy the Public Rights-of-Way within the County;

WHEREAS, the County and Shentel have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of Shentel’s commitment to provide Cable Service to residents of the Franchise Area pursuant to and consistent with federal and Virginia law and the terms and conditions set forth herein, and the benefit expected to accrue to the County from the grant of a Cable Service franchise to Shentel, along with other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE PARTIES DO HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS

Except as otherwise provided herein, the definitions and word usages set forth in the Communications Act (as hereinafter defined) are incorporated herein and shall apply in this Agreement. References in this section to any federal or state law shall include amendments thereto as may be enacted from time-to-time. In addition, the following definitions shall apply:

1.1. *Access Channel or PEG Access Channel*: A video Channel, which Shentel shall make available to the County without charge for non-commercial PEG use for the transmission of video programming as directed by the County.

1.2. *Affiliate*: In relation to any Person, another Person who owns or controls, is owned or controlled by, or is under common ownership or control with, such Person.

1.3. *Basic Service*: A Cable Service tier that includes (i) the retransmission of local television broadcast Channels and (ii) PEG Channels required to be carried in the basic tier.

1.4. *Cable Operator*: Any person or group of persons who provides Cable Service over a cable system and directly through one or more affiliates owns a significant interest in such cable system or who otherwise controls or is responsible for, through any arrangement, the management and operation of such a cable system.

1.5. *Cable Ordinance*: The Hanover County Franchising and Regulation of Cable Television Systems Ordinance 97-24, or such successor ordinance as may be approved by the Hanover County Board of Supervisors.

1.6. *Cable Service* or *Cable Services*: The one-way transmission to subscribers of (i) Video Programming or (ii) other programming service, and subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming service. Cable service does not include any Video Programming provided by a commercial mobile service provider defined in 47 U.S.C. § 332(d).

1.7. *Cable System* or *System*: A facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple Subscribers within the County and designed in accordance with the International Telecommunication Union - Telecommunication Standardization Sector G.984 Standard for gigabit passive optical networks, but such term does not include (i) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (ii) a facility that serves Subscribers without using any public right-of-way; (iii) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act, except that such facility shall be considered a Cable System (other than for purposes of Section 621 of the Cable Act) to the extent that facility is used in the transmission of video programming directly to Subscribers unless the extent of that use is solely to provide interactive on-demand services; (4) an open video system that complies with Section 653 of the Cable Act; (5) any facilities of any electric utility used solely for operating its electric utility systems.

1.8. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4), meaning a portion of the electromagnetic spectrum which is used in a cable system and which is capable of delivering a television channel, as defined by the Federal Communications Commission by regulation.

1.9. *Communications Act*: The Communications Act of 1934, as amended.

1.10. *County*: Hanover County, Virginia.

1.11 *Demarcation Point*: shall be a point agreed upon by Franchisee and the County up to twelve (12) inches inside the building wall and consistent with Franchisee's direction of approach to the building, consistent with the FCC's rules as of the Effective Date of this Franchise Agreement

or as later amended. For purposes of EG upstream feeds, a Demarcation Point shall be the point at which the equipment owned by the EG origination site interconnects with Franchisee's wiring and electronics.

1.12. *Educational Access Channel*: Any Channel required by this Franchise Agreement to be provided by Shentel to the County and set aside for non-commercial educational use.

1.13. *FCC*: The United States Federal Communications Commission or successor governmental entity thereto.

1.14. *Force Majeure*: "Force majeure" means an event or events reasonably beyond the ability of the cable operator to anticipate and control. "Force majeure" includes, but is not limited to, acts of God, incidences of terrorism, war or riots, labor strikes or civil disturbances, floods, earthquakes, fire, explosions, epidemics, hurricanes, tornadoes, governmental actions and restrictions, work delays caused by waiting for utility providers to service or monitor or provide access to utility poles to which the cable operator's facilities are attached or to be attached or conduits in which the cable operator's facilities are located or to be located, and unavailability of materials or qualified labor to perform the work necessary.

1.15. *Franchise* means the County's initial authorization, or renewal thereof, of the construction and operation of a Cable System in the public rights-of-way by Franchisee Shentel.

1.16. *Franchise Area*: The entire existing territorial limits of the County and such additional areas that may be included in the territorial limits of the County during the term of this Franchise.

1.17. *Franchisee* or *Shentel*: Shenandoah Cable Television, LLC, and any lawful and permitted successors, assigns and transferees.

1.18. *Government Access Channel*: Any Channel required by this Franchise Agreement to be provided by Shentel to the County and set aside for non-commercial government use.

1.19. *Gross Revenue*: means revenue derived by the Grantee from the operation of the Cable System in the Franchise Area to provide Cable Service, calculated in accordance with generally accepted accounting principles ("GAAP"). Gross Revenue includes monthly basic cable, premium and pay-per-view video fees, installation fees and subscriber equipment rental fees. Gross Revenue shall not include refundable deposits, late fees, investment income, advertising revenue, home shopping revenue, leased access fees, nor any taxes, franchise fees, or other fees or assessments imposed or assessed by any governmental authority. Gross Annual Revenues shall not include actual bad debt that is written off, consistent with generally accepted accounting principles, provided however, that all or any part of any such actual bad debt that is written off, but subsequently collected, shall be included in the Gross Annual Revenues in the period so collected.

1.20. *Non-Cable Services*: Any service that does not constitute the provision of Cable Service.

1.21. *Normal Business Hours*: Those hours during which most similar businesses in the community are open to serve customers. In all cases, “normal business hours” must include some evening hours at least one night per week and/or some weekend hours.

1.22. *PEG*: Public, educational, and governmental.

1.23. *PEG Provider*: Any entity designated by the County to operate one or more PEG Channels.

1.24. *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

1.25. *Public Access Channel*: Any Channel required by this Franchise Agreement to be provided by Shentel to the County and set aside for use by the general public who are residents of the Franchise Area, including groups and individuals, and which is available for such use on a non-discriminatory and non-commercial basis.

1.26. *Public Facility*: A facility occupied by a public office or agency in the County, to include without limitation County government agencies, recreation centers, fire stations, police stations, sheriff’s offices, public schools, public libraries, and any other local government building as shall be designated by the County from time to time.

1.27. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are within the jurisdiction or control of the County. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other non-wire communications or broadcast services.

1.28. *Subscriber*: A Person who lawfully receives Cable Service over the Cable System with Shentel’s express permission.

1.29. *Tap*: A passive device located on a pole or in a pedestal in the Public Right of Way that is installed on the main cable and that is the connection point for the cable drop to the customer premises.

1.30. *Transfer of the Franchise*: Any transaction in which (i) an ownership or other interest in the Franchisee is transferred, directly or indirectly, from one person or group of persons to another person or group of persons, so that majority control of the Franchisee is transferred; or (ii) the rights and obligations held by the Franchisee under the Franchise are transferred or assigned to another person or group of persons.

1.31. *Video Programming*: Programming provided by, or generally considered comparable to, programming provided by a television broadcast station.

1.32. *Written or In Writing*: A term that shall include communications delivered via e-mail or other electronic form, so long as the sender confirms receipt of the communication by the intended recipient.

2. GRANT OF AUTHORITY; LIMITS AND RESERVATIONS

2.1. *Grant of Authority*: Subject to the terms and conditions of this Agreement and the Communications Act, the County hereby grants Shentel the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order to provide Cable Service. Nothing in this Franchise shall limit the rights of Shentel to offer any service over its Cable System unless otherwise provided in federal, State, or County law. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement. This Agreement does not confer any rights other than as expressly provided herein or as mandated by federal, state or local law.

2.2. *Term*: This Franchise Agreement shall become effective on August 1, 2022 (the “Effective Date”). The term shall be for five (5) years, with a second five-year term contingent on Shentel’s performance as evaluated by the County in its sole discretion. The County will initiate the performance review within six (6) months of the five-year termination date. If renewed for a second five-year term, the Agreement thereafter may be subsequently renewed, on the same or different terms, for periods longer or shorter than five years, as determined by the County

2.3. *Grant Not Exclusive*: The Franchise and the rights granted by this Franchise Agreement to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the County reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use themselves, at any time during the term of this Franchise. Any such rights which are granted shall not expressly alter or purport to alter the authority as granted under this Franchise or expressly grant authority or purport to grant authority to interfere with existing physical facilities, including equipment, of the Cable System.

2.4. *Franchise Subject to Federal Law*: Notwithstanding any provision to the contrary herein, this Franchise Agreement is subject to and shall be governed by all applicable provisions of federal law as it may be amended.

2.5. No Waiver:

2.5.1. The failure of the County on one or more occasions to exercise a right or to require compliance or performance under this Franchise, the Communications Act or any other applicable State or Federal law shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance by the County, nor to excuse Shentel from complying or performing, unless such right or such compliance or performance has been specifically waived in writing.

2.5.2. The failure of Shentel on one or more occasions to exercise a right under this Franchise Agreement or applicable law, or to require performance under this Franchise Agreement, shall not be deemed to constitute a waiver of such right or of performance of this

Agreement, nor shall it excuse the County from performance, unless such right or performance has been specifically waived in writing.

2.6. Construction of Agreement:

2.6.1. Nothing herein shall be construed to limit the scope or applicability of currently applicable federal and Virginia law.

2.6.2. *Precedence of Documents:* In the event of a conflict between the Cable Ordinance and this Agreement, this Agreement shall prevail. In the case of a conflict between the Cable Ordinance and Virginia Code, the Virginia Code shall prevail except to the extent it is preempted by federal law.

2.7. *Police Powers:* Shentel's rights are subject to the police powers of the County to adopt and enforce ordinances of general applicability necessary to protect and preserve the health, safety and welfare of the public. Shentel shall comply with all applicable general laws and ordinances enacted by the County pursuant to those powers.

2.8. *Delegation of Rights, Powers, and Duties:* Any delegable right, power, or duty of the County under the Cable Ordinance or this Franchise Agreement may be transferred or delegated to an appropriate officer, employee, or department of the County.

3. PROVISION OF CABLE SERVICE

3.1. Service Area:

3.1.1 *General Availability:* The Franchisee shall make Cable Service generally available to businesses and residential dwelling units within the Franchise Area, including offering cable service to all new or previously unserved businesses and residential units within one hundred and fifty (150) feet of Franchisee's distribution fiber. While Franchisee shall use commercially reasonable efforts to build out its network to serve as much of the County as is feasible taking into account build-out costs, geographical and geological conditions, and business conditions, Franchisee reserves the right in its sole discretion as to where it builds out its network in the County. Franchisee shall coordinate its buildout efforts with County staff. This coordination shall include sharing of maps, estimated timelines, and long-term plans. For the initial five-year term of this Agreement, Franchisee shall focus its development in accordance with the Priority Buildout Map in Exhibit B. Exhibit C contains schematic depictions of standard installations, including aerial, aerial to underground drop, and underground drop.

3.1.2 *Service Drops:* The Franchisee shall extend its Cable System to potential Subscribers at no cost to said potential Subscribers other than the Franchisee's standard charge for a standard service drop (the "Standard Installation Fee"), except that if the point at which electric utility facilities enter the building (the "Entry Point") is located more than 250 feet from the Tap installed to serve that Subscriber, the Franchisee may charge an installation fee equal to the Standard Installation Fee, plus the actual cost of construction (defined as time and materials with a reasonable allocation for administrative costs) of Cable System facilities in excess of the 250 foot distance.

3.1.3. *Cost Sharing:* If the conditions of Sections 3.1.2 are not met, the Franchisee shall only be required to extend the Cable System if the Subscribers in an area requesting Cable Service are willing to share the capital costs of extending the Cable System by making a capital contribution in aid of construction including the actual cost of material, design, labor and easements. Subscribers who request service hereunder shall bear the construction costs on a pro rata basis. The Franchisee may require that the payment of the capital contribution in aid of construction borne by potential subscribers be paid in advance. Subscribers shall also be responsible for any applicable installation charges to extend the Cable System from the tap to the residence.

3.2. *Cable Service to Public Facilities:*

3.2.1. Subject to the terms of this Section 3.2, Shentel shall install upon request a service outlet at each Public Facility to which Shentel is granted access rights that is within (i) the Franchise Area, and (ii) two hundred fifty (250) feet of Shentel's distribution fiber; provided, however, that if there is a County-owned conduit to the Public Facility, the conduit distance shall not be included within the two hundred and fifty (250) foot calculation. If the Public Facility is not within two hundred and fifty (250) feet of Shentel's distribution fiber, the County may contract with Shentel or a qualified contractor to connect to Shentel's distribution fiber beyond said distance. The County shall secure any necessary right of entry required for Shentel to install its facilities. Shentel shall maintain, at no charge, a service outlet at each of the existing Public Facilities listed on Exhibit A. In addition, subject to subsection 3.2.2 below, within one hundred eighty (180) days after receiving a written request from the County for Cable Service to a Public Facility not listed on Exhibit A ("New Public Facility"), Shentel shall install and maintain a service outlet at each New Public Facility.

3.2.2. If a New Public Facility is located within two hundred fifty (250) feet of the Public Rights-of-Way, then Shentel shall bear the cost of installation so long as such New Public Facilities do not exceed five (5) per calendar year. If a New Public Facility is located more than two hundred fifty (250) feet from the Public Rights-of-Way, then the County shall reimburse Shentel for the difference between the actual cost of installation and the cost of installation to a structure within two hundred fifty (250) feet of the Public Rights-of-Way, except that if Shentel chooses to install facilities for the purpose of serving subscribers other than the government users located at a New Public Facility, the County will be responsible for reimbursing Shentel only for the County's *pro rata* share of the cost of construction to such New Public Facility.

3.2.3. If County-owned conduit suitable for the placement of Shentel's facilities exists along any portion of a route capable of extending service to a Public Facility or New Public Facility, either of which hereafter may be referred to as "Facility", and the County determines that it has conduit capacity available in excess of its likely needs for the foreseeable future, the parties shall meet in good faith to discuss the use of such conduit. Unless otherwise prohibited by law, Shentel may agree to use such conduit and the County may make such conduit available to Shentel on a sole-use basis if such use would lower the cost of installation of Shentel's facilities needed to serve a Facility that is more than two hundred fifty (250) feet from the Public Rights-of-Way. If suitable County-owned conduit is available to Shentel on a sole-use basis and the use of such conduit would reduce the cost of construction to serve a Facility, but Franchisee elects not to use such conduit, any amount that the County would be required to pay pursuant to Section 3.2.2 above shall be reduced by the amount by which the use of County conduit would reduce the total cost of the project.

3.2.4. Shentel shall provide Basic Service to each Facility.

3.2.5. There shall be no charge to the County or other entity or agency receiving service at a Facility for the cost of Basic Service, except for equipment costs as provided for in this section. There shall be no charge to the County or other entity or agency receiving service at a Facility for the cost of installation or the cost of maintenance except as provided in this Section 3.2. There also shall be no charge to the County or other entity or agency receiving service at a Facility for the cost of one converter or digital transport adapter at each such Facility.

3.2.6. The cost of inside wiring, additional drops or outlets, or additional converters or digital transport adapters requested by the County within a Facility, including those drops, outlets, or digital transport adapters in excess of those currently installed, are the responsibility of the County. The County or any public body responsible for managing a Facility may, at its expense, extend or install suitable wiring to permit Cable Service to be provided at multiple locations within said Facility. Should the County relocate one or more County Departments from one Facility to another Facility, the County may, at no additional cost, move its currently-installed digital transport adapters to such Facility. Shentel agrees to reprovision any converters and digital transport adapters to their new locations at no charge. Shentel may charge for any new wiring or installation required by County as a result of a relocation of a converter or digital transport adapter. In addition, the County may request that the Franchisee install sufficient capacity and suitable equipment to ensure that all signals are provided at such additional outlets with sufficient strength to supply the entire Public Facility, taking into account the number of outlets to be served, the distance signals will be transported, and all technical factors necessary to ensure that all outlets receive a suitable signal. Upon Franchisee's request, the County shall provide specifications for serving a Public Facility in writing to the Franchisee. In constructing all facilities required under this Section 3.2.6, the Franchisee shall ensure that it meets the County's actual needs at each location. If meeting the County's needs for delivery of a suitable signal imposes costs on the Franchisee beyond the costs the Franchisee would bear in the absence of such requirements, the Franchisee may require that the County reimburse the difference, subject to Sections 3.2.2 and 3.2.3 herein. Shentel shall not be responsible for any violations of FCC technical standards on the County's side of the Demarcation Point. After reasonable notice under the circumstances, Shentel may temporarily disconnect its service to a Facility that does not correct such violations of FCC technical standards until such time as such violations are corrected.

4. SYSTEM FACILITIES

4.1. *System Characteristics*: Shentel's Cable System shall meet or exceed the following requirements:

4.1.1. The System shall be designed in accordance with the International Telecommunication Union - Telecommunication Standardization Sector G.984 Standard for gigabit passive optical networks.

4.1.2. The System shall be designed to be an active two-way plant for subscriber interaction, if any, required for selection or use of Cable Service.

4.1.3. Modern design utilizing an architecture that will permit additional improvements necessary for high quality and reliable service throughout the term of the Agreement.

4.1.4. Protection against outages due to power failures, so that back-up power is available at a minimum for at least 24 hours at the headend, and conforming to industry standards, but in no event rated for less than four hours, at each node. Such standby power supplies shall cut in automatically on failure of commercial utility AC power, and revert automatically to commercial power when it is restored.

4.1.5. Facilities and equipment sufficient to cure violations of any applicable FCC technical standards and to ensure that the Cable System remains in compliance with the standards specified in Section 4.1.18.

4.1.6. Facilities and equipment as necessary to maintain, operate, and evaluate the Cable System to comply with any applicable FCC technical standards, as such standards may be amended from time to time.

4.1.7. All facilities and equipment designed to be capable of continuous twenty-four (24) hour daily operation in accordance with applicable FCC standards except as caused by a Force Majeure event.

4.1.8. All facilities and equipment designed, built and operated in such a manner as to comply with all applicable FCC requirements regarding (i) consumer electronic equipment and (ii) interference with the reception of off-the-air signals by a subscriber.

4.1.9. All facilities and equipment designed, built and operated in compliance with all applicable safety codes.

4.1.10. Sufficient trucks, tools, testing equipment, monitoring devices and other equipment and facilities and trained and skilled personnel required to enable Shentel to substantially comply with applicable law and its obligations under this Agreement, including applicable customer service standards.

4.1.11. All facilities and equipment required to properly test the Cable System in accordance with applicable law, conduct an ongoing and active program of preventive maintenance and quality control, and to be able to quickly respond to customer complaints and resolve system problems.

4.1.12. Design capable of interconnecting with other cable systems in the Franchise Area as set forth in Section 4.3 of this Agreement.

4.1.13. Facilities and equipment at the headend shall allow Shentel to transmit or cablecast signals in substantially the form received, without substantial alteration or deterioration in the content and functionalities associated with the signal. For example, the headend should include equipment that will transmit color video signals received at the headend in color, stereo audio signals received at the headend in stereo, and a signal received with a secondary audio track with both audio tracks. Similarly, all closed-captioned programming retransmitted over the Cable System shall include

the closed-captioned signal in a manner that renders that signal available to Subscriber equipment used to decode the captioning.

4.1.14. Shall be capable of transmitting in high definition any Channels that are received in high definition format. Actual carriage of any such high definition Channels other than Access Channels will be at Shentel's sole discretion.

4.1.15. Shall offer parental control options, which will at a minimum offer as an option that a Person ordering programming must provide a personal identification number or other means provided by Shentel only to a Subscriber. Provided, however, that Shentel shall bear no responsibility for the exercise of parental controls and shall incur no liability for any Subscriber's or viewer's exercise or failure to exercise such controls.

4.1.16. The provision of additional channels, channel capacity, and/or upgrades of any kind to the Cable System is solely within the control and discretion of Shentel.

4.1.17. With the exception of any PEG Channels, all content and programming of Cable Services, including the mix, level, and/or quality of such content and programming, remains in the sole discretion of Shentel.

4.1.18. The Cable System must conform to or exceed all applicable FCC technical performance standards, as amended from time to time, and shall substantially conform in all material respects to applicable sections of the following standards and regulations to the extent such standards and regulations remain in effect and are consistent with accepted and applicable industry procedures:

4.1.18.1. Occupational Safety and Health Administration (OSHA) Safety and Health Standards;

4.1.18.2. National Electrical Code;

4.1.18.3. National Electrical Safety Code (NESC);

4.1.18.4. Obstruction Marking and Lighting, AC 70/7460 i.e., Federal Aviation Administration;

4.1.18.5. Constructing, Marking and Lighting of Antenna Structures, Federal Communications Commission Rules, Part 17; and

4.1.18.6. The Virginia Uniform Statewide Building Code.

4.2. *General Description:* The Cable System shall meet or exceed applicable FCC's technical standards (Subpart K of Part 76 of the FCC's Rules).

4.3. *Interconnection:* Shentel shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

4.4. *Emergency Alert System*: Shentel shall comply with the Emergency Alert System (“EAS”) requirements of the FCC in order that emergency messages may be distributed over the System.

4.5. *Right of Way Permitting*: Before performing any work in the Public Rights-of-Way, Shentel shall obtain a right-of-way permit from the Virginia Department of Transportation (VDOT). During all permitting and planning steps, Shentel shall coordinate with all appropriate County departments, and shall comply with all conditions normally required of right-of-way permits. In addition, Shentel shall furnish a \$100,000 performance bond in favor of the County. The Performance Bond shall be maintained until the County Administrator has determined in writing that the construction requiring the Performance Bond is completed and for one (1) year after such determination. On the first anniversary date of the completion of the construction as determined by the County Administrator, Shentel shall no longer be required to maintain a performance bond.

4.6. *Restoration of Property*: Shentel shall promptly repair and restore, to as good a condition as reasonably practicable before the work causing such disturbance was done, any and all Public Rights-of-Way and public or private property that is disturbed or damaged during the construction, operation or maintenance of the Cable System. Any restoration of non-commercial private property by Shentel shall be done in accordance with Shentel’s contractual obligations to affected landowners, except to the extent that any such contractual obligations conflict with the requirements of this section. If Shentel fails to restore or repair Public Rights-of-Way or public property that has been damaged or is disturbed within thirty (30) days or such time as the parties may agree, the County may perform the necessary repairs and restoration, and shall be fully reimbursed by Shentel for all costs associated with said repairs and restoration.

4.7. *Relocation of Facilities*: In the event that a location or a grade, line, or other characteristic of a portion of the Public-Rights-of-Way that Shentel is authorized to use or occupy is altered by the County for the purpose of a public works project that requires the relocation of all users of the Public Rights-of-Way, Shentel shall, at its sole expense, relocate or otherwise modify its Cable System to as to conform to the new location of the new grade, line or other right-of-way characteristic. If the County controls public funds from any source that are available to any other user of the Public Rights-of-Way for the purpose of defraying the cost of any of the foregoing, the County shall notify Shentel of the availability of such funding and make such funds available on an equal basis to Shentel. It is understood that there is no guarantee by the County that public funds will, in any instance, be available to defray costs of altering or relocating the cable system to conform to new grades or lines. In addition, Shentel shall obtain a relocation deed, if required by law. All relocation costs of the Cable System for any other purpose shall be paid by the entity requesting the relocation of the Cable System.

5. PEG SERVICES

5.1 Access Channels:

5.1.1 Franchisee, at no charge to the County, shall provide three (3) Access Channels. The Access Channels shall be placed on Franchisee’s Basic Service Tier. Franchisee may, upon written request to County, which shall not be unreasonably denied, utilize any Access Channel

for programming when it is not scheduled for County use. County and Franchisee shall establish rules and procedures for such alternative use by Franchisee in accordance with applicable federal law.

5.1.2 County may not request additional Channel capacity beyond the three (3) Access Channels except in accordance with applicable law. County shall be responsible for all programming requirements, including but not limited to scheduling, playback, training, staffing, copyright clearances, and equipment, maintenance and repair.

5.1.3 Shentel shall make available to all Subscribers on the Cable System three (3) High Definition Channels for PEG access use. Shentel shall own the channels and will provide downstream transmission of such Access Channels on its Cable System at no charge to the County or other PEG access programmers.

5.1.4 As of the Effective Date, one of the three Access Channels set aside pursuant to Section 5.1.1 shall be used by the County government, a second Access Channel shall be used by the Hanover County Schools, and a third may be designated for use by a public access organization approved by the Board of Supervisors.

5.1.5 All PEG Access Channels required by subsections 5.1.1 or 5.1.3 shall be provided on the Basic Service tier, unless the County and Shentel otherwise mutually agree in writing.

5.1.6 The existing PEG Access Channels shall be carried on the channel numbers Shentel assigns to them. Thereafter, PEG Access Channel assignments may be changed at the discretion of Shentel. PEG Access Channel assignments shall be the same throughout the County. If Shentel decides to change the channel designation for any of the PEG Access Channels, it must provide at least thirty (30) days prior written notice to the County, and shall reimburse the County, and/or designated PEG Providers for the reasonable costs incurred by the County or other designated PEG Providers, including, but not limited to, logo modifications, stationery, promotion, and advertising, not to exceed \$2,500 per channel change.

5.1.7 *PEG Interconnection:*

5.1.7.1. Shentel shall design its Cable System so that it is capable of interconnecting with other like networks (including but not limited to wireless systems) at suitable locations as determined by Shentel. Interconnection capabilities shall be provided for the exchange of all PEG signals. Such interconnection shall preserve the quality of the PEG signals so that there is no significant degradation between the signals as received by Shentel and the signals as transmitted to the interconnecting system. Shentel shall not interfere with the ability of any other cable operator holding a franchise issued by the County (“Competing Operator”) to obtain the content of any of the programming on the PEG Channels, nor shall Shentel object to the transmission of the PEG Access Channel signals by any Competing Operator.

5.1.7.2. Shentel will interconnect in real time with the Hanover County Board of Supervisors Public Meeting Room, 7516 County Complex Road, Hanover, Virginia, 23069, and Hanover High School, 10307 Chamberlayne Road, Mechanicsville, Virginia, 23116, or other

mutually agreed upon location, for the purpose of ensuring carriage of the Government, Educational, and Public Access Channels. Nothing in this Agreement shall determine the extent to which Shentel or the interconnecting system shall bear these or future costs of interconnection.

5.1.8 *Management of Channels:* The County may designate one (1) or more entities, including a non-profit access management corporation, to manage the use of one or more of the PEG Access Channels.

5.1.9 *Technical Standards:* The PEG Access Channels shall be carried in compliance with all applicable FCC rules. All PEG Access Channels shall meet the same technical standards applicable to the commercial channels carried on the Basic Tier, provided that Shentel shall not be responsible for the production quality of PEG access programming. In addition, in the event the County desires to implement additional functionality on one or more of the PEG Access Channels comparable to additional functionality available on any other channel on the Basic Service tier, Shentel shall cooperate with the County to make such functionality available, provided that implementation of such functionality does not require the use of additional capacity on the System, or impose any cost on Shentel. If Shentel makes changes to the Cable System that require improvements to PEG access facilities and equipment, Shentel shall make any necessary changes to Shentel's headend and distribution facilities or equipment within thirty (30) days so that PEG access facilities and equipment may be used as intended in this Agreement. Nothing in this Section shall require Shentel to provide PEG Access Channels in high definition or other advanced display standard.

5.1.10 *Costs and Payments Not Franchise Fees:* The parties agree that any costs to Shentel associated with the provision of support for PEG access pursuant to this Franchise Agreement, and any PEG payments made to the County under, pursuant to or outside of this Agreement, do not constitute and are not part of a franchise fee, and fall within one or more of the exceptions to 47 U.S.C. § 542.

5.1.11 *Editorial Control:* Except as expressly permitted by federal law, Shentel shall not exercise any editorial control over the content of programming on the PEG Access Channels (except for such programming as Shentel may cablecast on such PEG Access Channels).

5.1.12 *Return Feed from PEG Origination Facilities:*

5.1.12.1. Shentel shall maintain the existing fiber optic links and provide the necessary encoding and decoding equipment and support necessary for the transmission of PEG access video signals from the Hanover County Board of Supervisors Public Meeting Room, 7516 County Complex Road, Hanover, Virginia, 23069, and Hanover High School, 10307 Chamberlayne Road, Mechanicsville, Virginia, 23116, or other mutually agreed upon location.

5.1.12.2. At the County's request, if any existing or future origination site designated pursuant to this Section is moved or replaced to a location within the Franchise Area, Shentel shall construct and maintain a new fiber-optic link to the new location, including, without limitation, installing new facilities, moving terminal equipment, and splicing fiber, as necessary. Subject to and except as otherwise provided in Section 5.1.12.4, the cost of installing any new link,

including fiber construction and the necessary encoder and decoder required for the transmission of the PEG access video signal, shall be borne by the County. After construction of a new link, Shentel shall bear the cost of maintenance.

5.1.12.3. The Franchisee shall monitor the PEG Access Channels and the fiber optic return links provided pursuant to this Section 5.1.12 for technical quality, and shall ensure that the return links are maintained in accordance with the same technical standards that the Franchisee applies to the Cable System as a whole.

5.1.12.4. Within sixty (60) days after receiving a request from the County for the construction of any of the fiber links required by Section 5.1.12.2 (each, a “PEG Origination Link”), the Franchisee shall provide the County with a detailed written construction estimate of such costs, with sufficient explanation and supporting material to allow the County to verify the accuracy of the Franchisee’s calculations. The construction estimate shall consist of the Actual Cost of the requested PEG Origination Link. For purposes of this section, “Actual Cost” means the direct cost to the Franchisee of materials and labor necessary to perform design, installation and construction of the requested PEG Origination Link and related facilities. If requested, the Franchisee shall in good faith discuss the specifics of such estimate and less costly alternatives, if any, with the County.

5.1.12.5. If the County chooses to proceed with the project, The County may direct the Franchisee to construct the PEG Origination Link within twelve (12) months of a written request to proceed with the project, provided that the County or the entity to be served by the proposed PEG Origination Link shall pay the Franchisee the Actual Cost of the PEG Origination Link.

5.1.12.6. After construction of a PEG Origination Link, the Franchisee shall bear the cost of maintenance. Franchisee reserves the right to pass through costs related to PEG Access return line maintenance to Subscribers in accordance with applicable law.

5.1.12.7. If County-owned conduit suitable for the placement of the Franchisee’s facilities exists along any portion of a route between a PEG origination facility and the Franchisee’s headend, and the County determines that it has conduit capacity available in excess of its likely needs for the foreseeable future, the parties shall meet in good faith to discuss the use of such conduit. Unless otherwise prohibited by law, the Franchisee may agree to use such conduit and the County may make such conduit available to Shentel on a sole-use basis if such use would lower the cost of installation of Franchisee’s facilities. If suitable County-owned conduit is available to Shentel on a sole-use basis and the use of such conduit would reduce the cost of construction to serve a PEG origination facility, but Franchisee elects not to use such conduit, any amount that the County or a PEG entity would be required to pay pursuant to Section 5.1.12.5 above shall be reduced by the amount by which the use of suitable County conduit would reduce the total cost of the project.

5.2. PEG Grant:

5.2.1. *Annual Capital Grant:* Shentel shall provide an annual grant to the County to be used in support of the production of local PEG programming (the “Annual PEG Access Capital Grant”). Such grant may be used by the County, in its sole discretion for (i) PEG access

equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment; and (ii) renovation or construction of PEG access facilities.

5.2.2. *Amount of Grant:* The Annual PEG Access Capital Grant provided by Shentel hereunder shall be forty-five cents (\$0.45) per month, per Subscriber in the Franchise Area. The Annual PEG Access Capital Grant payment, along with a brief summary of the Subscriber information and any supporting back-up information upon which it is based, shall be delivered to the County within sixty (60) days after the beginning of each calendar year during the Franchise Term. Calculation of the Annual PEG Access Capital Grant will commence with the first calendar month after the Effective Date.

5.3. *Itemization:* To the extent permitted by federal law, Shentel shall be allowed to externalize, itemize or pass through the costs of the Annual PEG Access Capital Grant or any other costs arising from the provision of PEG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the foregoing, if allowed under state and federal laws, Shentel may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

6. FRANCHISE FEES

6.1. *Communications Tax:* Shentel shall comply with the provisions of Section 58.1-645 *et seq.* of the Code of Virginia, pertaining to the Virginia Communications Sales and Use Tax, as amended (the "Communications Tax"), and Section 6.2 of this Agreement shall not have any effect, for so long as the Communications Tax or a successor state or local tax that would constitute a franchise fee for purposes of 47 U.S.C. § 542, as amended, is imposed on the sale of Cable Services by Shentel to subscribers in the County.

6.2 *Payment of Franchise Fee to County:* In the event that the Communications Tax is repealed and no successor state or local tax is enacted that would constitute a franchise fee for purposes of 47 U.S.C. § 542, as amended, and a franchise fee continues to be allowed pursuant to 47 U.S.C. § 542, Shentel shall pay to the County a Franchise fee of five percent (5%) of annual Gross Revenue, or such other amount as may then be allowed under federal law, beginning on the Effective Date of the repeal of such tax (the "Repeal Date"). Beginning on the Repeal Date, the terms of Section 6.2 of this Agreement shall take effect. In accordance with Title VI of the Communications Act, the twelve (12) month period applicable under the Franchise for the computation of the Franchise fee shall be a calendar year. Such payments shall be made no later than thirty (30) days following the end of each calendar quarter. Should Shentel submit an incorrect amount, Shentel shall be allowed to add or subtract that amount in a subsequent quarter, but no later than one hundred twenty (120) days following the close of the calendar year for which such amounts were applicable; such correction shall be documented in the supporting information required under Section 6.2.1.

6.2.1. *Supporting Information:* Within fifteen (15) days after submitting each Franchise fee payment, Shentel shall deliver to the County a brief report in the form of and containing the information required by federal or Virginia law, prepared by a representative of Shentel, showing the basis for the computation. The County shall have the right to reasonably request further supporting information for each Franchise fee payment.

6.2.2. *Limitation on Franchise Fee Actions:* The period of limitation for recovery of any Franchise fee payable hereunder shall be three years from the date on which payment by Shentel is due.

6.2.3. *Bundled Services:* If Shentel bundles Cable Service with Non-Cable Services, Shentel agrees that it will not intentionally or unlawfully allocate such revenue for the purpose of evading the Franchise fee payments under this Agreement. In the event that Shentel or any Affiliate shall bundle, or combine Cable Services (which are subject to the franchise fee) with Non-Cable Services (which are not subject to the franchise fee), so that subscribers pay a single fee for more than one class of service or receive a discount on Cable Services, a *pro rata* share of the revenue received for the bundled, or combined services shall, to the extent reasonable, and in a manner consistent with GAAP be allocated to gross revenues for purposes of computing the franchise fee. To the extent there are published charges and it is reasonable, the *pro rata* share shall be computed on the basis of the published charge for each of the bundled, tied, or combined services, when purchased separately. However, the parties agree that there may be exceptions such as equipment or tariffed telecommunications services that cannot be discounted under state or federal law or regulations are excluded from the bundled allocation obligations in this section.

6.3. *Payment of PEG Access Capital Grant:* Shentel shall provide with each payment of the PEG Access Capital Grant information supporting its calculation of the PEG Access Capital Grant payment, including both a statement of the number of subscribers for any applicable period, and documentation demonstrating the accuracy of the number of subscribers used in the computation. The County shall preserve the confidentiality of such information to the extent permitted by applicable law.

7. VIRGINIA COMMUNICATIONS SALES AND USE TAX AND FCC 621 ORDER

7.1 *Complimentary Service:* The County and Franchisee agree that Franchisee's provision of Basic Cable Service and the next highest level of Cable Service generally available to all Subscribers (currently known as TV Essential service, or its successor tier), the equipment needed to receive such services, the connections listed in Section 3.2, and the maintenance of the PEG transport links provided pursuant to Section 5.1 are "Complimentary Services," which the County receives free of charge. The fiber optic PEG transport links provided pursuant to Section 5.1.12 and the channel capacity dedicated for use as the Access Channels are not deemed "Complimentary Service."

7.2 *Franchisee Options:* In the event Franchisee is legally permitted, in accordance with applicable law, to offset the value of additional elements of Complimentary Service against Franchise Fees payable to the County, the Franchisee reserves its rights to do so. Should the Franchisee choose to offset any or all of such Cable Service against Franchise Fees payable to the County, it agrees to provide the County with one hundred twenty (120) days' prior written notice. Such offsets shall be on similar terms and conditions as other localities served by the Franchisee in the Richmond region and where Franchisee is legally authorized to impose said offset.

7.3 *County Options:* The County shall have right to discontinue receipt of all or any portion of Complimentary Service provided by Franchisee in the event Franchisee elects to offset or impose a charge against the County for the value of such services as provided in Section 7.2. The

County also shall have the option of (i) requesting that Franchisee apply a nondiscriminatory charge, not to exceed Franchisee's marginal cost of providing the respective Complimentary Service (the "Marginal Cost Charge"), as an offset against its franchise fee payments; or (ii) paying Franchisee the Marginal Cost Charge directly. The Franchisee shall provide the County with all the calculations and supporting information used by Franchisee in calculating the Marginal Cost Charge of any Complimentary Service at least sixty (60) days before imposing any such charge, and shall respond promptly to requests for information from the County regarding such calculations and information. Franchisee and County do not waive any rights under applicable law regarding Complimentary Service.

7.4 FCC 621 Order: In the event the FCC's 2019 Third Report and Order In the Matter of Implementation of Section 621 of the Cable Act is reversed as to the proper treatment of complimentary cable services, whether as a result of a subsequent FCC order, a final non-appealable court decision, or federal legislation, within thirty (30) days of the result becoming final Franchisee will discontinue any charges for Complimentary Service, and provide such services to the County free of charge. Any additional levels of cable service, outlets, or service locations ordered by the County shall continue to be subject to regular non-discriminatory market rates.

8. CUSTOMER SERVICE

Franchisee shall be subject to the customer service standards consistent with the Cable Ordinance and applicable federal law. Franchisee shall fully comply with the customer service standards set forth in this Section 8 in serving its Subscribers, and shall file annually with the County a notarized statement signed by an officer or local system manager certifying compliance with the customer service standards contained in this Section 8. The County recognizes that Franchisee will require some time to fully institute its customer service practices as it builds its network, and therefore will not seek liquidated damages under subsection 13.5.3 for occasional failures to meet customer service standards under Normal Operating Conditions during the first five-year term of this Agreement.

8.1. Definitions:

8.1.1. Complaint: Any written or verbal contact with Shentel in connection with a subscription or Shentel's Cable System in which a person expresses dissatisfaction with an act, omission, product or service that is (i) within Shentel's control; and (ii) requires a corrective measure on the part of Shentel. Notwithstanding the foregoing, any contact from a Subscriber that is resolved in the course of a telephone call so that Shentel does not subsequently have to perform any corrective action shall not be deemed a "Complaint."

8.1.2. Normal Operating Conditions: Those service conditions which are within the control of Shentel, except during periods in which Force Majeure applies. Those conditions which are ordinarily within the control of Shentel include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System.

8.1.3. *Respond*: Shentel's investigation of a Service Interruption by receiving a Subscriber call and opening a trouble ticket, if required.

8.1.4. *Service Call*: The action taken by Shentel to correct a Service Interruption, or to perform other maintenance, repair, or adjustment requested by a Subscriber (but not including installation), the effect of which is limited to an individual Subscriber.

8.1.5. *Service Interruption*: The loss of picture or sound on one or more cable channels.

8.1.6 *Significant Outage*: A Significant Outage shall mean any loss of picture or sound on one or more Channels lasting at least four (4) continuous hours that affects at least 10 percent of the Subscribers in the Service Area.

8.1.7. *Standard Installation*: Installations where the subscriber is within 250 feet of trunk or feeder lines.

8.2. *Telephone and Office Availability*:

8.2.1. *Local Office*: Shentel shall maintain an office at a convenient location in Hanover County, which shall be open during Normal Business Hours to allow Subscribers to request service, pay bills, exchange equipment, and conduct other business.

8.2.2. *Telephone Inquiries*: Shentel shall maintain a toll-free number to receive all calls and inquiries from Subscribers in the Franchise Area and/or residents regarding Cable Service. Shentel representatives trained and qualified to answer questions related to Cable Service in the Franchise Area must be available to receive reports of Service Interruptions twenty-four (24) hours a day, seven (7) days a week, and other inquiries during Normal Business Hours. Shentel representatives shall identify themselves by name when answering this number.

8.2.3. *Shentel's Telephone Number*: Shentel's toll-free telephone numbers will appear on subscriber bills and Shentel's website.

8.2.4. *Telephone Answering Method*:

8.2.4.1. Shentel may at its sole discretion use an Automated Response Unit ("ARU") or a Voice Response Unit ("VRU") to distribute calls. If a foreign language routing option is provided, and the Subscriber does not enter an option, the menu will default to the first tier menu of English options.

8.2.4.2. After the first tier menu (not including a foreign language rollout) has run through three times, if customers do not select any option, the ARU or VRU may forward the call to a queue for a live representative. Shentel may reasonably substitute this requirement with another method of handling calls from customers who do not have touch-tone telephones.

8.2.5. *Telephone Answering Standards:* Under Normal Operating Conditions, calls received by Shentel shall be answered within thirty (30) seconds. Shentel shall meet this standard for ninety percent (90%) of the calls it receives at all call centers receiving calls from Subscribers, as measured on a quarterly basis. Measurement of this standard shall include all calls received by Shentel at all call centers receiving calls from Subscribers, whether they are answered by a live representative or by an automated attendant. If a call needs to be transferred, transfer time shall not exceed thirty (30) seconds. This standard shall be met no less than ninety percent (90%) of the time under Normal Operating Conditions, measured on a quarterly basis.

8.2.6. *Busy Signals:* Under Normal Operating Conditions, callers to Shentel shall receive a busy signal no more than three (3%) percent of the time during any calendar quarter, as measured on a quarterly basis.

8.3. *Installations and Service Appointments:*

8.3.1. *Compliance with Law:* All installations will be in accordance with applicable law, including but not limited to, appropriate grounding, connection of equipment to ensure reception of Cable Service, and the provision of required consumer information and literature to adequately inform the Subscriber in the utilization of Shentel-supplied equipment and Cable Service. A new customer may rescind a contract between the time the customer is signed up for service and the time service is installed.

8.3.2. *Standard Installations:* Standard Installations shall be performed within seven (7) business days after an order is placed. Under Normal Operating Conditions, Shentel shall meet this standard for no less than ninety-five percent (95%) of the Standard Installations it performs, as measured on a calendar quarter basis.

8.3.2.1. Drop wires in underground service areas that are temporarily placed above ground shall be buried within ten (10) days of the date and time of the temporary installation, except in those situations where weather conditions make trenching impractical.

8.3.3. *Time for Performing Service Calls:* Shentel shall perform Service Calls within two (2) business days during Normal Business Hours. Shentel shall not cancel a service or installation appointment after the close of business on the business day preceding the appointment. Shentel will offer Subscribers “appointment window” alternatives for arrival to perform installations, Service Calls and other activities of a maximum four (4) hours scheduled time block during appropriate daylight available hours, usually beginning at 8:00 AM unless Shentel deems it appropriate to begin earlier by location exception. At Shentel’s discretion, Shentel may offer Subscribers appointment arrival times other than these four (4) hour time blocks, if agreeable to the Subscriber. These hour restrictions do not apply to weekends. If at any time an installer or technician believes it impossible to make a scheduled appointment time, an attempt to contact the customer will be made prior to the end time of the appointment window and the appointment scheduled at a time convenient to the customer, if rescheduling is necessary. It is Shentel’s burden to prove it met an appointment.

8.4. *Service Interruptions and Outages:*

8.4.1. *Notice of Unplanned Outage:* If Shentel becomes aware of an unplanned Significant Outage, Shentel shall promptly notify the County of the Significant Outage. The County and Shentel shall provide one another with a single point of contact telephone number and email address to be used by either party in contacting the other in the event of an unplanned outage.

8.4.2. *Planned Outages:* Shentel shall exercise commercially reasonable efforts to limit any planned Significant Outage necessary for the purpose of maintaining, repairing, or constructing the Cable System. Except in an emergency or other situation necessitating a more expedited or alternative notification procedure, Shentel may schedule a planned Significant Outage for a period of more than four (4) hours during any twenty-four (24) hour period only after the County and each affected Subscriber have been given fifteen (15) days prior notice of the planned Significant Outage. Notwithstanding the foregoing, Shentel may perform modifications, repairs and upgrades to the System without prior notification between 12.01 a.m. and 6 a.m., which may interrupt service. Shentel shall inform the County of such modifications, repairs, and upgrades to the System to the extent possible under the circumstances.

8.4.3. *Ability to Respond:* Shentel representatives who are capable of responding to Service Interruptions shall be available to respond twenty-four (24) hours a day, seven (7) days a week.

8.4.4. *Time for Response:* Under Normal Operating Conditions, Shentel shall respond to a call from a Subscriber regarding a Service Interruption or other service problem within twenty-four (24) hours, including weekends, of receiving the Subscriber's call.

8.4.5. *Completion of Work:* Under Normal Operating Conditions, Shentel shall complete Service Calls within seventy-two (72) hours of the time Shentel commences to respond to the Service Interruption or other request for a Service Call, not including situations where the Subscriber is not reasonably available for a Service Call, or other situations which the Parties agree create conditions under which Shentel cannot reasonably complete the call within the referenced seventy-two (72) hour timeframe.

8.4.6. *Performance Standard:* Under Normal Operating Conditions, Shentel shall meet the standard in Subsection 8.4.5 of this Section for ninety percent (90%) of the Service Calls it completes, as measured on a quarterly basis.

8.4.7. *Credit for Loss of Service:* Under Normal Operating Conditions, Shentel shall provide a credit upon Subscriber's report of the loss of service when all Channels received by that Subscriber are out of service for a period of four (4) consecutive hours or more. The credit shall equal, at a minimum, a proportionate amount of the affected Subscriber(s) current monthly bill. In order to qualify for the credit, the Subscriber must promptly report the problem and allow Shentel to verify the problem if requested by Shentel. If Subscriber availability is required for repair, a credit will not be provided for such time, if any, that the Subscriber is not reasonably available.

8.4.8. *Credit for Outage:* Under Normal Operating Conditions, if a Significant Outage affects all Cable Services for more than twenty-four (24) consecutive hours, Shentel shall issue a credit upon request to the affected Subscribers in the amount equal to their monthly recurring charges

for the proportionate time the Cable Service was out. If a Significant Outage occurs during a period when Normal Operating Conditions do not apply, Shentel may exercise its own discretion in deciding whether to issue credits for the Significant Outage. Such credit shall be reflected on Subscriber billing statements within the next available billing cycle following the Significant Outage. Notwithstanding the foregoing, if Shentel has issued a credit to affected Subscribers but inadvertently fails to issue a requested credit to one or more Subscribers entitled to the credit, the County shall not find Shentel to be in violation of this requirement if the parties agree that the number of Subscribers who did not receive the credit is *de minimis* and Shentel offers the credit promptly upon being notified of the error.

8.4.9. *County Services Inquiries:* Shentel shall respond to all services inquiries from the County within twenty-four (24) hours of the inquiry and shall commence necessary repairs within seventy-two (72) hours under Normal Operating Conditions. If such repairs cannot be completed within seventy-two (72) hours, Shentel shall notify the County as to the reason(s) for the delay and provide an estimated time of repair.

8.5. *Customer Complaints:* Under Normal Operating Conditions, Shentel shall (i) investigate Subscriber complaints referred by the County within seventy-two (72) hours; (ii) resolve Subscriber complaints referred by the County within fifteen (15) days; (iii) provide a response as to the complaint resolution to the Subscriber; and (iv) provide notice to the County upon resolution of a referred complaint. Shentel shall ensure that all such referred complaints are treated by the responsible Shentel personnel as priority, until they are resolved. Shentel shall notify the County of those matters that necessitate an excess of thirty (30) days to resolve. The County may require reasonable documentation to be provided by Shentel to substantiate the request for additional time to resolve the problem. For purposes of this Section, “resolve” means that Shentel shall perform those actions, which, in the normal course of business, are necessary to investigate the Customer’s complaint, address as appropriate the issues giving rise to the complaint, and advise the Customer of the results of that investigation.

8.6. *Billing:*

8.6.1. *Content of Bills:* Subscriber bills must be itemized to describe Cable Services purchased by Subscribers and related equipment charges. Bills shall clearly delineate activity during the billing period, including optional charges, rebates, credits, and aggregate late charges. Shentel shall, without limitation as to additional line items, be allowed to itemize as separate line items, Franchise fees, Franchise related costs, taxes and/or other governmentally imposed fees. Shentel shall maintain records of the date and place of mailing of bills.

8.6.2. *Payment Due Date:* Every Subscriber with a current account balance sending payment directly to Shentel shall be given at least twenty (20) days from the date statements are mailed to the Subscriber until the payment due date.

8.6.3. *Notice of Due Date:* A specific due date shall be listed on the bill of every Subscriber whose account is current. Delinquent accounts may receive a bill which lists the due date as upon receipt; however, the current portion of that bill shall not be considered past due except in accordance with Section 8.6.2 above.

8.6.4. *Billing Disputes:* Any Subscriber who, in good faith, disputes all or part of any bill shall have the option of withholding the disputed amount without disconnect or late fee being assessed until the dispute is resolved provided that:

- (1) The Subscriber pays all undisputed charges;
- (2) The Subscriber provides notification of the dispute to Shentel in writing at least five (5) days prior to the due date; and
- (3) The Subscriber cooperates in determining the accuracy and/or appropriateness of the charges in dispute.

It shall be within Shentel's sole reasonable discretion to determine when the dispute has been resolved.

8.6.5. *Billing Complaints:* Under Normal Operating Conditions, Shentel shall initiate investigation and resolution of all billing complaints received from Subscribers within five (5) business days of receipt of the complaint. Final resolution shall not be unreasonably delayed.

8.6.6. *Contact Information:* Shentel shall provide a toll-free telephone number and address on the bill for Subscribers to contact Shentel.

8.6.7. *Bill Inserts:* Shentel shall forward a copy of any Cable Service related billing inserts or other mailing sent to Subscribers to the County upon written request.

8.6.8. *Method of Payment:* Shentel shall provide all Subscribers with option of paying for Cable Service by such means as credit card, by check or an automatic payment option where the amount of the bill is automatically deducted from a checking account designated by the Subscriber. Based on credit history, at the option of Shentel, the payment alternative may be limited.

8.7 *Deposits, Refunds and Credits:*

8.7.1. *Deposits:* Shentel may require refundable deposits from Subscribers (i) with a poor credit or poor payment history, (ii) who refuse to provide credit history information to Shentel, or (iii) who rent Subscriber equipment from Shentel, so long as such deposits are applied on a non-discriminatory basis and the amounts of such deposits are established in accordance with applicable law.

8.7.2. *Refunds and Credits:* Shentel shall refund or credit the Subscriber for the amount of the deposit collected for equipment, which is unrelated to poor credit or poor payment history, after one year and provided the Subscriber has demonstrated good payment history during this period. Shentel shall pay interest on other deposits if required by law.

8.7.3. *Timing of Refunds:* Under Normal Operating Conditions, refund checks will be issued within the next available billing cycle following the resolution of the event giving rise to the refund (e.g., equipment return and final bill payment).

8.7.4. *Timing of Credits:* Credits for Cable Service will be issued no later than the Subscriber's next available billing cycle, following the determination that a credit is warranted, and the credit is approved and processed. Such approval and processing shall not be unreasonably delayed.

8.7.5. *Receipt of Payment:* Bills shall be considered paid when appropriate payment is received by Shentel or its authorized agent. Appropriate time considerations shall be included in Shentel's collection procedures in accordance with applicable law to assure that payments due have been received before late notices or termination notices are sent.

8.8. *Rates, Fees and Charges:*

8.8.1. *Late Fees:* Shentel shall not, except to the extent permitted by law, impose any fee or charge for Service Calls to a Subscriber's premises to perform any repair or maintenance work related to Shentel's plant or equipment necessary to receive Cable Service, except where such problem is caused by a negligent or wrongful act of the Subscriber (including, but not limited to a situation in which the Subscriber reconnects Shentel equipment incorrectly), failure of Subscriber-owned equipment, or by the failure of the Subscriber to take reasonable precautions to protect Shentel's equipment (for example, a dog chew).

8.8.2. *Notice of Late Fee:* Shentel shall provide reasonable notice to Subscribers of the possible assessment of a late fee on bills or by separate notice.

8.9. *Disconnection / Denial of Service:*

8.9.1. *Disconnection:* Shentel shall not terminate Cable Service for nonpayment of a delinquent account unless Shentel mails a notice of the delinquency and impending termination prior to the proposed final termination. The notice shall be mailed to the Subscriber to whom the Cable Service is billed. The notice of delinquency and impending termination may be part of a billing statement.

8.9.2. *Restoration of Service:* Cable Service terminated in error must be restored without charge within twenty-four (24) hours of notice. If a Subscriber was billed for the period during which Cable Service was terminated in error, a credit shall be issued to the Subscriber if the Service Interruption was reported by the Subscriber.

8.9.3. *Denial of Service:* Nothing in these standards shall limit the right of Shentel to deny Cable Service for non-payment of previously provided Cable Services, refusal to pay any required deposit, theft of Cable Service, damage to Shentel's equipment, abusive and/or threatening behavior toward Shentel's employees or representatives, or refusal to provide credit history information or refusal to allow Shentel to validate the identity, credit history and credit worthiness via an external credit agency.

8.9.4. *Discontinuation of Service:* Charges for cable service will be discontinued at the time of the requested termination of service by the subscriber, except equipment charges may be applied until equipment has been returned. No period of notice prior to requested termination of service can be required of Subscribers by the Franchisee. No charge shall be imposed

upon the Subscriber for or related to total disconnection of Cable Service or for any Cable Service delivered after the effective date of the disconnect request, unless there is a delay in returning Franchisee equipment or early termination charges apply pursuant to the Subscriber's service contract. If the Subscriber fails to specify an effective date for disconnection, the Subscriber shall not be responsible for Cable Services received after the day following the date the disconnect request is received by the Franchisee. For purposes of this subsection, the term "disconnect" shall include Subscribers who elect to cease receiving Cable Service from the Franchisee and to receive Cable Service or other multi-channel video service from another Person or entity.

8.10. *Communications with Subscribers:*

8.10.1. *Identification of Shentel Personnel:* All Shentel personnel, contractors and subcontractors contacting Subscribers or potential Subscribers outside the office of Shentel shall wear a clearly visible identification card bearing their name and photograph. In addition, all Shentel representatives shall wear appropriate clothing while working at a Subscriber's premises. Every service vehicle of Shentel and its contractors or subcontractors shall be clearly identified as such to the public. Specifically, Shentel vehicles shall have Shentel's logo plainly visible. The vehicles of those contractors and subcontractors working for Shentel shall have the contractor's / subcontractor's name plus markings (such as a magnetic door sign) indicating they are under contract to Shentel.

8.10.2. *Contacts with Subscribers:* All contact with a Subscriber or potential Subscriber by a Person representing Shentel shall be conducted in a courteous manner.

8.10.3. *Notice of County's Role in Complaint Process:* Shentel shall send annual notices to all Subscribers informing them that any complaints or inquiries not satisfactorily handled by Shentel may be referred to the County.

8.10.4. *Form of Notice:* All notices identified in this Section shall be by either:

(1) A separate document that is either mailed directly to the customer, included with a billing statement, or included on the portion of the monthly bill that is to be retained by the Subscriber; or

(2) A separate electronic notification.

8.10.5. *Notice of Changes in Rates and Services:* Shentel shall provide reasonable notice to Subscribers and the County of any pricing changes or additional charges (excluding sales discounts, new products or offers) and, subject to the foregoing, any significant changes in Cable Services, including channel line-ups. Such notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if within the control of Shentel, and Shentel shall provide a copy of the notice to the County including how and where the notice was given to Subscribers.

8.10.6. *Annual Notice to Subscribers:* In accordance with applicable law, Shentel shall provide information to all Subscribers about each of the following items at the time of installation of Cable Services, annually to all Subscribers, at any time upon request, and, subject to

Section 8.10.5, at least thirty (30) days prior to making significant changes in the information required by this Section if within the control of Shentel:

- (1) Products and Cable Service offered;
- (2) Prices and options for Cable Services and condition of subscription to Cable Services. Prices shall include those for Cable Service options, equipment rentals, program guides, installation, downgrades, late fees and other fees charged by Shentel related to Cable Service;
- (3) Installation and maintenance policies including, when applicable, information regarding the Subscriber's in-home wiring rights during the period Cable Service is being provided;
- (4) Channel positions of Cable Services offered on the Cable System;
- (5) Complaint procedures, including the name, address and telephone number of the County, but with a notice advising the Subscriber to initially contact Shentel about all complaints and questions;
- (6) Procedures for requesting Cable Service credit;
- (7) The availability of a parental control device;
- (8) Shentel practices and procedures for protecting against invasion of privacy; and
- (9) The address and telephone number of Shentel's office to which complaints may be reported.

Shentel shall give the County copies of the notices required in this subsection at least fifteen (15) days prior to distribution to subscribers if the reason for notice is due to a change that is within the control of Shentel, and as soon as possible if not within the control of Shentel.

8.10.7. *Content of Notice of Rate Changes:* Notices of changes in rates shall indicate the Cable Service new rates and old rates, if applicable.

8.10.8. *Channel Changes:* Notices of changes of Cable Services and/or Channel locations shall include a description of the new Cable Service, the specific channel location, and the hours of operation of the Cable Service if the Cable Service is only offered on a part-time basis. In addition, should the channel location, hours of operation, or existence of other Cable Services be affected by the introduction of a new Cable Service, such information must be included in the notice.

8.10.9. *Termination Notices:* Every notice of termination of Cable Service shall include the following information:

- (1) The name and address of the Subscriber whose account is delinquent;
- (2) The amount of the delinquency for all services billed;
- (3) The date by which payment is required in order to avoid termination of Cable Service; and

(4) The telephone number for Shentel where the Subscriber can receive additional information about their account and discuss the pending termination.

9. REPORTS AND RECORDS

9.1. *Open Books and Records*: Upon reasonable written notice to Shentel, the County shall have the right to inspect and copy Shentel's books and records pertaining to Shentel's provision of Cable Service in the Franchise Area, to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Shentel may organize the necessary books and records for appropriate access by the County. Shentel shall not be required to maintain any books and records for Franchise compliance purposes longer than five (5) years. Notwithstanding anything to the contrary set forth herein, Shentel shall not be required to disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Franchise Area. Shentel shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551. Books and records shall be accorded confidential treatment to the extent provided by and in accordance with Section 9.5 herein.

9.1.1. *Voluminous Materials*. Books and records shall be made available at Shentel's office in the County during Normal Business Hours, or at such other reasonable time and place as the parties may agree, including electronic submission. If any books, records, maps or plans, or other requested documents are too voluminous, or for security reasons cannot be copied and moved, then Shentel may request that any inspection take place at some other location, provided that (i) Shentel shall make necessary arrangements for copying documents selected by the County after review; and (ii) electronically transmitting said documents to the County.

9.1.2. *Audit Provision*: The County shall have the right to conduct an audit or review of the books and records of Shentel under the procedures specified in Section 9.1 of this Agreement for purposes of verifying and recomputing any amounts determined to be payable by Shentel to the County under this Agreement, including, without limitation, the PEG Capital Grant. Shentel shall bear the County's reasonable expenses of any such audit or review performed by a qualified, independent third-party expert, up to a maximum of seven thousand five hundred dollars (\$7,500), if such audit or review discloses an underpayment by Shentel of more than three percent (3%) of any quarterly payment and five thousand dollars (\$5,000) or more. The County shall not conduct such an audit or review of Shentel more frequently than once every twenty-four (24) months. The County shall have no more than five (5) years from the time Shentel delivers a payment to initiate an audit or review of that payment pursuant to this Section 9.1.2. In the event that Shentel disputes any underpayment discovered as the result of an audit or review conducted by the County, the County shall work together with Shentel in good faith to promptly resolve such dispute. The County and Shentel maintain all rights and remedies available at law regarding any disputed amounts.

9.2. *Records Required*: Shentel shall at all times maintain:

9.2.1. Records of unplanned Significant Outages for a period of four (4) years after occurrence, indicating date, duration, area, cause and the number of Subscribers affected, type of outage, and cause;

9.2.2. Records of service calls for repair and maintenance for a period of four (4) years after resolution by Shentel, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved; and

9.2.3. Records of installation/reconnection and requests for service extension for a period of four (4) years after the request was fulfilled by Shentel, indicating the date of request, date of acknowledgment, and the date and time service was extended.

9.3. *Reports Required.* At the County's request, Shentel shall annually submit to the County Administrator, on or before the last day of Shentel's fiscal year, the following reports, covering the 12-month period preceding submission.

9.3.1. *Annual Operating Report.* A report detailing the following: (i) number of subscribers; (ii) number of fiber miles under construction and completed; (iii) gross revenues attributable to the operations of the Cable System in Hanover County; (iv) summary of system outages; (v) products and services offered; (vi) prices and options for programming services and conditions of subscriptions to programming and other services; and (vii) billing and complaint procedures.

9.3.2. *Annual Customer Service Report.* A report detailing the following: (i) Number of repair service requests received in the previous quarter; (ii) Breakdown by type of complaint received (ex. "complete outage" or "snowy picture", etc.); (iii) Breakdown by cause of problem (ex. "Subscriber equipment" or "drop/converter" or "system", etc.); (iv) Breakdown by time of response or resolution (e.g., "within 24 hours" or "same day"); (v) Average hold time or Subscriber service telephone calls that were received in the previous quarter; (vi) Percentage of telephone calls that were answered within 30 seconds during the previous quarter; (vii) Percentage of calls received within the previous quarter which were abandoned before being answered by a live operator; and (viii) Percentage of time when all incoming trunk lines were in a busy condition.

9.3.3. *Annual Ownership Report.* A current list of all Shentel officers, the business addresses and cellphone numbers of the cable television system resident manager and engineer, and a list of its shareholders holding ten (10) percent or more of the outstanding stock or equivalent ownership interest.

9.4. *Maps:* Upon fifteen (15) days' written notice, Shentel shall make updated, as-built design maps of the Cable System available for examination by the County at Shentel's regional office, or at another mutually acceptable location. The Franchisee shall also provide the County with updated strand maps of the Cable System at the following times: (i) within thirty (30) days of the Effective Date of this Agreement; and (ii) annually, within thirty (30) days after written request from the County. Such strand maps shall be provided in a CAD (computer-aided design) or other electronic format approved by the County, such as ESRI or AutoCAD. Maps shall be accorded confidential treatment to the extent provided by and in accordance with this Section 9.4.

9.5. *Proprietary and Confidential Information:* Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Franchise Area. Except as otherwise

required by applicable law, including without limitation the Virginia Freedom of Information Act, the County shall treat any information disclosed by Franchisee as confidential to the extent Shentel has designated it as such and shall disclose it only to employees, representatives, and agents thereof that have a need to know, or in order to enforce the provisions hereof. Franchisee shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

10. INSURANCE AND INDEMNIFICATION

10.1. Insurance:

10.1.1. Shentel shall maintain in full force and effect, at its own cost and expense, during the Franchise Term, the following insurance coverage:

10.1.1.1. Commercial General Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System, and the conduct of Shentel's Cable Service business in the County.

10.1.1.2. Automobile Liability Insurance in the amount of one million dollars (\$1,000,000) combined single limit for bodily injury and property damage coverage.

10.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the Commonwealth of Virginia.

10.1.1.4. Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: one hundred thousand dollars (\$100,000); and (B) Bodily Injury by Disease: one hundred thousand dollars (\$100,000) employee limit; five hundred thousand dollars (\$500,000) policy limit.

10.1.2. The County shall be designated as an additional insured under each of the insurance policies required in this Section 10 except Workers' Compensation and Employers' Liability Insurance.

10.1.3. Shentel shall not cancel any required insurance policy without obtaining alternative insurance in conformance with this Agreement. Each insurance policy required in this Section 10 shall state that the policy is extended to cover the liability assumed by the Franchisee under the terms of the Agreement and shall contain the following statement:

“This policy may not be cancelled under thirty (30) days after the County has received via the United States Postal Service written notice of such intent to cancel coverage.”

10.1.4. All policies shall be issued by companies qualified to write insurance in the Commonwealth of Virginia and which maintain throughout the policy term a general rating of A-VII and a financial size category of “A:X” as determined by AM Best Rating Company.

10.1.5. Shentel shall deliver to the County Certificates of Insurance showing evidence of the required coverage within thirty (30) days after the Effective Date, and upon written request thereafter.

10.2. *Indemnification:*

10.2.1. Shentel agrees to indemnify, save and hold harmless, and defend the County, its officers, agents, boards and employees, from and against any liability for damages or claims resulting from Shentel's construction, operation, or maintenance of its Cable System, provided that the County shall give Shentel written notice of its obligation to indemnify the County within thirty (30) days of receipt of a claim or action pursuant to this subsection.

10.2.2. The damages or claims referenced in this section 10.2 include, but are not limited to, penalties arising out of copyright infringements and antitrust violations, damages arising out of Shentel's improperly accessing or crossing private property, and damages arising out of Shentel's failure to secure consent from the owners, authorized distributors or licensees of programs to be delivered via the Cable System whether or not any act or omission complained of is authorized, allowed, or prohibited by Shentel.

10.2.3. With respect to Shentel's indemnity obligations set forth in Section 10.2.1, Shentel shall provide the defense of any claims brought against the County by selecting counsel of Shentel's choice to defend the claim, subject to the consent of the County, which shall not unreasonably be withheld. Nothing herein shall be deemed to prevent the County from cooperating with Shentel and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the County, Shentel shall have the right to defend, settle or compromise any claim or action arising hereunder, and Shentel shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement do not include the release of the County or the County does not consent to the terms of any such settlement or compromise, Shentel shall not settle the claim or action but its obligation to indemnify the County shall in no event exceed the amount of such settlement.

11. TRANSFER OF FRANCHISE

11.1 *Approval Required.* No Transfer of the Franchise shall occur without the County's prior consent, provided that such consent shall not be unreasonably withheld, delayed or conditioned.

11.2. *No Consent Required.* No such consent shall be required, however, for the following:

11.2.1. A transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of Shentel in the Franchise or Cable System in order to secure indebtedness; or

11.2.2. Transfer of an ownership or other interest in Shentel to the parent of Shentel or to another Affiliate of Shentel; transfer of an interest in the Franchise or the rights held by

Shentel under the Franchise to the parent of Shentel or to another Affiliate of Shentel; any action which is the result of a merger of the parent of Shentel; or any action which is the result of a merger of another Affiliate of Shentel.

11.3. *Preservation of County's Rights.* Any transferee under this Section 11 shall assume the obligations, liabilities and responsibility for all acts and omissions, known and unknown, of the incumbent Shentel under this Agreement, for all purposes, including renewal, and shall agree to accept and be bound by the terms of this Agreement.

11.4 *Approval does not constitute waiver of rights.* County approval of a Transfer, or consummation of a Transfer permitted by Section 11.2, does not constitute a waiver or release of any of the County's rights under this Agreement against Shentel or a subsequent transferor franchisee, whether arising before or after the date of the transfer.

12. RENEWAL OF FRANCHISE

12.1. *Federal Law:* The County and Shentel agree that any proceedings undertaken by the County that relate to the renewal of this Franchise shall be governed by and comply with the provisions of current applicable federal law.

12.2. *Needs Assessment:* The County agrees that if the County issues a request for a proposal under 47 U.S.C. § 546(b), the County shall provide Shentel with copies of any assessments of future cable-related needs and interests or the past performance of Shentel that were relied upon by the County in preparing the request for proposal.

12.3. *Informal Renewal:* Notwithstanding anything to the contrary set forth herein, Shentel and the County agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the County and Shentel may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the County may grant a renewal thereof.

12.4. *Consistent with Law:* Shentel and the County consider the terms set forth in this Article 12 to be consistent with current applicable federal and Virginia law.

13. ENFORCEMENT AND TERMINATION OF FRANCHISE

13.1 *Notice of Noncompliance:* If at any time the County believes that Shentel has not complied with the terms of the Franchise, the County shall make a good faith effort to informally discuss the matter with Shentel.

13.2 *Shentel's Right to Cure or Respond:* Before seeking enforcement of the Franchise, the County shall notify Shentel in writing of the nature of the alleged noncompliance (the "Noncompliance Notice"). Shentel shall have twenty (20) business days from receipt of the Noncompliance Notice to: (i) respond to the County, if Shentel contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such twenty (20) day period, initiate reasonable steps to remedy

such noncompliance and notify the County of the steps being taken and the date by which cure is projected to be completed. Upon cure of any noncompliance, County shall provide written confirmation that such cure has been effected. The foregoing 20-day cure period shall not apply to customer service obligations measured on a quarterly basis (“Quarterly Standards”), which shall be governed by Section 13.3.

13.3 *Quarterly Standards*: Upon written request from the County, no later than thirty (30) days after the end of each calendar quarter, the Franchisee shall provide the County a written report demonstrating the Franchisee’s level of compliance with each of the Quarterly Standards contained in Sections 8.2.5, 8.2.6, 8.3.2, and 8.4.6. If the Franchisee fails to meet any Quarterly Standard in a calendar quarter, the County shall have the right to begin the process of assessing liquidated damages pursuant to Section 13.4.4 by sending a Noncompliance Notice notifying the Franchisee that the Franchisee failed to comply with the Quarterly Standard in question, in order to inform the Franchisee that the Franchisee is not in compliance with such Quarterly Standard. Receipt of the Noncompliance Notice shall be deemed opportunity to cure. Upon submitting any report to the County that demonstrates that the Franchisee has not complied with a Quarterly Standard, or within fifteen (15) days after receipt of a Noncompliance Notice, the Franchisee may submit information to the County describing any extenuating circumstances related to any such noncompliance, and may request that the County waive liquidated damages, as provided in Section 13.6. If the Franchisee fails to meet the same Quarterly Standard in the immediately succeeding calendar quarter, the County shall have the right to assess liquidated damages pursuant to Section 13.4.4 by sending a Notice of Assessment in accordance with Section 13.8.

13.4 *Enforcement*: Subject to applicable federal and state law and the terms and conditions of this Agreement, including Section 13.3, the County may apply one of the following remedies if the County determines that Shentel is in default of any provision of this Agreement:

13.4.1 Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

13.4.2 Commence an action at law for monetary damages or seek other equitable relief; or

13.4.3 In the case of a default of a material provision of the Agreement, seek to revoke the Franchise in accordance with Section 13.9; or

13.4.4 Assess and collect liquidated damages as set forth in Section 13.5 of this Agreement; or

13.4.5 Apply any other remedy provided for in this Agreement or applicable federal, state or local laws.

13.5 *Liquidated Damages*: Because Shentel’s failure to comply with provisions of this Agreement may result in injury to the County, because it may be difficult to quantify the extent of such injury, and in full satisfaction for the term of this Agreement of the obligations set forth in this Agreement, the County and Shentel agree that, subject to the procedures in Section 13.8, liquidated

damages as set forth herein may be assessable against Shentel for certain violations of provisions of this Agreement. On an annual basis from the Effective Date of this Agreement, liquidated damages in total will not exceed ten thousand dollars (\$10,000). Shentel hereby waives any defense as to the validity of any liquidated damages stated in this Franchise Agreement on the grounds that such liquidated damages are void as penalties or are not reasonably related to actual damages. The liquidated damages shall not apply when caused by Force Majeure events provided Shentel responds to such events in accordance with Section 14.5, and shall only apply from the date of the Notice of Assessment as provided for in Section 13.8.

13.5.1 Failure to comply with reporting requirements set forth in Section 9 of this Agreement: Two hundred dollars (\$200) per day for each day the violation continues.

13.5.2 Failure to comply with requirements related to (i) the technical quality and reliability of the PEG channels, including without limitation downstream signal quality and reliability of return feeds from PEG origination sites to the headend, and (ii) provision of channel capacity for use as PEG channels: Two hundred fifty dollars (\$250) per day for each violation for each day the violation continues.

13.5.3 Failure to comply with Customer Service Standards set forth in Section 8 of this Agreement, other than Quarterly Standards: One hundred dollars (\$100) per day for the first violation for each day the violation continues; two hundred fifty dollars (\$250) per day for any violation within 12 months after the first violation for each day the violation continues; and five hundred dollars (\$500) per day for any violation within 12 months after the second or any subsequent violation, for each day the violation continues.

13.5.4 For violation of a Quarterly Standard contained in Sections 8.2.5, 8.2.6, 8.3.2, and 8.4.6: One thousand five hundred dollars (\$1500) per day for each day the violation continues;

13.5.5 For violation of applicable FCC technical standards: Two hundred fifty dollars (\$250) per day for each for each day the violation continues;

13.5.6 For any other violation of this Agreement for which actual damages may not be ascertainable: Two hundred dollars (\$200) per day for each violation for each day the violation continues.

13.6 *Waiver*: The County may reduce or waive any of the above-listed liquidated damages if the County determines that such reduction or waiver is in the best interests of the County.

13.7 *Single Violation*: For purposes of any liquidated damages assessments, all similar violations or failures from the same factual events affecting multiple Subscribers shall be assessed as a single violation.

13.8 *Assessment of Liquidated Damages*: Franchise shall furnish a \$50,000 performance bond in favor of the County to support payment of liquidated damages. In order to assess the liquidated damages set forth herein, the County, following provision to Shentel of a written Noncompliance Notice as set forth in Section 13.2 or Section 13.3, and the expiration of applicable

cure periods, shall issue to Shentel, by certified mail or other comparable means, a notice of intention to assess liquidated damages (“Notice of Assessment”). The Notice of Assessment shall set forth the basis of the assessment, and shall inform Shentel that liquidated damages will be assessed from the date of the Notice of Assessment. Unless the County indicates to the contrary, or the violation is for a Quarterly Standard, liquidated damages shall be assessed beginning with the date on which the County sent the Notice of Assessment and continuing thereafter until such time as the violation ceases as determined by the County. Payment by Shentel of any assessment of liquidated damages shall be due thirty (30) days after the date of the Notice of Assessment. If Shentel objects to the Notice of Assessment, Shentel shall have the right to challenge it before the Hanover County Board of Supervisors.

13.9 *Revocation of Franchise*: County may revoke the Franchise and terminate this Agreement in accordance with Section 15 of the Cable Ordinance.

14. MISCELLANEOUS PROVISIONS

14.1. *Representations and Warranties*: Shentel hereby warrants, represents, acknowledges, and agrees that it:

14.1.2. Is qualified to do business in Virginia;

14.1.3. Has the requisite power and authority under applicable law and Franchisee's organizational documents, is authorized by resolutions of its Board of Directors or other governing body, and has secured all consents which are required to be obtained as of the Effective Date of this Agreement, to enter into and legally bind itself to this Agreement and to take all actions necessary to perform all of its obligations pursuant to this Agreement;

14.1.4. Is financially able to perform all commitments made in this Agreement and agrees to provide financial statements evidencing this ability;

14.1.5. Upon accepting this Franchise, does so relying upon its own investigation and understanding of the power and authority of the County to grant the Franchise;

14.1.6. Has carefully read the terms and conditions of this Agreement and the Cable Ordinance and is willing to and does accept all of the risks of the meaning of such terms and conditions;

14.1.7. Affirms, to the best of its knowledge, there is no action or proceeding pending or threatened against it which would impair its ability to perform under this Agreement;

14.1.8. Can perform under this Agreement without breaching or violating any of its by-laws or any statute, regulation, agreement, judgment, or decree to which it is subject;

14.1.9. Has no officers, directors or managers holding any ownership interests that would be in violation of Section 613 of the Communications Act of 1934, 47 U.S.C. 533, and amendments thereto;

14.1.10. Enters into this Agreement willingly and without coercion, under influence, or duress, has not misrepresented or omitted material facts, has not entered into this Agreement with the intent to act contrary to its provisions, and represents and warrants that, for the term of this Agreement, it will be bound by the terms and conditions of this Agreement and the Cable Ordinance; and

14.1.11. Acknowledges that it has not been induced to enter into this Agreement by any understanding or promise or other statement whether spoken or written by or on behalf of the County or by any other Person concerning any term or condition of this Agreement not expressed herein or in the Cable Ordinance.

14.2. *Actions of Parties:* In any action by the County or Shentel that is mandated or permitted under the terms hereof, such party shall act in a reasonable and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be withheld, delayed or conditioned in a manner inconsistent with applicable law.

14.3. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

14.4. *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the County.

14.5. *Force Majeure:* Shentel 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 a Force Majeure, provided Shentel furnishes the County with prior written notice of the noncompliance, when possible, and takes immediate and diligent action to bring itself back into compliance with the Agreement as soon as reasonably possible under the circumstances, without unduly endangering the health, safety, and integrity of Shentel's employees or property, the public, the Public Rights-of-Way, public property, or private property.

14.6. *Notices:* Unless otherwise expressly stated herein, notices required under the Agreement shall be mailed first class, postage prepaid, or sent via recognized national overnight courier service to the addressees below. Notwithstanding the foregoing, notices required by Sections 8.5, 8.10.5, 8.10.6, or 8.10.8 may be sent via electronic mail. Each party may change its designee by providing written notice to the other party.

14.6.1. Notices to Shentel shall be mailed to:
Industry Affairs & Regulatory

Shenandoah Cable Television, LLC
500 Shentel Way
Edinburg, VA 22824

14.6.2. Notices to the County shall be mailed to:
County Administrator
Hanover County
7516 County Complex Road
Hanover, Virginia 23069

with a copy to:

County Attorney
P.O. Box 470
Hanover, Virginia 23069

14.7. *Entire Agreement*: This Agreement and the Exhibits hereto constitute the entire agreement between Shentel and the County, and it supersedes all prior or contemporaneous agreements, representations or understanding (whether written or oral) of the parties regarding the subject matter hereof.

14.8. *Amendments*: Amendments to this Agreement shall be mutually agreed to in writing by the parties.

14.9. *Captions*: The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

14.10. *Severability*: If any section, subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Agreement.

14.11. *Recitals*: The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

14.12. *Independent Review*: The County and Shentel each acknowledge that they have received independent legal advice in entering into this Agreement.

14.13. *No Third Party Beneficiary*: Nothing in this Agreement is intended to confer third-party beneficiary status on any member of the public, Person or private entity not a party to this

Franchise Agreement and any such member of the public, Person or private entity shall not have third party status hereunder to enforce the terms of this Franchise.

14.14. *Administration.* Administration of this Agreement shall be vested in the County Administrator or their designee.

14.15. The rights and remedies of the parties pursuant to this Agreement are cumulative, except as otherwise provided in this Agreement, and shall be in addition to and not in derogation of any other rights or remedies which the parties may have with respect to the subject matter of this Agreement. A waiver of any right or remedy by a party at one time shall not affect the exercise of said right or remedy or any other right or other remedy by such party at any other time.

[SIGNATURE PAGE FOLLOWS]

AGREED TO THIS ___ DAY OF _____, 2022.

County of Hanover, Virginia

By: _____
County Administrator

Approved as to Form:

County Attorney

SHENANDOAH CABLE TELEVISION, LLC

By: _____
VP, Industry Affairs & Regulatory

EXHIBITS

- Exhibit A: Local Government Buildings to be Provided Courtesy Cable Service
- Exhibit B: Priority Buildout Map
- Exhibit C: Standard Installation Schematics

EXHIBIT A

LOCAL GOVERNMENT BUILDINGS TO BE PROVIDED COURTESY CABLE SERVICE

Hanover School Board	200 Berkley Street	Ashland, VA 23005
Atlee High School	9414 Atlee Station Road	Mechanicsville, VA 23116
Mechanicsville High School	7052 Mechanicsville Tpk	Mechanicsville, VA 23111
Chickahominy Middle School	9450 Atlee Station Road	Mechanicsville, VA 23116
Ashland Fire Station	501 Archie Cannon Drive	Ashland, VA 23005
Rural Point Elementary School	7161 Studley Road	Mechanicsville, VA 23116
Pearsons Corner Elementary School	8290 New Ashcake Road	Mechanicsville, VA 23116
Cool Springs Elementary School	9964 Honey Meadows Road	Mechanicsville, VA 23116
Laurel Meadow Elementary School	8248 Lee Davis Road	Mechanicsville, VA 23111
Henry Clay Elementary School	310 South James Street	Ashland, VA 23005
Mechanicsville Elementary School	7425 Mechanicsville Elem Drive	Mechanicsville, VA 23111
John Gandy Elementary School	201 Archie Cannon Drive	Ashland, VA 23005
Pole Green Elementary School	8993 Pole Green Park Lane	Mechanicsville, VA 23116
Battlefield Park Elementary School	5501 Mechanicsville Tpk	Mechanicsville, VA 23111
Henry Fire Station	9634 Chamberlayne Road	Mechanicsville, VA 23116
Mechanicsville Fire Station	7161 Stonewall Parkway	Mechanicsville, VA 23111
Chickahominy Fire Station	10414 Leadbetter Road	Ashland, VA 23005
East Hanover Rescue Squad	8105 Walnut Grove Road	Mechanicsville, VA 23111
Ashland Rescue Squad	203 Duncan Street	Ashland, VA 23005

CSB Day Health	7179 Stonewall Parkway	Mechanicsville, VA 23111
Economic Development Offices	8200 Center Path Lane	Mechanicsville, VA 23116
Mechanicsville Library	7461 Sherwood Crossing Place	Mechanicsville, VA 23111
Ashland Library	201 South Railroad Avenue	Ashland, VA 23005
Atlee Library	9212 Rutlandshire Drive	Mechanicsville, VA 23116
Pole Green Community Center	8996 Pole Green Park Lane	Mechanicsville, VA 23111

EXHIBIT B

PRIORITY BUILDOUT MAP

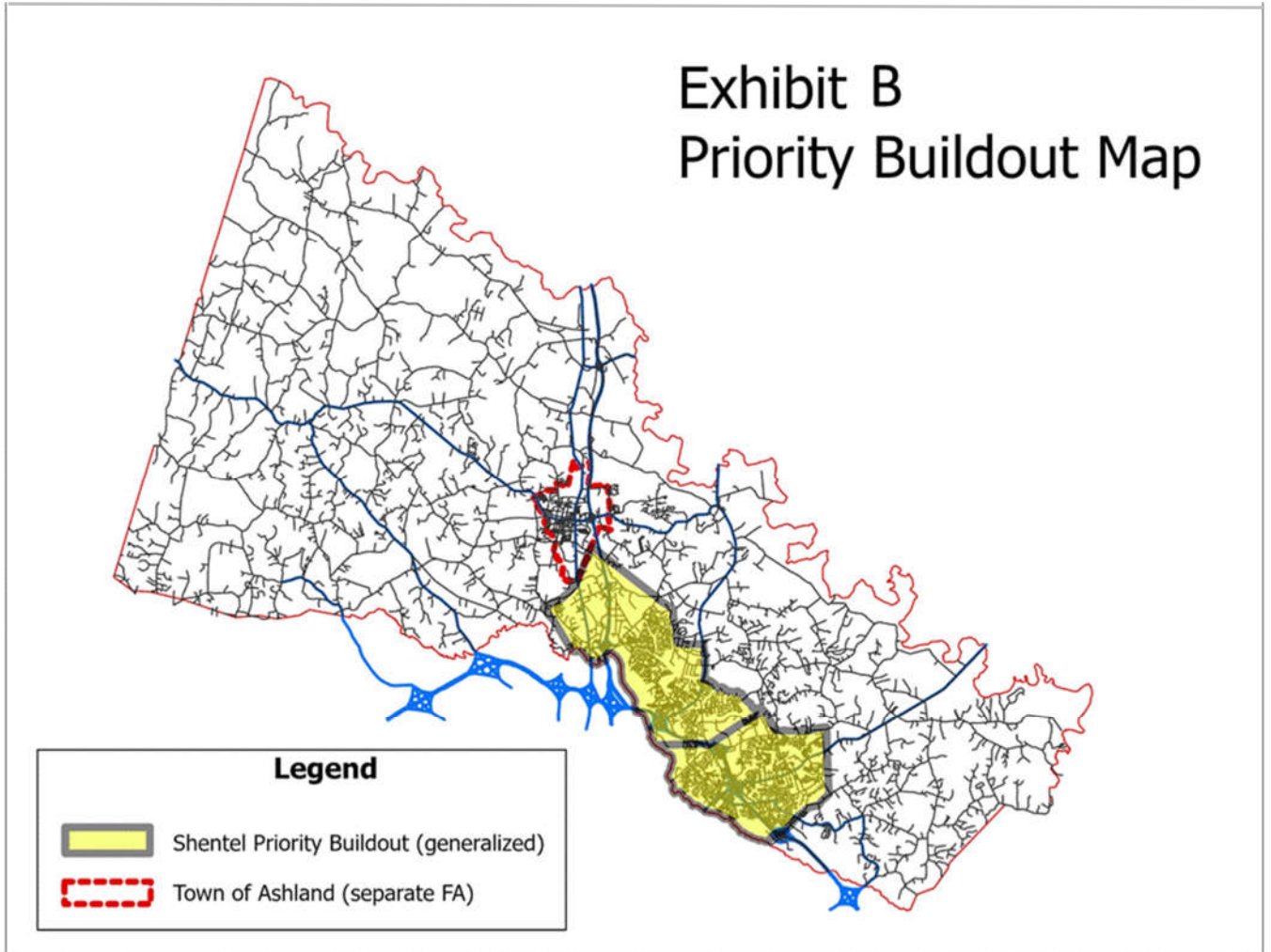


EXHIBIT C

STANDARD INSTALLATION SCHEMATICS

