

**CABLE
FRANCHISE AGREEMENT**

This Franchise Agreement (the "Agreement"), dated _____, between **West Nottingham Township**, Chester County, Commonwealth of Pennsylvania (the "**Township**") and **Armstrong Utilities, Inc.**, a Pennsylvania corporation, duly authorized to conduct business in the Commonwealth of Pennsylvania, with principal offices located at One Armstrong Place, Butler, Pennsylvania 16001 (the "**Armstrong**").

PREAMBLE

WHEREAS, Armstrong currently holds a Franchise from Township pursuant to Ordinance No. 2-2008 enacted on September 16, 2008; and

WHEREAS, Armstrong and the Township wish to enter into an Agreement to renew Armstrong's Franchise; and

WHEREAS, the Township has determined that Armstrong has the financial, legal and technical ability to provide Cable Service to Subscribers located in the Township; and

WHEREAS, the Township after affording the public notice and an opportunity for comment, has determined that the public interest would be served by renewing Armstrong's Franchise according to the terms and conditions contained herein;

NOW THEREFORE, for good and valuable consideration, intending to be legally bound, the Township and Armstrong agree as follows:

1. Definitions. For the purpose of this Agreement, the following terms are defined below. Where consistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular number include the plural number.

- a. **AAA** – American Arbitration Association.
- b. **Affiliate** – any entity that controls, is controlled by, or is under common control with, Armstrong.
- c. **Armstrong** – Armstrong Utilities, Inc. or its assignees.
- d. **Cable System** – a facility within the Township consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within a community. The term does not include (i) a facility that only retransmits the 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 to the provisions of 47 USC Ch. 5, Subch. II, unless the facility is used in the transmission of video programming directly to subscribers (but not if the facility is used solely to provide interactive on-demand services); (iv) an open video system that complies with 47 USC §573; or

(v) any facilities of any electric utility used solely for operating its electric utility system (47 USC §522(7)).

e. **Cable Service** – the one-way or two-way transmission to or from subscribers of video programming or other programming services, and subscriber interaction, if any, which is required for the selection or use of video programming or other programming service. (47 USC §522(6)).

f. **Complaint** – any written or oral communication by a Subscriber expressing dissatisfaction with any aspect of Armstrong’s business or the operation of its Cable System.

g. **Emergency** – a condition that either (1) constitutes a clear and immediate danger to the health, welfare, or safety of the public; or (2) has caused or is likely to cause the Cable System in the Public Rights-of-Way to be unusable and result in loss of the services provided.

h. **FCC** – Federal Communications Commission.

i. **Force Majeure Event** – an event that is unforeseeable or otherwise beyond the control of the affected party and shall include acts of God; acts of public enemies, including terrorist attacks; orders of any kind of the government of the United States of America or of the Commonwealth of Pennsylvania or any of their departments, agencies, political subdivisions, or officials, or any civil or military authority; insurrections, riots, epidemics; landslides; lightning; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; explosions; and partial or entire failure of utilities.

j. **Franchise** – an initial authorization, or renewal thereof, issued by a local franchising authority, whether such authorization is designated as a franchise, permit, license, resolution, contract, certificate, agreement, or otherwise, which authorizes the construction or operation of a cable system. (47 USC §522(9)).

l. **Franchise Fee** – defined in Section 7.

m. **Gross Receipts** – revenues of any kind including, without limitation, cash, credits, property and in-kind contributions, received directly or indirectly by Armstrong from any source arising from, attributable to, or in any way derived from, the provision of Cable Service within the Township. Gross Receipts will include the following:

- (1) basic service fees;
- (2) fees charged to Subscribers for any service tier other than basic service;
- (3) fees charged for premium Cable Services;
- (4) fees for all digital video programming tiers;
- (5) fees for video-on-demand;
- (6) fees charged to Subscribers for any optional, per-channel or per-program services;
- (7) revenue from the provision of any other Cable Services;
- (8) charges for installation, additional outlets, relocation, disconnection, reconnection and change-in-service fees for video programming;

- (9) fees for changing any level of Cable Service programming;
- (10) fees for service calls related to Cable Service;
- (11) inside wire maintenance agreement fees;
- (12) service plan protection fees;
- (13) convenience fees;
- (14) early termination fees;
- (15) fees for Leased Access Channels;
- (16) rental or sales of any and all Subscriber equipment, including converters and remote control devices;
- (17) any and all locally-derived advertising revenues;
- (18) revenues or commissions from locally-derived home shopping channels;
- (19) revenue from interactive Cable Services;
- (20) fees for any and all music services deemed to be Cable Service;
- (21) regional sports fees; and
- (22) late payment fees.

Gross Receipts will not include (a) bad debts or (b) any taxes on services furnished by Armstrong and imposed directly upon any subscriber or user by the Township, state, federal, or other governmental unit. The term Gross Receipts will include revenues associated with (i) internet or cable modem services, (ii) data transmission services, or (iii) interactive services (the “Listed Services”) if and when a competent governmental authority defines a Listed Service to be a cable service that is subject to franchise fees under applicable law. In the event that a Listed Service is subject to Franchise Fees, the Township will hold a public hearing at which Armstrong will have the right to address the issue of Franchise Fees with respect to the Listed Services. Subject to the outcome of this public hearing, the Township may choose to add one or more applicable Listed Services to the list of fees included in the calculation of Gross Receipts.

n. Person – an entity recognized by the law as separate and independent, with legal rights and existence including the ability to sue and be sued, to sign contracts, to receive gifts, to appear in court either by themselves or by lawyer and, generally, other powers incidental to the full expression of the entity in law.

o Public Ways or Rights-of-Way – any public street, road, lane, alley, sidewalk, bridge, viaduct, or similar public right of-way way located in and under the jurisdiction or control of the Township.

p. Service Interruption – the complete loss of picture and sound on the Cable System.

q. Subscriber – a person or entity who contracts with Armstrong for, and lawfully receives, Cable Service distributed by the Cable System.

k. Township – defined in the introductory paragraph.

2. Term.

The Franchise will begin on _____ (the “Effective Date”) and continue for a period of ten (10) years until _____.

3. Violations.

(a) Liquidated Damages.

(i) If the Township has reason to believe that Armstrong violated any provision of this Agreement, it shall notify Armstrong in writing of the specific violation and the section of this Agreement that it believes has been violated. If the Township does not notify Armstrong of any violation of this Agreement, it shall not operate as a waiver of any rights of the Township hereunder or pursuant to applicable law.

(ii) Armstrong shall have thirty (30) days to cure such violation after written notice is received by taking appropriate steps to comply with the terms of this Agreement. If the nature of the violation is such that it cannot be fully cured within thirty (30) days due to circumstances outside of Armstrong’s control, the period of time in which Armstrong must cure the violation will be extended by the Township for such additional time necessary to complete the cure, provided that Armstrong shall have promptly commenced to cure and is diligently pursuing its efforts to cure.

(iii) Because Armstrong’s failure to comply with provisions of this Agreement will result in injury to the Township and because it will be difficult to measure the extent of such injury, the Township may assess liquidated damages against Armstrong in the amount of one hundred dollars (\$100) per day for each day the violation continues, provided Armstrong has had an opportunity to cure as set forth herein. Such damages shall not be a substitute for other legal or equitable remedies that may, from time to time, be available to the Township or Armstrong.

(b) Revocation.

The Township may revoke this franchise if (i) Armstrong practices any fraud or deceit upon the Township, (ii) Armstrong repeatedly fails, after notice and thirty (30) days opportunity to cure, to maintain signal quality pursuant to the standards provided for by the FCC, or (iii) Armstrong repeatedly violates, after notice and reasonable opportunity to cure, a material term of this Agreement. The Township may revoke the franchise only in accordance with the revocation procedures outlined in the Cable Act.

During the term of this Agreement, if Armstrong decides to abandon or no longer use all or part of its Cable System, it shall give the Township written notice of its intent at least one hundred twenty (120) days prior to the announcement of such decision, which notice shall describe the property and its location. The Township shall have the right to either require Armstrong to remove the property, remove the property itself and charge Armstrong with the costs related thereto, or transfer ownership of the property to the Township’s designee provided fair market value is paid to Armstrong.

Upon lawful termination or revocation of this Agreement or of any renewal hereof by passage of time or otherwise, Armstrong may either remove its supporting structures, poles, transmissions and distribution systems and other appurtenances from the streets, ways, lanes, alleys, parkways, bridges, highways, and other public and private places in, over, under, or along which they are installed and restore the areas to their original condition or, upon mutual agreement between Armstrong and the Township, transfer all or any portion of such supporting structures, poles, transmissions and distribution systems to the Township. If Armstrong has elected to remove the supporting structures, poles, transmissions and distribution systems and has failed to do so within twenty-four (24) months of its notice of election to the Township, the Township may deem any property not removed as having been abandoned and the Township may remove it at Armstrong's cost.

4. Grant of Authority.

Pursuant to federal and state law, the Township hereby grants Armstrong a non-exclusive Franchise, authorizing and permitting Armstrong to construct, operate, and maintain a Cable System in the Public Rights-of-Way throughout the Township. The Franchise includes, if consistent with local law, the right to solicit subscribers to, and sell advertisements for, and otherwise own, promote, and operate, the Cable System.

The Franchise is not exclusive. The Township reserves the right to grant a similar Franchise to any other Person at any time. The Township will not enter into a Franchise agreement, permit, license, authorization, or any other agreement with another Person or entity to construct or operate a Cable System, or otherwise provide Cable Services in any part of the Township which when taken as a whole upon consideration of all of its material obligations, grants more favorable terms and conditions to the other Person or entity than this Agreement grants to Armstrong.

The Franchise includes a continuing right to enter, use, and occupy the surface, subsurface, and space above or below any Public Way when, and to the extent necessary, to provide the Cable Service.

The parties will comply with all applicable federal, state, and local laws, rules, and regulations. In particular and in addition to the other obligations included in this Agreement, Armstrong will comply with the following:

(a) All applicable health and safety laws, regulations, and ordinances, and applicable industry standards and codes, including the National Electrical Code and National Electrical Safety Code.

(b) Technical standards adopted by the FCC or another governmental body with jurisdiction, including requirements relating to channel capacity, bandwidth, and periodic testing.

(c) All zoning, permitting, or other local building and construction requirements, including, if applicable, the filing of construction plans prior to work on the Cable System other than routine maintenance.

(d) The police powers of the Township to adopt and enforce laws and regulations necessary for the safety and welfare of the public. These include general laws and regulations as well as

those pertaining to the construction, operation and maintenance of Cable Systems. Such laws and regulations are separate from the terms and conditions contained in this Agreement.

5. Construction; Maintenance.

Armstrong will maintain the Cable System in a safe and suitable condition, in good repair and in working order at all times. The Cable System shall be built for digital television standards with a bandwidth of no less than 750 MHz with addressable technology.

Where and when reasonably available, Armstrong will utilize the existing poles, conduits, or other facilities of public utilities or other third parties legally in the Public Way. If no public utility or other third party poles, conduits, or other facilities are reasonably available, then Armstrong will submit the proposed build-out plans to the Township for approval or reasonable disapproval.

The technical quality of the Cable Service will be sufficient to provide subscribers with high-quality television reception. The Cable System will meet or exceed all technical performance standards of the FCC, the National Electric Code, the National Electrical Safety Code, and any other applicable federal laws as well as any state or local laws, ordinances, or construction standards.

Armstrong will take reasonable efforts to (i) assess subscriber needs and viewing preferences and (ii) provide substitute programming for any existing programming that is discontinued or otherwise becomes unavailable.

Armstrong will provide service to every occupied dwelling requesting Cable Service provided that Armstrong is able to obtain any necessary easements and/or permits. Armstrong will extend the Cable System into all areas within the Township where there is a minimum of twenty (20) dwelling units per linear plant mile of cable, calculated from the end of the nearest trunk line. Armstrong will complete extensions as soon as is practical upon notification to Armstrong by the Township that an area has met the minimum density standard. Any dwelling within two hundred feet (200 ft.) aerial distance of the cable plant will be entitled to a standard installation rate. Any dwelling unit beyond this distance or that requires an underground installation will be subject to a reasonable installation rate.

Armstrong shall apply to the Township for all generally-required permits and shall not undertake any activities in the Public Rights-of-Way subject to a permit without receipt of such permit. Armstrong shall pay any and all required permit fees. Notwithstanding the above, no permits shall be required for Cable Service drops for individual Subscribers, servicing of pedestals, or other similar routine maintenance and repair that does not involve street or sidewalk openings and does not impact vehicular traffic patterns.

Armstrong will notify the applicable public safety emergency dispatcher and any relevant utility companies if any public safety emergency occurs as a result of construction, repair, or maintenance activities by Armstrong personnel.

Armstrong will utilize the Pennsylvania One Call System prior to the disturbance of any pavement, sidewalk, or other public property. Armstrong will adhere to all requirements of the Pennsylvania Underground Utility Line Protection Act.

6. Use and Occupancy of Public Ways.

Armstrong or any agent, including any contractor, will construct, maintain, and remove the Cable System in a safe condition and workmanlike manner and take reasonable efforts to cause minimal interference with (i) the community's use of the Public Way and (ii) the rights or reasonable convenience of the property owners, tenants, or occupants who adjoin the Public Way.

Armstrong or any agent, including any contractor, will not place the Cable System where it will interfere with any utility line or fixture, or water hydrant, or interfere with the usual use of the Public Way.

If Armstrong or any agent, including any contractor, damages any public or private property in the Township, Armstrong will repair or replace, as applicable, the property to its prior condition. Repairs or replacements will be completed within thirty (30) days of the end of the activity which caused the damage. If Armstrong reasonably requires a longer period to complete the repairs or replacement, Armstrong and the Township will mutually agree on the revised timeline for the repair or replacement. If Armstrong fails to make a repair within the mutually-agreed timeframe, the Township may make the repair at Armstrong's expense.

Armstrong or any agent, including any contractor, may trim trees which are located on, or which overhang, the Public Way to the extent that such trimming is minor in nature or must be performed immediately due to a safety risk. Armstrong may perform other tree trimming activities with the prior approval of the Township, which will not be unreasonably withheld. All trimming is at Armstrong's expense.

Except in the case of an Emergency, the Township will provide Armstrong with at least sixty (60) days prior notice of any of the following activities which affect the Cable System: (i) changes to the grade, alignment, or paved width of any Public Way; (ii) vacation of a Public Way; (iii) construction to or of a Public Way; (iv) utility installation or maintenance; (v) installation or maintenance of traffic signals, rail tracks, or any other improvement by the Township or other public agency. The Township will provide Armstrong with such notice as is reasonable given the circumstances of any of the following conditions which affect the Cable System: (vi) traffic conditions; (vii) public safety issues. Armstrong and the Township will then mutually agree on a time table for Armstrong to move any affected part of the Cable System.

Any person holding a moving permit permitting an oversized item to be moved through the Public Way will provide at least fifteen (15) days' notice of the move to Armstrong. Armstrong will temporarily raise or lower its Cable System as and to the extent necessary to permit the moving of the oversized item. The person holding the moving permit will pay, in advance, for Armstrong's actual costs of raising or lowering the Cable System.

Upon thirty (30) days' notice from the Township, Armstrong will temporarily disconnect, relocate, or remove any of its property from the Public Way as required by the Township or its designee. Armstrong will do this at no cost to the Township, unless the Township or another party

is reimbursing or paying other utilities, in which case the Township or another party will reimburse Armstrong in the same manner. In an Emergency, Township will have the right to cut or move any of the wires, cable, or equipment of the Cable System, without cost or liability.

The Township may inspect all pole attachments, installation, and maintenance of basic Cable System hardware, and the removal of the Cable System to ensure compliance with this Agreement. The Township shall have the right, upon thirty (30) business days written notice and during normal business hours, to inspect at the notice location for Armstrong specified herein all documents, records and other pertinent information maintained by Armstrong which relate to the terms of this Agreement.

Armstrong shall maintain for inspection by the public and the Township all records required by the FCC and as specified in 47 C.F.R. §76.305 in the manner specified therein. In addition, the Township or its representatives may conduct a full compliance review, including a possible public hearing, with respect to whether Armstrong has complied with any material term of this Agreement so long as it provides Armstrong with thirty (30) days' written notice in advance of the commencement of any such reviews or public hearings. Such compliance review shall be limited to once every three (3) years absent good cause shown.

Upon request, Armstrong shall provide to the Township for its exclusive use and shall maintain at its local offices a complete set of Armstrong service area maps of the Township, on which will be shown those areas in which its facilities exist and the location of all streets. The maps shall be provided to the Township in hardcopy. The maps shall designate where the cable wires and other equipment are aerial and where they are underground. Armstrong shall provide the Township with updated maps within thirty (30) days after they are requested by the Township

7. Franchise Fees.

Within thirty (30) days of the end of each calendar quarter (or pro rata portion of a calendar quarter, as applicable), Armstrong will pay to the Township an amount equal to five percent (5%) of the Gross Receipts for the prior quarter (the "**Franchise Fee**"). Specifically, payments shall be due and payable on or before April 30 (for the first quarter), July 30 (for the second quarter), October 30 (for the third quarter), and January 30 (for the fourth quarter). No acceptance of any payment shall be construed as an accord that the amount paid is in fact the correct amount, nor shall acceptance of any payment be construed as a release of any claim the Township may have.

The Township may, after a public hearing during which Armstrong shall have the right to make a presentation to the Township, amend the franchise fee – either upward or downward - upon sixty (60) days written notice to Armstrong provided that the franchise fee may not exceed the maximum percentage permitted by law.

Armstrong will not deduct or otherwise credit against the Franchise Fee any, tax, fee, or assessment of general applicability. If Armstrong fails to make a payment on time, then interest will accrue at one percent (1%) per month, starting on the day after payment was originally due. Township's acceptance of any payment will not be construed as (i) an accord, or (ii) a release of any claim for additional sums.

With each franchise fee payment, Armstrong will provide the Township with a written report, certified by Armstrong's chief accounting officer, setting forth, (i) the amount of Gross Receipts paid to Armstrong during the applicable quarter, (ii) the formula and steps used to calculate the Gross Receipts, and (iii) a breakdown of each source of revenue and the amount of revenue for each source received by Armstrong from the Township during the period.

Upon thirty (30) days' notice, the Township may inspect and audit Armstrong's records with respect to Franchise Fees in accordance with this Agreement. Any such audit or Franchise Fee review shall occur within four (4) years from the date the Township receives a Franchise Fee payment, after which period any such payment shall be considered final. Armstrong will provide copies of its applicable records pertaining to Franchise Fees upon such request. Inspection and audit requests will be made by the Township in writing and scheduled by Armstrong's corporate accounting staff. Any reproduction of necessary records shall be performed at Armstrong's expense. If the audit shows that Franchise Fees have been underpaid, Armstrong will pay the amount due plus three percent (3%) interest. If Franchise Fees have been underpaid by ten percent (10%) or more, then Armstrong will also pay the total cost of the audit.

8. Customer Service Standards.

Office Hours and Telephone Availability.

Armstrong shall provide and maintain a toll free telephone access line that will be available to Subscribers twenty-four (24) hours a day, seven (7) days a week. Trained representatives shall be available to respond to customer telephone inquiries during normal business hours. After normal business hours, the access line may be answered by a service or an automated response system. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.

Installations and Service Calls.

(a) Armstrong shall maintain a competent staff of well-trained employees sufficient to provide adequate and prompt service to its Subscribers. Any Armstrong employee or agent, including any subcontractor, who personally visits any residential dwelling shall display a photo identification badge. Any vehicle used for installation, operation or maintenance activities by any Armstrong employee shall prominently display the Armstrong logo though Armstrong shall have no such obligation for vehicles of subcontractors or other agents.

(b) Armstrong shall perform all installations in a careful and workmanlike manner. Armstrong shall accommodate all reasonable subscriber requests regarding installation, and workmanship, though Armstrong shall have no such requirement to perform any form of fishing wires, cables, etc.

(c) Excluding conditions beyond its control or a customer request to the contrary, Armstrong shall begin working on a Service Interruption (as defined herein) promptly and in no event later than twenty-four (24) hours after the interruption becomes known and shall diligently pursue to completion. Notice of a Service Interruption of a single Subscriber shall give rise to this obligation on behalf of Armstrong.

(d) Upon scheduling of appointments with the customer for installations, service calls and other activities, Armstrong shall provide the customer with either a specific time or an “appointment window” of a maximum of four (4) hours during normal business hours. Armstrong may schedule service calls and installation activities outside of normal business hours for the express convenience of the customer.

Notices.

(a) Armstrong shall provide written notice, which such notice requirement shall be deemed satisfied by Armstrong’s posting of such information to its internet site, to each Subscriber upon initial subscription, at intervals not more than one (1) year thereafter to each Subscriber and the Township, and at any time upon request, regarding each of the following areas:

- (1) Products and services offered;
- (2) Options for programming services and conditions of subscription to programming and other services;
- (3) Channel positions and information regarding programming carried on the Cable System such that the programming information corresponds to the channel positions;
- (4) Installation and service maintenance policies;
- (5) Instructions on how to use the Cable Service and any converters;
- (6) Billing and customer complaint procedures;
- (7) Policy and procedures for disconnecting or terminating a Subscriber’s service for cause;
- (8) Armstrong’s address, telephone number and office hours;
- (9) A notice of Subscriber privacy rights as required by federal law;
- (10) The Subscriber’s right to obtain a parental control device.

(b) Armstrong shall notify Subscribers and the Township in writing of any changes in rates, programming services or channel positions a minimum of thirty (30) days in advance of such changes. Armstrong shall not be required to provide prior notice to Subscribers of any rate change that is the result of a regulatory fee, franchise fee or any other fee, tax, assessment or charge of any kind imposed by any federal agency, the Commonwealth of Pennsylvania or the Township on the transaction between Armstrong and the Subscriber.

(c) Armstrong shall maintain a file available to the public containing all written notices provided to Subscribers pursuant to the requirements contained herein by Armstrong during the previous twenty-four (24) months.

Billing.

Bills shall be clear, concise and understandable. Bills must be fully itemized, with itemizations including, all applicable service tiers, equipment charges and any installation or repair charges. Bills shall state the billing period, including an effective due date, the amount of current billing and any relevant credits or past due balances.

Customer Complaint Procedures.

Armstrong shall establish clear written procedures for resolving all customer complaints, which shall include at least the following:

(a) Armstrong shall provide the customer with a written response to a written complaint within thirty (30) days of its receipt. Such response shall include the results of its inquiry into the subject matter of the complaint, its conclusions based on the inquiry, and its decision in response to the complaint.

(b) If the Township is contacted directly about a customer complaint, it shall notify Armstrong via agencycomplaint@agoc.com. When Armstrong receives such notification, the time period for Armstrong to respond as required above shall commence.

Disconnection.

Armstrong may disconnect or terminate a Subscriber's service for cause:

(a) If Subscriber has failed to pay; and Armstrong has provided at least ten (10) days written notice to the affected Subscriber prior to disconnection, specifying the effective date after which Cable Services are subject to disconnection;

(b) If at any time and without notice, Armstrong determines in good faith that Subscriber has tampered with or abused Armstrong's equipment or is engaged in theft of Cable Service; or

(c) If at any time and with or without notice (as the circumstances may dictate) Armstrong determines in good faith that Subscriber has violated Armstrong's Terms and Conditions of Service and Use, including, without limitation, its Acceptable Use Policy.

Credit for Service Interruptions.

In the event that there is a Service Interruption to any Subscriber for twenty-four (24) or more consecutive hours, Armstrong shall, upon request by a Subscriber, grant such Subscriber a pro rata credit or rebate, on a daily basis, of that portion of the service charge during the next

consecutive billing cycle, or, at its option, apply such credit to any outstanding balance that is currently due.

Privacy.

(a) Armstrong shall protect and abide by the rights of privacy of every Subscriber and shall not violate such rights through the use of any device or signal associated with the Cable System. Armstrong shall at all times comply with the privacy provisions of Section 631 of the Cable Act and all other applicable federal and state privacy laws and regulations.

(b) Armstrong shall be responsible for carrying out and enforcing such privacy policy and shall at all times maintain adequate physical, technical and administrative security safeguards to ensure that personal Subscriber information is handled and protected strictly in accordance with this policy and all applicable laws and regulations.

(c) Except as permitted by Section 631 of the Cable Act as amended, neither Armstrong nor its designee nor its employees shall make available to any third party, including the Township, information concerning the viewing habits or subscription package decisions of any individual Subscriber. If Armstrong is required by a court or by applicable law to disclose such information, Armstrong shall notify the Subscriber prior to disclosure, unless such notification is otherwise prohibited by applicable law or the court.

9. Services to Community Facilities.

Armstrong shall, at no charge to the Township, provide video services to the public facilities set forth in Exhibit “A” in accordance with the terms of this section. Any additions to the Exhibit “A” shall be at the mutual agreement of the Township and Armstrong.

(a) Within three (3) months of the Effective Date of this Agreement, one (1) cable drop, outlet and basic and expanded basic services (or equivalent) package to each building. No charge shall be made for installation or service, except that Armstrong may charge for installation and service for more than one (1) drop in each building.

10. Educational and Governmental Channel.

The Township may obtain from Armstrong, within sixty (60 days’ written request, one (1) Educational and one (1) Governmental (“EG”) channel in accordance with Section 611 of the Cable Act for exclusive use by the Township and/or its designee. The channels will be used for programming related to community, governmental and/or educational activities. The Township will have complete control over and responsibility for the content, scheduling, administration and all other aspects of the EG channels and may delegate certain or all of such functions to an appropriate designee. Armstrong will not exercise any editorial control over EG channel programming.

Armstrong will connect a remote origination point to the Cable System at its sole cost and expense if the Township requests an EG channel. To accommodate this request, Armstrong will provide cable, wire, lines and/or other necessary signal distribution equipment to allow

programming to originate from a selected location and be distributed to Subscribers within the Township. Armstrong will cablecast the channel so that it is offered to all Armstrong Subscribers in the Township. Armstrong will deliver the EG channel signal at a level of technical quality and reliability that conforms with that provided by Armstrong for commercial channels.

Any costs incurred by Armstrong for providing the EG channels will be designated as defined by the FCC.

11. Insurance and Indemnification.

(a) **Insurance.** Armstrong will maintain throughout this Agreement (i) a general comprehensive liability insurance policy against liability for loss or damage for personal injury, death, and property damage, with minimum liability limits of: one million dollars (\$1,000,000.00) for personal injury or death of any one person, and one million dollars (\$1,000,000.00) for personal injury or death of two (2) or more persons in any one occurrence, (ii) an excess liability insurance policy with a minimum limit of five million dollars (\$5,000,000), (iii) an automobile insurance policy with a minimum limit of one million dollars (\$1,000,000), and (iv) a general tort or contract liability policy with a minimum limit of one million dollars (\$1,000,000). Armstrong will provide the Township with a certificate of insurance evidencing such coverages within thirty (30) days of the execution date of this Agreement and annually upon renewal of such policies.

(b) **Indemnification.** Armstrong will indemnify, defend, and save harmless, the Township, its elected and appointed officials, officers, agents, and employees, from all claims for injury, loss, liability, cost, or expense arising in whole or in part from, caused by, or connected with, any act or omission of Armstrong, its officers, agents, or employees, arising out of, or in any way connected to, the construction, installation, operation, maintenance, or removal of the Cable System. Armstrong's indemnification obligation includes, but is not limited to, the obligation to pay judgments, injuries, liabilities, damages, penalties, attorneys' fees, expert fees, court costs and all other costs of such indemnification. Armstrong's obligations to indemnify the Township applies to the extent any judgments, injuries, liabilities, damages, penalties, attorneys' fees, expert fees, court costs and other costs do not arise out of, or are in any way connected to, the negligence or intentional acts of the Township or its employees, officers, officials, or agents.

12. Transfer, Assignment or Change in Control.

(a) Neither Armstrong nor its parent nor any Affiliated Entity shall transfer or assign through its own action or by operation of law, its right, title or interest in this Agreement without the prior written consent of the Township, provided that such consent shall not be unreasonably withheld.

(b) No such consent shall be required for (i) a transfer in trust, by mortgage, hypothecation, or by assignment to a financial institution of any rights, title or interest of Armstrong in the Franchise or in the Cable System in order to secure indebtedness; or (ii) a transfer to an entity owned and/or controlled by Armstrong.

(c) Armstrong shall make written application to the Township of any transfer, change in control or assignment as described above and shall provide all information required by FCC

Form 394 and any other applicable federal, state, and local statutes and regulations regarding transfer or assignment. The Township shall have thirty (30) days from the receipt of FCC Form 394 to notify Armstrong of any additional information it needs to make an informed decision on the transfer or assignment. The Township shall have one hundred twenty (120) days from the receipt of all required information to take action on the transfer or assignment.

13. Miscellaneous.

(a) **Changes to Law.** If, and to the extent that, the terms of this Agreement are or become inconsistent with applicable law, then either party may notify the other party of its desire to amend or modify this Agreement to both comply with applicable law and fulfill the intent and purposes of this Agreement. The parties may amend this Agreement to comply with such change in applicable law provided such amendment is approved by both parties. Neither party shall have an obligation to agree to amend this Agreement to comply with a change in applicable law unless such change in applicable law renders one or more provisions of this Agreement illegal or unenforceable.

(b) **Severability.** If any portion of this Agreement is for any reason held invalid or unconstitutional by any court or administrative tribunal of competent jurisdiction, that portion will be deemed a separate, distinct, and independent provision and the holding shall not affect the validity of the remaining portions of this Agreement.

(c) **Interpretation.** If the parties later find any ambiguity in the terms and conditions of this Agreement, the parties will make a good faith effort to cure the ambiguity in a manner consistent with the parties' original intent.

(d) **Governing Law.** This Agreement will be governed and construed in accordance with the laws of the United States of America and the Commonwealth of Pennsylvania.

(e) **Arbitration.** Notwithstanding other dispute resolution provisions set forth in this Agreement, the parties may - upon mutual agreement - submit any dispute arising under this Agreement to arbitration in accordance with the rules and procedures of the AAA, using one arbitrator and the services and facilities of the AAA office located nearest to the Cable System. The arbitrator's decision and award will be final and binding upon the parties. The non-prevailing party will bear the costs of the arbitration proceeding, including the fees of the arbitrator.

(f) **Force Majeure.** If a party is unable to perform any of its obligations under this Agreement due to a Force Majeure Event, the non-performing party will notify the other party of the Force Majeure Event in writing as soon as possible given the circumstances. The non-performance will be excused and no penalties or sanctions will be imposed on the non-performing party. For clarity, this section does not relieve the parties of their obligation to amend this Agreement in accordance with the section of this Agreement titled Changes to Law.

(g) **Binding Effect; Assignment; Amendment.** This Agreement is binding upon, and inures to the benefit of, the parties and their respective successors and assigns. Armstrong will not transfer or assign this Agreement or the Franchise to any non-Affiliate (other than a collateral assignment of a security interest) without complying with 47 U.S.C. §537 and related federal

regulations or without the prior written consent of the Township, which consent will not be withheld unreasonably. This Agreement cannot be amended or modified, by ordinance or otherwise, except as agreed upon in writing by both parties.

(h) **No Waiver.** Unless a party has specifically waived a right in writing, no course of dealing between the parties, including any delay in exercising any right, will operate as a waiver of, or consent to the breach of, such right.

(i) **Reserved Authority.** The Township reserves the regulatory authority arising from the Cable Act, any amendments thereto, and any other federal, state, or local laws or regulations.

(j) **Notices.**

Every notice or payment to be served upon or made to the Township will be sent to:

West Nottingham Township
100 Park Road
P.O. Box 67
Nottingham, PA 19362
Attn: Secretary/Treasurer

The Township may specify any change of address in writing to Armstrong.

Every notice to be served upon Armstrong will be sent to:

Armstrong Utilities, Inc.
One Armstrong Place
Butler, PA 16001
Attn: Operations

With a copy to:

Armstrong Utilities, Inc.
One Armstrong Place
Butler, PA 16001
Attn: Legal

Armstrong may specify any changes of address in writing to the Township.

Each delivery to Armstrong or the Township shall be equivalent to direct personal notice, direction or order, and shall be deemed to have been given at the time of receipt.

(k) **Entire Agreement.**

This written instrument contains the entire agreement between the parties, supersedes all prior agreements or proposals except as specifically incorporated herein, and cannot be changed without written amendment approved by both the Township and Armstrong.

(1) **Applicability of Agreement.**

This Agreement is authorized by Ordinance No. _____ dated _____, 2018. In witness whereof, the parties now execute this Agreement as of the date set forth in the introductory paragraph.

Armstrong Utilities, Inc.

By: _____

Name: Jeffrey A. Ross

Its: President

West Nottingham Township

By: _____

Name: _____

Its: _____

Exhibit A