

***License Agreement
To Provide Cable Services***

between

The City of Maricopa, Arizona

and

Orbitel Communications, L.L.C.

October 19, 2004

LICENSE AGREEMENT

This **LICENSE AGREEMENT** (the "Agreement" or the "License") is made and entered into as of the 19th day of October 2004 (the "Effective Date"), by and between THE CITY OF MARICOPA, ARIZONA, an Arizona municipal corporation (hereinafter referred to as the "Licensing Authority" or "City"), and Orbitel Communications, L.L.C., an Arizona limited liability company, duly organized and validly existing under the laws of the State of Arizona and whose principal place of business is located at 21116 N. John Wayne Parkway, Suite B9, Maricopa, AZ 85239 (hereinafter referred to as the "Grantee").

WHEREAS, the Licensing Authority is authorized to grant Licenses for the provision of Cable Service and otherwise regulate Cable Services within the City of Maricopa boundaries, all pursuant to Section 621 (a) of the federal Cable Act, 47 U.S.C. §521, *et seq.*, Section 9-506 of the Arizona Revised Statutes, the City of Maricopa Cable Television Code, as adopted by Ordinance No. 04-06, and by the City's police powers and its authority over its public rights-of-way; and

WHEREAS, Grantee has applied for a License Agreement with the City of Maricopa to operate a cable system within the City boundaries, and

WHEREAS, Grantee has agreed to be bound by all the terms of this Agreement and acknowledges that this Agreement and Grantee's License are and shall be subject to the provisions of the City of Maricopa Cable Television Code, as adopted by Ordinance No. 04-06, and as may be subsequently amended pursuant to the City's police powers and authority; and

WHEREAS, the City, after reviewing the application of Grantee to acquire a License, and the needs of the City for the provision of cable communications service in the City, finds that it would serve the public interest to grant a License under the terms and conditions hereinafter set forth to Grantee;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereby agree as follows:

SECTION 1 DEFINITIONS

1.1 Definitions.

For purposes of this License Agreement, unless otherwise expressly defined herein, the capitalized terms, phrases, words, and their derivations shall have the meanings set forth in the City of Maricopa Cable Television Code, as adopted by

City of Maricopa Ordinance No. 04-06, as amended from time to time (hereafter referred to as the "Code").

SECTION 2 GRANT OF AUTHORITY

2.1 Grant of License.

The Licensing Authority hereby grants, pursuant and subject to the Code, a nonexclusive license to occupy and use the Streets within the Service Area set forth in Appendix A, in order to construct, reconstruct, install, operate, maintain, upgrade, repair and remove the Cable System to provide Service through the System, subject to the terms and conditions of this Agreement and the Code. The License authorizes only the provision of Service, as that term is defined by the Code, and does not authorize any other services, including telecommunications services. Through this License, Grantee is authorized to provide Service in the Service Area described in Appendix A.

Any privilege claimed under this License by the Grantee in any Street or other public property shall be subordinate to any prior or subsequent lawful occupancy or use thereof by the City or any other governmental entity, shall be subordinate to any prior lawful occupancy or use thereof by any other person, and shall be subordinate to any prior easements therein; provided, however, that nothing herein shall extinguish or otherwise interfere with property rights established independently of this License

2.2 Non-Exclusive Grant.

The Grantee's right to operate a Cable System in the City and to occupy and use Streets and public rights-of-way in furtherance thereof *is not exclusive*. The City reserves the right, at its discretion, to grant Licenses under the terms of the Maricopa Cable Television Code to other cable operators and may permit others to use its Streets and public rights-of-way for similar or other purposes on such terms and conditions as the City, in its sole discretion, deems appropriate.

2.3 License Not Transferable.

This Agreement and the License granted thereby may not be sold, transferred or assigned other than on the terms and conditions set forth in the Code or this Agreement, nor shall the authority granted by this License be construed to authorize any sub-license or lease by Grantee to any person or entity of the right to occupy or use the public rights-of-way for the conduct of any private business. Any request for a transfer, or any change in control of a License, a Grantee, or a Cable System shall be made in accordance with Articles 3.2 and 3.3 of the Code. No application for a Transfer of this Agreement shall be granted unless the transferee agrees in writing that it will abide by and accept all terms of this Agreement and the

Code, and that it will assume all obligations, liabilities, and responsibility for all acts and omissions, known and unknown, of the previous Grantee under this Agreement and the Code for all purposes, including renewal, unless the City, in its sole discretion, expressly waives this requirement.

2.4 Term of License.

The License shall be effective as of **October 19, 2004** (the "Effective Date") and shall expire ten (10) years from said date, unless the License is renewed or the License is sooner terminated by the revocation of the License. Upon termination of the License, all rights of the Grantee in the License shall cease, and the rights of the Grantee to the System, or any part thereof, shall pass as provided in the Code.

2.5 No External Agreements or Promises.

Grantee acknowledges that it has not been induced to enter into this License Agreement by any understanding or promise or other statement, whether verbal or written, by or on behalf of the Licensing Authority or by any other third person concerning any term or condition of this License Agreement not expressed herein.

2.6 Enforceability of Code and Agreement; No Opposition.

By execution of this Agreement, the Grantee acknowledges the validity of the terms and conditions of the Code and this Agreement under applicable law in existence on the Effective Date, and pledges and covenants it will not assert, in any manner, at any time or in any forum that the Code, this Agreement, the License, or the processes and procedures pursuant to which this Agreement was entered into and the License was granted are not consistent with the applicable law in existence on the Effective Date. Grantee further acknowledges that this License is subject to and shall be governed by all terms, conditions, and provisions of the Code, both as in effect at the time the License is granted and as may be subsequently amended by the City from time to time, as well as all other state or federal laws or regulations governing the provision of Cable Services. Any amendment to the Code or such other applicable laws or regulations that applies to the provision of Services authorized by this License shall be deemed incorporated by reference into this Agreement and Grantee shall comply with all provisions thereof within thirty days of the date of such amendment.

The Licensing Authority expressly reserves the right to exercise the full scope of its municipal powers, including both its police power and contracting authority, to promote the public interest and to protect the health, safety and welfare of the citizens of the City of Maricopa. Grantee agrees that its rights under this Agreement are subject to the police power of the Licensing Authority to adopt and enforce general resolutions necessary for the health, safety and welfare of the public, and that it agrees to comply with all lawful and applicable laws, ordinances and resolutions enacted by the Licensing Authority pursuant to such power.

2.7 Renewal.

Subject to Article 3.1 of the Code and Section 626 of the Cable Act, the Licensing Authority reserves the right to grant or deny renewal of the License. In the event that the License is not renewed or at some future point revoked, the Grantee shall continue to operate the System until a replacement operator may be found if directed to do so by the Licensing Authority; provided, however, that the Licensing Authority must notify Grantee, in writing, of its intent to require Grantee's continuing operation no less than three (3) months prior any scheduled termination date (in the case of non-renewal) or within fifteen (15) days of notice to terminate or revoke the License in all other cases, and such continuation may not exceed eighteen (18) months without Grantee's consent. In the event Grantee is required to continue operation pursuant to this Paragraph, it shall be deemed to be operating pursuant to a temporary license, subject to all provisions of the Code and this Agreement.

**SECTION 3
RATES, FEES AND CHARGES**

3.1 Rates, Fees and Charges.

All rates, fees, charges, deposits and associated terms and conditions to be imposed by the Grantee or any Affiliated Person for any Service as of the Effective Date are set forth in Appendix B. Before any new or modified rate, fee, charge, deposit or associated term or condition may be imposed, the Grantee shall submit to the Licensing Authority a rate card or similar document to be provided to subscribers, and shall provide written notice to all Subscribers as set forth in Article 8.1 of the Code.

**SECTION 4
THE CABLE SYSTEM**

4.1 Guidelines for System Facilities, Equipment, and Services.

The following performance guidelines shall serve as the initial minimum guidelines for the design, installation, maintenance and operation of the System:

4.1.1 Compliance with FCC Rules.

- a. The System shall meet all FCC requirements as set forth in (but not limited to) 47 C.F.R. Part 76, as amended from time to time. If federal law is subsequently amended or minimum technical specifications are no longer mandated by the FCC, the technical specifications in effect at the time of adoption of the License Agreement shall govern.
- b. Should the FCC promulgate amended technical requirements which exceed the performance guidelines set forth within this

License Agreement, Grantee shall operate its System in compliance with such FCC requirements.

- c. All maintenance performed on the Cable System by the Grantee shall be in accordance with FCC regulations governing technical performance and operating standards, currently in effect or hereinafter amended.

4.1.2 Continuous 24-Hour Operation.

The System shall operate continuously for 24 hours each day and without material degradation of signal; provided, however, Grantee shall not be in breach of this provision if the System is temporarily lost or degraded as a result of and immediately following extraordinary storms which adversely affect utility services or which damage major System components.

4.1.3 Scheduled Testing

For any scheduled testing or planned suspension of the System which causes or may cause any interruption to Subscriber's Service of greater than thirty (30) minutes in the aggregate during any twenty-four (24) hour period, the Grantee must take reasonable steps to notify the Licensing Authority and Subscribers within thirty (30) days prior to such testing and possible interruption. For any other scheduled service outage, Grantee must give notice electronically by placing an alphanumeric message on an information or similar channel on the Cable System from time to time, and at least once an hour, at least twenty-four (24) hours before the interruption of service occurs. Insofar as feasible, Licensee shall voluntarily interrupt the provision of Cable Service only with good cause during periods of minimum Cable System use and for the shortest time possible.

4.1.4 Testing for Compliance with FCC Standards.

Tests shall be conducted on the System which shall meet FCC Cable Television System Technical Performance Standards of 47 C.F.R. §76.601 through and including §76.630. Grantee shall provide to the Licensing Authority, upon request by the Licensing Authority, written reports of Grantee's bi-annual FCC performance tests and shall promptly advise the City when such test is scheduled. Grantee shall also provide copies to the City, upon request, of any other test results and documentation of any required repairs determined to be needed by any tests.

4.1.5 Technical Evaluation.

The Licensing Authority may order reasonable technical evaluation sessions at any time during the franchise no more than once every two years, or more often in the event of a documented pattern of uncured complaints relating to technical issues. To assist in the technical evaluation, the City Manager or his designee may enlist an independent consultant to conduct an analysis of the cable system and its performance and to submit a report of such analysis to the City. During a technical evaluation

session, the Grantee shall fully cooperate with the City or its consultant and shall provide, without cost, such information and documents as the City or its consultant may reasonably request to perform technical evaluation. If, as a result of the evaluation session, or at any other time, the City Manager or his designee determines that reasonable evidence exists of inadequate System performance, it may require the Grantee to perform technical tests and analyses directed toward such suspected inadequacies and report their result to City. The report shall include at least a description of the problem in performance, what cable components were tested, the equipment used and procedures employed in testing; the method of resolution, if any; and any other information pertinent to said tests and analyses which may be required by the City Manger or determined when the test is performed. If the tests indicate the System is not in substantial compliance with FCC standards, the Grantee shall reimburse the City for any costs it incurred in such test (such as consultant and attorney's fees.)

4.1.6 Maintenance of the System in Good Working Order.

Until the termination of this Agreement and the satisfaction in full by the Grantee of its obligations under this Agreement and the Code, in consideration of the License, the Grantee agrees that it will maintain all of the material properties, assets and equipment of the System, and all such items added in connection with any upgrade, in good repair and proper working order and condition throughout the term of this Agreement.

4.1.7 Compliance with Zoning and Construction Codes.

Grantee shall comply with the terms of all applicable and lawful zoning, building and other ordinances, regulations, codes, guidelines and laws controlling the location or construction of towers, poles, cables, amplifiers, conduits and other facilities owned, leased and otherwise used by Grantee for the Cable System. This includes requirements to obtain applicable permits and to pay all applicable and lawful plan review, permit and inspection fees. No construction will take place in public easements or public rights-of-way prior to any required permitting by and approval of the City of Maricopa Public Works Department, which shall not be unreasonably withheld or delayed.

4.1.8 Standards in Conducting Work.

In conducting any work on the System and/or within the Streets, the Grantee shall ensure that does so in full compliance with the Code, including specifically but not limited to Article 6 thereof. Grantee also acknowledges its duties pursuant to the Code with respect to membership in the Blue Stake center and as to location and relocation of its facilities as set forth in the Code.

4.1.9 Joint Trenching and Co-Location.

- (a) Grantee shall cooperate with the City and all other persons with authority from the City to occupy and use the Public Ways of the City in coordination of construction activities and joint trenching projects and shall, whenever possible, utilize joint trenching when installing its facilities. By December 1, 2004 and each December 1 thereafter, the Grantee shall provide the City with a schedule of its proposed construction activities in, around, or that may affect the public Right of Way. Grantee shall also meet with the City and other grantees, franchisees, permittees, and users of the Public Ways of the City annually, or as more often as determined by the City, to schedule and coordinate construction activities. The City Engineer shall coordinate all construction locations, activities, and schedules to minimize public inconvenience, disruption, or damage to the Public Ways of the City.
- (b) A Grantee shall utilize, after obtaining the owner's permission, existing poles, conduits or such other facilities whenever feasible and shall make its own facilities available for other Grantees or other users of the Streets on reasonable terms. Nothing in this Section, however, shall be interpreted to grant a Grantee the right to use any existing easement or to utilize any poles, conduits, easements or other facilities without the owner's permission. Underground street, sidewalk and driveway crossings not using existing conduits shall be bored unless specific City approval is received. Upon request of the City, copies of written documentation or other evidence giving or demonstrating authorization to the Grantee for use of poles, conduits or other facilities must be made available for review with the City within five (5) business days after request. A Grantee may install its own poles only when approved by the City and then subject to whatever reasonable terms and conditions the City requires.

4.2 Specifications of the System

The following performance guidelines shall serve as the initial minimum guidelines for the design, installation, maintenance and operation of the System:

- 4.2.1 General Requirements and Description. Within ninety (90) days after the effective date of the Agreement, Grantee shall provide to the Licensing Authority a comprehensive plan for construction of the System indicating, at least, a general overview of the construction schedule. The System shall operate as a minimum 750 MHZ System. It shall be two-way active and shall have a return capacity of 5 - 40 MHZ. The System shall have a capacity of at least eighty-two (82) downstream video channels, with a

minimum of fifty-four (54) activated downstream channels. The initial channel lineup shall be as set forth in Appendix C attached hereto.

4.2.2 Headend Standby Power.

Grantee shall provide standby power at the headend. Grantee shall maintain a standby generator capable of providing, at a minimum, the power requirement for all electronic equipment, heating and ventilating and air conditioning, and associated equipment necessary for operation of the System or provision of Service. The standby generator shall have sufficient fuel storage for at least forty-eight (48) hours duration and shall provide automatic dialer notification to employees on a 24-hour-per-day, 7-days-a-week basis for any loss of power.

4.2.3 Headend Uninterruptible Power.

Uninterruptible power shall be provided at the headend for all equipment that cannot have interruptions, such as computer-based equipment. All standby power shall have automatic response to loss of commercial power. The Grantee shall test the power generator(s) at least once monthly, and shall keep a log of such testing, which Grantee shall make available to the Licensing Authority upon request.

4.2.4 Distribution System Standby Power.

Grantee shall provide standby power at fiber nodes and other electronic equipment throughout the distribution system. Grantee shall provide standby power equipment capable of providing a minimum of 3 hours of backup. Grantee shall not, however be required to provide for the backup set forth in this Section if, and only if, more than ninety percent (90%) of the Subscribers within the area serviced by the node or equipment utilize the same electricity source that serves the node (ie - no backup is required if the loss of power to the node will equally affect Subscribers such that they would be unable to receive a signal due to loss of power at the residence or business during the time that the node suffers the same loss of power).

4.2.5 Temperature Specifications.

The System shall be capable of operating over an outdoor temperature range of 0 degrees F to +125 degrees F and over variation in supply voltages from 105 to 130 volts AC without catastrophic failure or irreversible performance changes. The System shall meet all applicable specifications over an outdoor temperature range of 0 degrees F to 125 degrees F and over variation in supply voltages from 105 to 130 volts AC.

4.2.6 No Interference.

The Grantee shall insure that signals carried by the System, or originating outside the System wires, cables, fibers, electronics and facilities, do not ingress or egress into or out of the System in excess of FCC or other applicable standards. In particular, Grantee shall not operate the System in such a manner as to pose unwarranted interference with emergency radio services, aeronautical navigational

frequencies or any airborne navigational reception in normal flight patterns, or any other type of wireless communications, pursuant to FCC regulations.

4.2.7. No Deterioration to Access Signals.

The System shall be so constructed and operated that there is no significant deterioration in the quality of PEG signals or leased access signals resulting from the transportation of the video signal, either upstream or downstream, as compared with any other channel on the System. Deterioration refers to any signal problem, including but not limited to ghost images and other interference and distortions.

4.2.8. Industry-accepted Equipment.

The System shall use equipment generally used in high-quality, reliable, modern systems of similar design.

4.2.9 Cable Ready Television Sets.

The Grantee shall comply with all FCC regulations regarding scrambling or other encryption of signals.

4.2.10 Consumer Equipment For Lease or Sale.

Subject to applicable law or regulation, as part of the System, the Grantee shall, consistent with 47 C.F.R. 76.984 and 47 U.S.C. 543(d), offer every Subscriber, at uniform prices and regardless of the level of service taken, the opportunity to lease from the Grantee or to lease or buy from others Converters (including digital converters), including any associated software, that allow Subscribers to view a program on one channel while taping a program on another channel. To the extent permitted by federal law, Subscribers shall have the right to attach devices to the customer service drop to allow them to transmit signals or service to video cassette recorders, receivers and other terminal equipment, and to use their own remote control devices and Converters, and other similar equipment, as long as such devices do not interfere with the operation of the Grantee's System or the reception of any cable Subscriber, do not serve to circumvent the Grantee's security procedures, or are not used in any manner to obtain services illegally. The Grantee, at no additional charge, shall provide reasonable information regarding the cable system to Subscribers which will assist them in adjusting such devices so that they may be used with the Grantee's System. Nothing herein shall, however, prohibit Grantee from charging a reasonable service fee in unusual circumstances requiring assistance to a Subscriber above and beyond standard verbal or written instruction.

4.2.11 Parental Control.

The Grantee shall provide equipment to enable Subscribers to block out audio and video on any undesired channels on the System.

4.2.12 Program Security.

The System shall include equipment so that any pay-per-view programming can only be activated by the positive action of a subscriber.

4.2.13 Integration of Advancements in Technology.

In addition to any upgrades required herein, if, any, it is the responsibility of the Grantee to periodically evaluate potential upgrades to its' Cable System as it relates to the integration of advancements in technology that may be beneficial to the needs and interest of the community; provided, however, that Grantee shall not launch any new technology on an experimental basis that could jeopardize the reliability of the Cable System or broadband network. To assist the City in understanding and evaluating new technology, Grantee shall provide to the City, and pay the cost thereof, a subscription to (a) Multi-Channel News and (b) Communications Engineering Digest, for the duration of the License Agreement. Grantee shall further be required to review cable technology with the City as requested by the City during the License term. This review can be verbal or written, as directed by the City, and should include specific developments in technology and how they might relate to public, educational or government use of the broadband network as well as the affect and compatibility of those technological changes on consumer electronic equipment.

4.3 Updated Maps.

As part of the quarterly reports required by Section 9.2.1, or within fifteen (15) days after any request by the Licensing Authority, the Grantee agrees to provide a new set of design maps to reflect the current setup of the System. Unless otherwise requested by the City, all such maps shall be in an electronic mapping format compatible with the City's current electronic mapping format, showing the detailed location of all underground cable plant.

4.4 Service for the Disabled.

All closed-caption programming retransmitted by the System shall include the closed-caption signal. For hearing impaired Subscribers, the Grantee shall provide information concerning the cost and availability of equipment to facilitate the reception of all basic services for the hearing impaired. In addition, the Grantee must have TDD/TTY (or equivalent) equipment at the company office, and a publicly listed telephone number for such equipment, that will allow hearing impaired customers to contact the company. Upon request, the Grantee shall provide, for purchase or lease, a remote control device to those Subscribers who are mobility limited, or where a member of the Subscriber's household is mobility limited.

4.5 Interconnection.

In order to facilitate and coordinate the provision of uniform EG channels, Grantee shall, upon request, review with the City the feasibility of requiring an interconnect of its System with any or all other Systems located in the City. Grantee

shall not be required to interconnect if, after such a review it is reasonably determined that such interconnect is technically or economically infeasible. If after review of such request, it is determined that interconnection is possible, the Grantee shall immediately initiate negotiations with the other affected System or Systems in order that technical details be resolved and that costs may be shared on an equitable basis. In the event of a dispute, the City Manager may issue an order establishing the terms and conditions under which interconnection shall occur, and any Grantee shall comply with the order.

4.6 Emergency Alert System and Emergency Override.

The Cable System shall install and operate an emergency alert system in compliance with the rules of the Federal Communications Commission and the State of Arizona "Emergency Alert System Operation Plan ("State Plan")," as amended from time to time, provided, however, that, notwithstanding any such FCC or State rules, the Cable System shall be configured such that, in the event of a local emergency as reasonably determined by the Licensing Authority, the Licensing Authority shall be able to interrupt, to the extent not prohibited by FCC regulations or the State Plan, all audio and video Signals distributed over the Cable System for the delivery of appropriate Signals necessitated by such emergency. The emergency override system will be operated in accordance with this License Agreement, and rules and regulations issued by the FCC. Grantee shall also, at its sole cost, provide the City with the technical capacity and ability to engage in such an override of the System to permit broadcasting emergency information to the residents of the community.

4.7 Service Obligations.

4.7.1 Service Availability.

Unless greater availability is dictated by federal law, as amended from time to time, the Grantee shall make all Services distributed over the System available as a standard installation to (a) every dwelling unit within the Service Area lying within an area with a minimum density of at least twenty-five (25) dwelling units per cable mile where alternative cable service is not already offered to the potential Subscriber; and (b) upon request by a potential Subscriber, to all new homes or previously unserved dwellings where any dwelling/residence is located within 125 feet of Grantee's feeder cable, irrespective of density or whether alternative cable service is offered.

4.7.2 Extension of System.

Notwithstanding any other provision of this Agreement, the Grantee shall, at the request of any potential Subscriber, promptly extend the System so as to make all Services distributed over the System available to all Persons, irrespective of density, within all new subdivisions located within the Service Area during the term of the License Agreement, provided that the nearest boundary of the subdivision is no greater than one-half mile from the nearest point of connection on the cable

system. Further, if the subdivision is more than one-half mile from the nearest connection point and the density requirement set forth in section 4.7.1 is not met between the subdivision and the connection point, Grantee shall nonetheless extend the cable system to all lots within the subdivision if the developer agrees to pay Grantee's incremental costs (reasonable labor and materials) incurred beyond those for an extension of one-half mile. The Grantee shall use and demonstrate its best efforts to extend its System to any such subdivision at such time that trenches are open in such subdivision for the initial installation of utility lines.

Upon the request of any potential Subscriber(s) in an area not meeting the foregoing requirements, Grantee shall nevertheless provide Service to such Persons if such Persons agree to share with Grantee the incremental costs (reasonable labor and materials) incurred beyond those for an extension otherwise required by this Agreement or the Code.

4.7.3 Greater Service.

Nothing herein shall be deemed to preclude the Grantee from offering Services to areas not meeting the above standards.

4.7.4 Time of Connection.

Absent a showing by Grantee to City of circumstances beyond Grantee's reasonable control, including but not limited to an inability to timely acquire all appropriate permits despite due diligence by Grantee in pursuing the same, all standard installations pursuant to Section 4.7.1 shall occur within seven (7) days after the order has been placed, and any extension of Service beyond one hundred twenty five (125) feet shall be accomplished within ninety (90) days of the developer's or potential Subscriber's request, or such period of time agreed to by the developer or potential Subscriber.

4.7.5 No Discrimination.

Neither the Grantee nor any Affiliated Person shall discriminate or permit discrimination between or among any Persons in the availability of Services. It shall be the right of all Persons to receive continuously all available Services insofar as their financial and other obligations to the Grantee are satisfied. Notwithstanding anything in the contrary in this provision, however, Grantee may adopt reasonable uniform classifications of and prices for business subscribers that may differ from residential rates or require that the terms and conditions of services and availability provided to businesses are subject to negotiation between the Grantee and the business requesting the service.

4.8 Upgrade of System.

It is recognized that technology is rapidly changing and that it may be desirable to incorporate changed technology or services. The Licensing Authority or

Grantee may determine that a change in the terms of the License is required to meet the needs and interests of the community, that the System should be updated, changed or revised, or that additional Services should be provided. If any such change is reasonably determined to be economically feasible, the parties will in good faith meet to review the terms of the proposed change and attempt to negotiate any necessary amendment to the License. Any determination of economic feasibility under this section shall include an evaluation of Grantee's financial condition; availability of appropriate financing, if any, that would occur should the terms of the License be changed; length of term remaining on the License; the rate of return on incremental investment in the community to be derived from the additional services in which the community is interested and the impact of those costs on the subscribers.

SECTION 5 GENERAL SERVICE OBLIGATIONS

5.1 Public Service Drops.

5.1.1. Public Service Drops Required.

Throughout the term of this Agreement, at the reasonable request of the City, Grantee shall make one Service drop available, without charge, to each building owned or occupied within the Service Area by the Licensing Authority, as well as all public schools, or colleges and public libraries (hereafter sometimes referred to collectively as "Institutional Facility(ies)") that the Licensing Authority may designate in the Service Area. This includes but is not limited to free standard installation and wiring of one outlet within and free expanded basic Cable Service and standard internet service (if the same is offered by Grantee to Subscribers) to any existing and new governmental and Institutional Facilities that the Licensing Authority may designate.

5.1.2 Specifications of Public Service Drops.

Absent a showing by Grantee to City of circumstances beyond Grantee's reasonable control, including but not limited to an inability to timely acquire all appropriate permits despite due diligence by Grantee in pursuing the same, all Public Service drops within one hundred twenty-five feet of Grantee's feeder cable shall be completed within seven (7) days of the request of such Service drops. For drops longer than one hundred twenty-five feet but less than one-half mile, such drops shall be completed within thirty (30) days of the request, with any longer drops to be completed within sixty (60) days. Grantee shall not charge the Licensing Authority or any Institutional Facility, any monthly or other service charges for any buildings to which a Service drop was requested, and such Service shall include at a minimum the highest levels of Cable Service or internet service offered by Grantee excluding digital, premium, pay-per-view and pay channel programming, at no cost

to the Licensing Authority. Grantee shall also provide, at its sole cost, all terminal equipment necessary to receive internet, programming and expanded basic Cable Services to all such locations (provided, however, Grantee shall not be responsible for providing modems for any computers, terminals or other internet access). The Licensing Authority may redistribute the cable signals to other internal locations, at no additional cost. The Grantee shall not charge for programming and expanded basic Cable Services on "additional outlets." If any building wants more than one outlet, Grantee shall provide the same, but shall be entitled for reimbursement of its actual costs in installing the additional outlets. Grantee may reasonably limit the bandwidth and number of internet connections provided to any governmental or Institutional Facility to ensure that the free access does not materially interfere with the efficient operation of the System or access by other Subscribers, and shall negotiate the need and extent of such connections with the City at the time of installation request.

5.2 Customer Service Standards.

Grantee shall furnish, render and sell Cable Service to its Subscribers in a manner which conforms to the FCC Customer Service Standards pursuant to 47 C.F.R. §76.309 as amended from time to time, with the following specific standards:

5.2.1 Office Hours and Communication Availability.

- (a) In addition to the requirements of the Code and specifically Article 10.2, Grantee shall establish and maintain at least one (1) publicly-listed local, toll free and/or call collect telephone number which shall be available to cable Subscribers twenty-four (24) hours a day, seven (7) days a week to receive requests for repair or installation services, for reporting outages and for responding to billing questions, with an answering service or automated device answering them outside of the Grantee's business hours. The answering service or automated device shall record calls concerning billing questions, complaints, or other matters. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day. Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time, and the telephone system shall have enough incoming lines and adequate staff to process incoming calls such that each call is answered in thirty (30) seconds or less and no caller is placed on hold for more than thirty (30) seconds. Grantee may, however, maintain an automated response unit to help direct calls to an appropriate representative during normal business hours (or, after normal business hours, to an automated answering system capable of recording such inquiries), provided that any such automated system be capable of directing the

- caller to the appropriate representative within thirty seconds after completion of the menu prompts.
- (b) Subject to the requirements of the Code, Grantee shall also maintain, twenty-four (24) hours per day and seven (7) days per week, a facsimile machine accessible via a local telephone number which Subscribers may use to convey service and repair requests to the Grantee's customer service department. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.
 - (c) Subject to the requirements of the Code, Grantee shall also maintain, twenty-four (24) hours per day and seven (7) days per week, an E-mail address accessible via the internet which Subscribers may use to convey service and repair requests to the Grantee's customer service department. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day.
 - (d) Grantee shall also, within forty-five (45) days from the effective date of this License Agreement, establish and thereafter maintain an adequately staffed local customer service office, which shall be conveniently located within the Service Area, that shall remain open during normal business hours.
 - (e) The standards in this Section shall be met no less than ninety percent (90%) of the time under normal operating conditions, measured on a quarterly basis. The Grantee will not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards unless an historical record of complaints indicate a failure to comply.
 - (f) The term "normal business hours" means those hours during which most similar businesses in the community are open to service customers. In all cases, "normal business hours" must include a minimum of three (3) weekend hours.

5.3 Installations, Outages and Service Calls.

Grantee shall furnish, render and sell Cable Service to its Subscribers in a manner which conforms to the FCC Customer Service Standards pursuant to 47 C.F.R. §76.309 and as required by the Code, including but not limited to Articles 8 through 10 inclusive, all as amended from time to time.

5.4 Communications Between Grantee and Subscribers.

Grantee shall furnish, render and sell Cable Service to its Subscribers in a manner which conforms to the FCC Customer Service Standards pursuant to 47 C.F.R. §76.309 and as required by the Code, including but not limited to Articles 8 through 10 inclusive, all as amended from time to time.

5.5 Resolution of Complaints.

Grantee shall furnish, render and sell Cable Service to its Subscribers in a manner which conforms to the FCC Customer Service Standards pursuant to 47 C.F.R. §76.309 and as required by the Code, including but not limited to Articles 8 through 10 inclusive, all as amended from time to time.

5.6 Credits.

5.6.1 Credits for Failure to Comply with Customer Service Standards.

Grantee shall furnish, render and sell Cable Service to its Subscribers in a manner which conforms to the FCC Customer Service Standards pursuant to 47 C.F.R. §76.309 as amended from time to time, and as required by the Code, including but not limited to Articles 8 through 10 inclusive or this Agreement. As a result of the Grantee's failure to comply with these customer service standards, the Grantee shall provide to each affected Subscriber or potential Subscriber, as applicable, the following credits:

- (a) for a failure of the Grantee's crew to arrive at the Subscriber's premises within the promised four (4) hour period for any installation service, as provided in Article 10.1.4.2 of the Code, a credit resulting in free installation;
- (b) for a failure of the Grantee to complete installation of service within the scheduled time period provided for in Article 10.1.4.3 of the Code, unless otherwise excused, a credit resulting in free installation;
- (c) for any reception problem, including any outage of sound and/or picture on any Channel, as defined in Article 10.5.2.1 of the Code, or for any other service problem which remains unrepaired for more than twenty-four (24) hours after either the Grantee receives from the Subscriber a request for repair service (provided that, to the extent access to the Subscriber's premises is required to effect such repair, the Subscriber has granted the Grantee such access) or the Grantee learns of such problem, a minimum credit in an amount equal to one-thirtieth (1/30) times the total bill for Cable Services of such Subscriber for the preceding billing period, for each twenty-four (24) hour period during which such reception problem persists for at least four (4) hours;
- (d) for a failure of the Grantee's crew to arrive to correct any outage or make any repair during the stated time period, as specified in Article 10.5.2.2 of the Code (except where such failure is excused by Article 10.5.3 or except where such crew is no longer required due to a repair effected in a nearby portion of

- the System, in which case the Subscriber shall be notified by telephone that a visit to such Subscriber's residence is no longer necessary), a credit in an amount equal to the total number of days such Subscriber does not have service; and
- (e) for the improper termination of service to a Subscriber, free reconnection and a credit in an amount equal to all charges billed to such Subscriber for a period equal to the total number of days such Subscriber does not have service; and
 - (f) for failure of the Grantee's crew to arrive at the Subscriber's premises and complete the disconnect and recovery of equipment within the promised four (4) hour period for any disconnect appointment for service, as provided in Article 10.8.3. of the Code, a credit in an amount equal to the Grantee's standard installation charge.

5.6.2 Credits as Liquidated Damages.

Each of the foregoing occurrences necessitating such credits shall result in injury to such Subscribers, which injury will be difficult to ascertain and to prove. Each of the foregoing credits is a fair and reasonable compensation for such injury and such compensation constitutes liquidated damages, not a penalty or forfeiture.

5.6.3 Calculation.

For the purpose of calculating the amount of credit owed pursuant to Article 10.9.1(c) of the Code such four (4) hour period shall be deemed to have begun at the time the outage occurred.

5.6.4 Provision of Credit.

With respect to any credit described in Article 10.9.1 (c) of the Code or this Agreement, the Grantee shall provide a credit on each Subscriber's bill to any eligible Subscriber who makes application therefor by written or oral notice within ninety (90) days after the outage or reception problem occurred.

5.6.5 Refunds.

Refund checks shall be issued promptly, but no later than either (a) the Subscriber's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or (b) the return of the equipment supplied by the Grantee if the service is terminated.

5.7 Complaints Received by the Licensing Authority.

All Subscribers and residents may direct complaints and inquiries regarding Grantee's Service or performance to the Licensing Authority. The Licensing Authority will promptly submit those complaints and inquiries to Grantee as provided for in Article 10.6 of the Code.

SECTION 6
EDUCATIONAL AND GOVERNMENT CHANNELS

6.1 EG Access.

In accordance with Section 611 of the Cable Act (47 U.S.C. §531), the Grantee agrees to provide, at a minimum, two video channels: one to be used exclusively for public educational purposes and the other for governmental access, as determined by the Licensing Authority.

6.2 The Grantee agrees to provide, at no charge to the Licensing Authority, modulators, processors, and all necessary transmission equipment for these channels and agrees to design the System to accommodate the desired connection by the Licensing Authority from the primary point of origin chosen by the City within the City of Maricopa city limits to the headend(s) for the access channels. Grantee shall also provide, at no charge, prompt and regular maintenance and replacement of any cables, amplifiers and other distribution equipment used for the EG channels; provided, however, if the City or Educational Institution (defined for these purposes as any public school, including colleges) elects to relocate their primary points of origin for their respective Access Channel (once initially selected), the City or Educational Institution (as appropriate) shall bear the costs of such relocation. At no cost to the City, Grantee shall also provide consulting support to City's or an Educational Institution's employees upon request of the City in connection with beginning operation of the EG channels. In the event Grantee incurs charges pursuant to this Section to establish EG channels not similarly assessed against other grantee's, the City shall require any other grantee to reimburse Grantee such that all parties share in the costs equitably.

6.3 The transmission capability for EG channels shall be two-way, and the equipment shall permit both live and tape-delayed or re-broadcasting capability. All links between the Licensing Authority or Educational Institution and the System headend(s) shall be provided by and at the cost of the Grantee in such form as reasonably requested by the Licensing Authority or Educational Institution.

6.4 Capital Grant Provisions.

The Grantee agrees to provide, upon request of the City, funding to (i) the City and (ii) the public Educational Institution to:

- (a) purchase or otherwise furnish all necessary equipment for EG broadcasting not otherwise furnishable pursuant to Section 6.2, or to provide the City with all necessary equipment for EG broadcasting. Grantee's obligation for such funding or equipment, however, shall not exceed \$7,500 per entity (ie - Governmental or Educational).

- (b) provide an additional \$7,500 per EG channel toward purchase and implementation of a governmental or educational institutional network to be designed, constructed and operated at a later time.
- (c) provide the City and Educational Institution the ability to lease (at cost) from Grantee any other equipment the City deems, in its sole discretion, necessary or advantageous to establish and operate such access channels or networks.

SECTION 7 COMPENSATION AND OTHER PAYMENTS

7.1 License Fee Amount.

Grantee agrees to pay the Licensing Authority the License fee amount set forth in Maricopa Resolution No. 04-33 (as may be amended from time to time in the event federal law permits a greater License Fee to be charged or permits the City to charge for additional services, it being the intent of the parties to use the maximum amount permitted by law for purposes of this Agreement), which amount shall be based on Gross Revenues (as defined in the Code and the Resolution) derived from the operation of the System and shall not exceed the maximum License fee permitted by applicable law. Grantee shall be liable and pay for such fee beginning as of the date of this Agreement (October 5, 2004).

7.1.1. Fees Due for Provisions of Service Prior to License Date.

Notwithstanding Section 7.1, if Grantee provided Service within the City on or after October 15, 2003, but prior to the date of this Agreement (whether pursuant to a License or without benefit of the same) Grantee shall, no later than 5:00 p.m. on December 1, 2004, remit to the City an amount equal to Seventy-Five percent (75%) of the License Fee amount set forth in Maricopa Resolution No. 04-33, on all Gross Revenues received by Grantee during said period, along with the reports set forth in Section 7.2 of this Agreement for said period. Such fees will be treated as if owed, earned and payable during the pre-license period and no credit will be given or taken against those fees incurred, due and payable beginning on October 19, 2004. If any such monies are owing, any failure to remit such payment, in full, by December 1, 2004 shall subject Grantee to late fees or other charges in this Agreement, all of which shall be calculated as if due and owing quarterly during the period of operation prior to the date of this Agreement (for example, a quarterly payment will be treated as having been due and owing as of January 31, 2004 for the period of October 15, 2003-December 31, 2003, with additional quarterly payments due on the dates set forth in Section 7.2). License Fee payments for this pre-license period *shall be subject to all provisions of this Agreement*, including but not limited to the right to recompute and audit, payment of late fees or other charges, use of the Security Fund to recover damages for breach of this paragraph,

and all other rights and remedies otherwise provided in this Agreement. In consideration of the grant of the License, Grantee expressly and specifically waives any claim that the City lacks or lacked authority, whether statutory or otherwise, to impose or collect such license fees for the pre-license period. Grantee further agrees that, notwithstanding any provision of state or federal law that may allow the same, Grantee shall not pass the costs of complying with this Section 7.1.1. through to any Subscriber as a line-item, or otherwise indicate to Subscribers that any increase in charges or fees relate to this payment. Any failure to comply with this Section shall be a material violation of the Agreement and an Event of Default as later defined herein.

7.1.2 Mutual Release for Provision of Services Prior to Date of License.

Effective upon City's receipt of payment in full of the sum set forth in Section 7.1.1. of the Agreement, City shall be deemed to have released, dismissed, and discharged forever Grantee from all "Claims." For purposes of this paragraph, Grantee shall include, as applicable: its respective affiliates, subsidiaries, employees, receivers, trustees, partners, officers, directors, agents, heirs, predecessors, successors, and assigns. For purposes of this paragraph, "Claims" mean and include any and all manner of actions, causes of action, suits, dues, sums of money, accounts, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, costs, expenses, attorneys' fees, obligations, claims and demands whatsoever, whether known or unknown, vested or contingent, in law or in equity, relating to Grantee's provision of cable service within the city limits of the City of Maricopa prior to obtaining a License from City to provide the same.

Effective upon execution of this Agreement, Grantee shall be deemed to have released, dismissed, and discharged forever City from all "Claims." For purposes of this paragraph, City shall include, as applicable: its respective affiliates, subsidiaries, employees, receivers, trustees, partners, officers, directors, agents, heirs, predecessors, successors, and assigns. For purposes of this paragraph, "Claims" mean and include any and all manner of actions, causes of action, suits, dues, sums of money, accounts, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, costs, expenses, attorneys' fees, obligations; claims and demands whatsoever, whether known or unknown, vested or contingent, in law or in equity, relating to the execution of this License Agreement, enactment prior to the date of this Agreement of the Ordinance or any Resolution pertaining thereto, or otherwise relating to Grantee's provision of cable service within the city limits of the City of Maricopa prior to obtaining a License from City to provide the same, including but not limited to any claim that the City is precluded from charging, requesting or accepting the fees set forth in Section 7.1.1.

7.2 License Fee Payment.

Except as set forth above, all payments of license fees shall be made on a quarterly basis and shall be remitted not later than 5:00 p.m. on January 31, April 30, July 31, and October 31 throughout the term of the License for the three-month period (or part thereof) ending on the last day of the month prior to the month such payment shall be submitted pursuant to this Section. Each License Fee payment shall be submitted with supporting detail and a statement certified by the Grantee's chief financial or accounting officer or an independent certified public accountant, reflecting the total amount of quarterly Gross Revenues for the payment period and a breakdown by major revenue categories (such as basic service, cable programming service, premium service, cable internet, VOIP, etc.). In the information provided with each payment, the Grantee shall also indicate the number of Subscribers by category. The City shall have the right to request and require such other and further supporting information as it deems necessary or appropriate, and Grantee shall provide such information promptly upon request.

7.2.1 Late Payments.

In the event any License Fee payment amount is not made on or before the required date, the Grantee shall pay a late charge of five percent of the amount of payment due plus interest charges computed from such due date to the date paid at a rate of one percent (1%) per month, compounded daily, for the period of delinquency.

7.2.2 No Accord and Satisfaction.

No acceptance of any license fee payment by the City shall be construed as an accord and satisfaction that the amount paid is in fact the correct amount or a release of any claim that the City may have for further or additional sums payable under this Code and the License Agreement, and all amounts paid shall be subject to audit and recomputation by the City.

7.2.3 License Fee Due in Addition to General Taxes.

The License Fee payment required by this Agreement shall be in addition to and not in lieu of the payment of any and all taxes of a general nature (i.e., those charges which are generally applicable and not applicable solely to cable television operations within the City) or other fees or charges which the Grantee shall remain required to pay to the City or to any local, state or federal agency or authority, as required herein or by law, all of which shall be separate and distinct obligations of the Grantee. Grantee shall not have or make any claim for any deduction or other credit of all or any part of the amount of said License Fee payments from or against any of said City or municipal taxes or other fees or charges which the Grantee is otherwise required to pay to the City, except as expressly permitted by law. The Grantee shall not apply nor seek to apply all or any part of the amount of said

License Fee payments as a deduction or other credit from or against any of said City or other municipal taxes or other fees or charges, except as expressly permitted by law. Nor shall Grantee apply or seek to apply all or any part of the amount of any of said taxes or other fees or charges as a deduction or other credit from or against any of its License Fee obligations, except as expressly permitted by law.

Nothing in this Agreement shall be construed to limit any authority of the City to impose any tax, fee, or assessment of general applicability. By way of illustration and not limitation, to the extent permitted by applicable law, the City may impose a tax, fee, or other assessment on any Person (other than the Grantee) with respect to Cable Service or other communications service provided by such Person over a Cable System for which charges are assessed to subscribers but not received by the Grantee.

7.2.4 Fee Subject to Adjustment.

City may, in its sole discretion, and at any time during the term of the Agreement or any renewal thereof, increase the amount of the License Fee up to the maximum amount permitted under state and federal law, and Grantee expressly and irrevocably consents to the amendment of this Agreement to reflect the same. The City shall, however, provide Grantee with thirty (30) days' advance notice of such an increase, and Grantee shall owe and begin paying the increased fee immediately upon expiration of the thirty (30) day notice period.

7.3 Continuing Obligation.

In the event the Grantee continues to operate all or any part of the System after the term of this Agreement, then the Grantee shall continue to comply with all applicable provisions of this Agreement and the Code, including, without limitation, all compensation and other payment provisions of this Agreement and the Code, throughout the period of such continued operation, provided that any such continued operation shall in no way be construed as a renewal or other extension of this Agreement or the License.

7.4 All Rights Reserved.

The Licensing Authority reserves all of its rights to regulate the Grantee's rates to the maximum extent permitted by law.

7.5 Security Fund.

Prior to the adoption of this License Agreement by the Licensing Authority, and as a condition thereof, the Grantee shall choose and deposit with the City either cash, an irrevocable, unconditional letter of credit or performance bond, in favor of the Licensing Authority in the amount of Seventy-Five Thousand Dollars (\$75,000) which shall remain in place and/or full force and effect throughout the Agreement. Such security shall constitute the Grantee's Security Fund which shall be subject to

the terms and conditions of Article 13.8 of the Code, and the following specific requirements:

7.5.1 Any performance bond shall be issued by a surety licensed to do business in the State of Arizona and acceptable to the City, and in form acceptable to the City Attorney. Such company must carry a rating by Best of "A" or better for financial conditions and financial performance.

7.5.2 The performance bond shall contain the following endorsement:

"This bond may not be canceled or allowed to lapse until sixty (60) days after receipt by the City of Maricopa by certified mail, return receipt requested, of a written notice from the issuer of the bond of intent to cancel or not renew."

7.5.3 Any letter of credit or other instrument shall in no event require the consent of the Grantee prior to the collection by the City of any amounts covered by such letter of credit or other instrument and shall be in such form as approved by the City Attorney.

7.5.4 At any time during the term of the License Agreement, the City may, in its reasonable discretion, require the Grantee to increase the amount of the Security Fund to an amount City deems appropriate if it finds that additional risk factors exist which necessitate an increase in the amount of the Security Fund, such as an increase in the amount of compensation payments to be made pursuant to the License Agreement or the persistent or substantial failure of the Grantee to perform any of its obligations pursuant to the Agreement. All such increases shall be made only by the City Council, and only after affording Grantee reasonable advance notice and an opportunity to be heard.

7.5.5 The Security Fund shall serve as security for:

- (a) the faithful performance by the Grantee of all terms, conditions and obligations of the Code and this License Agreement and to cure any performance failure which can be cured through payment out of the Security Fund;
- (b) any expenditure, damage, or loss incurred by the City occasioned by the Grantee's failure to comply with all rules, regulations, orders, permits and other directives of the City issued pursuant to the Code and this License Agreement;
- (c) payment of compensation set forth in the Code and this License Agreement;

- (d) the payment of premiums for the liability insurance required pursuant to the Code and this License Agreement;
- (e) any removal of the System ordered by the City;
- (f) the payment to the City of any amounts for which the Grantee is liable which are not paid by the Grantee's insurance;
- (g) the payment of any other amounts which become due to the City pursuant to the Code, this License Agreement or law, including but not limited to liquidated damages;
- (h) the timely renewal of the letter of credit that constitutes the Security Fund; and
- (l) any costs, losses or damages incurred by the City as a result of a default of the Grantee's obligations under the Code or this License Agreement.

7.5.6 Replenishment.

Throughout the term of the License Agreement, or for as long as the Grantee operates the System, whichever period is longer, and for at least ninety (90) days thereafter, the Grantee shall maintain the Security Fund in the amount specified in the License Agreement. Within fifteen (15) business days after receipt of notice from the City that any amount has been withdrawn from the Security Fund, as provided in Article 13.8.4 of the Code, the Grantee shall restore the Security Fund to the amount specified in the License Agreement, provided that said restoration obligation shall be suspended during the period of any judicial challenge by the Grantee to the propriety of said withdrawal from the Security Fund. If a court determines that said withdrawal by the City was improper, the City shall restore the improperly withdrawn amount to the Security Fund.

7.5.7 Withdrawals.

In accordance with this Agreement and Articles 13.3.2 and 13.3.3 of the Code, the City may withdraw from the security fund appropriate amounts payable to the City, if the Grantee fails to comply with the Code or License Agreement in any of the following respects:

- (a) to make any payment required by this Code or the License Agreement within the time fixed herein;
- (b) to pay to the City, within fifteen (15) business days after receipt of notice, any liabilities relating to the System that are due and unpaid;
- (c) to pay to the City, within fifteen (15) business days after receipt of notice from the City, any damages, claims, costs or expenses which the City has been compelled to pay or incur by reason of any act or default of the Grantee; or

- (d) to comply, within fifteen (15) business days after receipt of notice from the City, with any provision of this Code or the License Agreement which the City determines can be remedied by an expenditure of an amount in the Security Fund, including provisions relating to liquidated damages.

The withdrawal of amounts from the Security Fund shall constitute a credit against the amount of the applicable liability of the Grantee to the City but only to the extent of said withdrawal.

7.5.8 Return of Security Fund.

Within one hundred twenty (120) days after the termination of the License Agreement due to the expiration of the term of the License, the Grantee shall be entitled to the return of the Security Fund, or portion thereof as remains on deposit with the City at said termination, provided that all offsets necessary to compensate the City for any uncured failure to comply with any provision of this Code or License Agreement or Event of Default have been taken by the City. Notwithstanding the foregoing sentence, if the Grantee continues to operate the System following the termination of the License Agreement, the Grantee shall not be entitled to a return of the Security Fund until one hundred twenty (120) days after the end of such continued operation. In the event of a termination of the License Agreement for cause due to a breach of the License Agreement by the Grantee, violation of this Code, or otherwise, such Security Fund shall become the property of the City to the extent necessary to satisfy the purposes of the Security Fund as set forth in Article 13.8.2, including the covering of any costs, loss or damage incurred by the City as a result of such termination, provided that any amounts in excess of such costs, loss or damage shall be refunded to the Grantee.

7.5.9 The rights reserved herein to the City with respect to the Security Fund are in addition to all other rights it may have under the Code, the License Agreement, and any other law.

7.5.10 Failure to maintain the Security Fund in full compliance with this Agreement and the Code shall constitute a material violation of the License Agreement and the Code.

7.6 Liquidated Damages.

Grantee acknowledges that the Licensing Authority has the right to impose liquidated damages for a failure by Grantee to comply with the Code or this License Agreement. Grantee acknowledges that a failure to comply with the Code and this License shall result in injuries to the Licensing Authority and the residents, businesses and institutions of the Licensing Authority, the compensation for which will be difficult to ascertain and to prove, and that the liquidated damages amounts

the Licensing Authority may impose pursuant to the Code and this Agreement are not a penalty or forfeiture. In accordance with the Code, the City may impose such liquidated damages as set forth in Article 13.7.1 of the Code and specifically as follows (all references to Articles are references to provisions of the Code):

- (a) Failure to comply with Article 2.1.2 (referring to construction or operation of a Cable System without a license): One Thousand Dollars (\$1,000.00) per day, for each day that such failure continues;
- (b) Using System or Streets for provision of unauthorized Services or allowing the same as identified in Article 2.1.6 of the Code: Five Hundred Dollars (\$500.00) per day, for each day that such failure continues;
- (c) Failure to comply with Article 2.9.1 (failure to pay the application fee or reimburse the City for its expenses in excess of the initial application fee): One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (d) Failure to comply with Article 3.2.2 or 3.2.3 (transferring ownership or control without City authorization): One Thousand Dollars (\$1,000.00) per day, for each day that such failure continues;
- (e) Failure to comply with Article 3.3.1 (failure to promptly reimburse the City for its expenses in excess of the transfer application fee): One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (f) Failure to comply with Article 4.1.1 (failure to pay the appropriate License Fee): One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (g) Failure to comply with Article 4.1.2 or Article 4.1.3 (failure to make timely payment of License Fee or submit appropriate reports): One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (h) Failure to comply with Section 7.1.1 (failure to make payment of License Fee for services provided between October 15, 2003 and the date of this Agreement): Five Hundred (\$500.00) per day, for each day that such failure continues;
- (i) Failure to provide records as required under Article 4.1.4: One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (j) Failure to promptly pay any underpayment of license fees or reimburse the City for its costs in compliance with Article 4.1.4: One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (k) Failure to comply with any requirement under Article 5: One Thousand Dollars (\$1,000.00) per day, for each day that such failure continues;

- (l) Failure to comply with any requirement under Article 6: One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (m) Failure to comply with any requirement under Articles 7 and 8: One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (n) Failure to comply with any requirement under Articles 9 and 10: Five Hundred Dollars (\$500.00) per day, for each day that such failure continues;
- (o) Failure to comply with any requirement under Article 11: One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (p) Failure to comply with any requirement under Article 14: One Hundred Dollars (\$100.00) per day, for each day that such failure continues;
- (q) Failure to comply with any requirement under Article 13: Five Hundred Dollars (\$500.00) per day, for each day that such failure continues; and
- (r) Failure to comply with any orders of the City issued pursuant to the Code or the License Agreement: Five Hundred Dollars (\$500.00) per day, for each day that such failure continues.

7.7 Insurance.

7.7.1 Liability Insurance.

Throughout the term of the License Agreement, the Grantee shall, at its own cost and expense, maintain a comprehensive liability insurance policy or policies that are in an acceptable form to the City, together with evidence acceptable to the City demonstrating that the premiums for said policy or policies have been paid. Such policy or policies shall be issued by companies duly licensed to do business in the State of Arizona and acceptable to the City. Such companies must, however, carry a rating by Best of not less than "B+." Such policy or policies shall include coverage for (i) the Grantee and (ii) the City and its officers, boards, commissions, councils, elected officials, agents and employees (through appropriate endorsements if necessary) and must include coverage for all of the following:

- (a) Commercial General Liability insurance with respect to the construction, operation and maintenance of the Cable System, and the conduct of the Grantee's business in the City, in the minimum amount of two million dollars (\$2,000,000) per occurrence, combined single limit for property damage and bodily injury. The policy must include coverage for Contractual Liability, Premises and Operations, Independent Contractors, Broad Form Property Damage, Personal Injury, and Products and Completed Operations. The policy must also include coverage for explosion, collapse and underground hazard.
- (b) Automobile Liability Coverage, with a minimum limit of liability of one million dollars (\$1,000,000), per occurrence, combined single limit for

bodily injury and property damage coverage. Policy must include coverage for owned automobiles, leased or hired automobiles and non-owned automobiles.

- (c) Broadcaster's Liability/Media Perils Coverage, covering errors and omissions and negligent acts and other operations of the Grantee, committed during the term of the License period, with a limit of liability of at least one million dollars (\$1,000,000) per claim and aggregate and a maximum deductible of \$50,000. Grantee agrees to provide a one-year discovery period under this policy.

The foregoing minimum limitations shall not prohibit the Grantee from obtaining a liability insurance policy or policies in excess of such limitations, provided, however, that the City, its officers, boards, commissions, councils, elected officials, agents and employees shall be named as additional insureds to the full extent of any limitation contained in any such policy or policies obtained by the Grantee.

7.7.2 Workers' Compensation.

The Grantee shall ensure its compliance with the Arizona Workers' Compensation Act and in that regard shall secure insurance to cover its obligations with respect to workers' compensation claims, or take other appropriate steps, which insurance and steps shall be in form and substance reasonably satisfactory to the City. The Grantee shall indemnify and hold harmless the City from any workers' compensation claims to which the Grantee may become subject during the term of the License Agreement.

7.7.3 Maintenance.

The insurance policies required herein shall be maintained by the Grantee throughout the term of the License Agreement and such other period of time during which the Grantee operates or is engaged in the removal of the System. Each such liability insurance policy shall contain the following endorsement: "It is hereby understood and agreed that this policy may not be canceled nor the intention not to renew be stated until sixty (60) days after receipt by the City, by registered mail, of a written notice of such intent to cancel or not to renew." Within forty-five (45) days after receipt by the City of said notice, and in no event later than thirty (30) days prior to said cancellation, the Grantee shall obtain and furnish to the City replacement insurance policies in a form reasonably acceptable to the City.

All insurance policies shall be available for review upon request by the City, and the Grantee shall deliver to the City certificates of insurance, evidencing that the required policies are in effect, no later than thirty (30) days after such policy is required to be effective.

7.7.4 Increased Insurance Coverage.

In the event of any changed circumstances following the effective date of a License Agreement, if the City wishes to alter the minimum limitation of the liability insurance policy or policies required herein, then the City and the Grantee shall negotiate such alteration in good faith.

7.7.5 Liability Not Limited.

The legal liability of the Grantee and any Affiliated Person to the City and any Person for any of the matters which are the subject of the liability insurance policies required by this Agreement, including, without limitation, the Grantee's indemnification obligations set forth in the Code and this License Agreement, shall not be limited by such insurance policies nor by the recovery of any amounts thereunder, except to the extent necessary to avoid duplicative recovery from or payment by the Grantee.

7.7.6 Failure to Comply Material.

Failure to strictly comply with the insurance requirements set forth in this Section shall constitute a material violation of this Agreement.

7.8 All Acts at Grantee's Expense.

Unless otherwise specifically herein or required by law, all acts which a Grantee is required to perform under this Agreement, the Code or applicable law shall be performed at the Grantee's expense. Grantee shall promptly notify City of any expense, or category of expense, that Grantee believes is not incidental to the License.

SECTION 8 RIGHTS AND REMEDIES

8.1 Rights and Remedies for Violations of Code or License Agreement.

In addition to and without limitation upon the rights to collect liquidated damages pursuant to the Code and Section 7 of the Agreement, the City shall have such other specific rights and remedies set forth in this Section 8 and Article 13 of the Code for any violation of the Code or this License Agreement. These rights and remedies are in addition to any and all other rights or remedies now, or hereafter, available to the City to enforce the provisions of the Code and License Agreement, and will not be deemed waived by the exercise of any other right or remedy. The exercise of any such right or remedy by the City shall not release a Grantee from its obligations or any liability under its License Agreement, except as expressly provided for in the License Agreement or as necessary to avoid duplicative recovery from or payments by the Grantee.

8.2 Events of Default.

8.2.1 Grounds.

An Event of Default shall include, but shall not be limited to, any of the following acts or failures to act by a Grantee:

- (a) Any substantial failure to comply with any material provision of the Code or this License Agreement that is not cured after notice and within the time period permitted pursuant to this Section or Article 13.3.3 of the Code;
- (b) The occurrence of any event which may reasonably lead to the foreclosure or other similar judicial or nonjudicial sale of all or any material part of the Cable System;
- (c) The condemnation by a public authority other than the City, or sale or dedication under threat or in lieu of condemnation, of all or any part of the Cable System, the effect of which would materially frustrate or impede the ability of a Grantee to carry out its obligations, and the purposes of this Code and its License Agreement;
- (d) In the event that the Grantee shall suspend or discontinue its business;
- (e) If there shall occur any denial, forfeiture or revocation by any federal, state or local governmental authority of any authorization required by law or the expiration without renewal of any such authorization, and such events either individually or in the aggregate, materially jeopardize or could reasonably be expected to materially jeopardize the Cable System or its operation;
- (f) A persistent failure by a Grantee to comply with any of the provisions, terms or conditions of this Code or a License Agreement or with any rules, regulations, orders or other directives of the City after having received notice of a failure to comply; or
- (g) The Grantee fails to restore Service after forty-eight (48) consecutive hours to a substantial part of the Cable System, except in the case of Service interruptions the cause of which were not within Grantee's reasonable control and where Grantee is unable to restore Service using its best efforts.

8.2.2 City Action Upon Occurrence of Event of Default.

Upon the occurrence of an Event of Default, then the City may, at any time:

- (a) Impose liquidated damages in the amount, whether per day, incident, or other measure of violation, as provided in this License Agreement or the Code. Payment of liquidated damages by the Grantee will not relieve the Grantee of its obligation to comply with the Code or Agreement; and
- (b) Require the Grantee to take such actions as the City deems reasonably appropriate in the circumstances to ensure compliance with this License Agreement or the Code; and/or
- (c) Seek money damages from the Grantee as compensation for such Event of Default; and/or
- (d) Seek to obtain the appointment of a court-appointed trustee or similar Person to take any actions which the City deems appropriate in the circumstances; and/or
- (e) reduce the duration of the License on any basis and for such term the City determines is reasonable; and/or
- (f) Revoke the License by termination pursuant to Article 13 of the Code or this Section of the Agreement, and or
- (g) Exercise such other remedies set forth in this Section or Section 7 of the Agreement, and/or Articles 13.7 and 13.8 of the Code.

8.3 Breach Procedures.

The City shall exercise its rights provided herein and in Article 13.3.2 of the Code in accordance with the following procedures:

- (a) The City Manager, or his designee, shall notify the Grantee, in writing, of an alleged Event of Default, which notice shall specify the alleged Event of Default with reasonable particularity. The Grantee shall, within thirty (30) calendar days after receipt of such notice or such longer period of time as the City Manager may specify in such notice, either cure such alleged Event of Default or, in a written response to the City, either present facts and arguments in refutation or excuse of such alleged Event of Default or state that such alleged Event of Default will be cured and set forth the method and time schedule for accomplishing such cure.
- (b) The City Manager shall determine:
 - (1) whether an Event of Default has occurred;
 - (2) whether such Event of Default is excusable; and
 - (3) whether such Event of Default is curable; and
 - (4) whether such Event of Default has been cured or will be cured by the Grantee.
- (c) If the City Manager determines that an Event of Default has occurred and that such Event of Default is not excusable and is not curable, has not been cured or will not be cured by the

Grantee in a manner and in accordance with a schedule reasonably satisfactory to the City Manager, then the City Manager shall prepare a written report which may recommend the action to be taken by the City Council. The City Council shall provide notice and a copy of such report to the Grantee. In the event that the City Council determines that such Event of Default has not occurred, or that such Event of Default either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City Council, or that such Event of Default is excusable, such determination shall conclude the investigation.

- (d) If the City Council determines that such Event of Default has occurred, and that such Event of Default has not been and will not be cured in a manner and in accordance with a schedule reasonably satisfactory to the City Council, and that such Event of Default is not excusable, then the City may take any of the actions provided in Section 8.2.2. or Article 13.3.2.
- (e) Nothing herein, however, shall be construed to limit the City's ability to assess and collect liquidated damages if the Event of Default is one for which liquidated damages are provided in this Agreement or the Code.

8.4 Termination.

In the event of any termination of the License Agreement, whether by expiration, revocation or otherwise, the City may:

- (a) direct the Grantee to operate the System pursuant to the provisions of this Code and the License Agreement and such additional terms and conditions as are agreeable to the City and the Grantee for a period of up to twelve (12) months;
- (b) authorize any other Person to operate the System upon such terms and conditions as are agreeable to the City and the Grantee; or
- (c) order the Grantee to cease all construction and operational activities in a prompt and workmanlike manner.

8.5 City's Right to Order Removal or to Approve a Transfer of the Cable System.

8.5.1 Removal.

In addition to its other rights provided by Section 8.4 or otherwise, upon any termination, the City may issue a removal order directing a Grantee to remove, at the Grantee's sole cost and expense, all or any portion of the Cable System from all Streets and other public or non-public property within the Service Area, subject to the following:

- (a) in removing the Cable System, or any part thereof, the Grantee shall, at its own expense, refill and compact any excavation it makes, and shall leave the Streets and other property, including utility cables, wires and attachments, in as good condition as that prevailing prior to the Grantee's removal of the System;
- (b) any liability insurance and indemnity provisions shall remain in full force and effect during the period in which the Cable System is being removed and the associated repairs to the Streets and other property are being made; and
- (c) if in the reasonable judgment of the City, the Grantee fails to substantially complete removal, including repair of the Streets and other property within twelve (12) months of the City's issuance of a removal order, the City shall have the right to authorize removal of the Cable System, at the Grantee's cost, by another Person.

Notwithstanding the foregoing, the Grantee may dispose of any portion of the Cable System not designated by the City for removal during such twelve (12) month period, provided, however, that if the Grantee fails to complete the removal of the portion(s) of the Cable System designated for removal by the City within such period, then all such portion(s) of the Cable System not disposed of and all amounts collected for any portion(s) of the Cable System disposed of by the Grantee during such period shall belong to the City, with no price due to the Grantee.

Notwithstanding this Section, a Grantee shall not be required to remove those portions of the System that are necessary for the Grantee's continued provision of non-Cable Service, including telecommunications service, so long as the City Code or agreement by which the City permits the Grantee to use the Streets to provide non-Cable Service remains valid and in effect and the City is prohibited by state or federal law from ordering such removal.

8.5.2 Transfer.

Upon any termination and as an alternative to ordering removal of the Cable System, the City may approve a transfer of ownership to a third party.

Notwithstanding this Section, a Grantee shall not be required to transfer those portions of the System that are necessary for the Grantee's continued provision of non-Cable Service, including telecommunications service, so long as the City Code or agreement by which the City permits the Grantee to use the Streets to provide non-Cable Service remains valid and in effect and the City is prohibited by state or federal law from ordering such transfer.

8.5.3 Price.

The price to be paid to the Grantee upon a transfer approved by the City shall be pursuant to Section 627 of the Cable Act.

8.5.4 Grantee's Obligations.

In the event of any transfer or abandonment pursuant to Article 13 of the Code, the Grantee shall promptly supply any transferee approved by the City with all records necessary to reflect the change in ownership and to operate and maintain the Cable System.

**SECTION 9
INSPECTION AND BOOKS AND RECORDS**

9.1 City's Right of Regulation and Inspection.

The City shall have the right to regulate, and periodically inspect the construction, operation, maintenance and upgrade of the System, and all parts thereof, in accordance with the provisions of this Code, the License Agreement and applicable law, including the City's police power.

9.2 Reports.

9.2.1 Quarterly Reports.

Unless this requirement is waived in writing, in whole or in part, by the City, no later than (10) ten business days of the close of each quarter, the Grantee shall submit a written report to the City, in the form directed by the City, which shall include:

- (a) a summary of the previous quarter's activities in development of the Cable System, including but not limited to descriptions of services begun or dropped, the number of subscribers gained or lost for each category of service, the number of pay units sold, the number of subscribers using converters, the amount collected monthly includable in Gross Revenues, and the character and extent of the services rendered to users, including Leased Access Channel Users;
- (b) a summary of complaints, identifying both the number and nature of the complaints received and an explanation of their dispositions, as such records are reasonably kept by the Grantee. Where complaints involve recurrent System problems, the nature of each problem and the corrective measures taken shall be identified.
- (c) A report showing the number of service calls received by type during the prior quarter, and the percentage of service calls compared to the Subscriber base by type of complaint.
- (d) A report showing the number of outages and service degradations for the prior month, and identifying separately each planned outage, the

time it occurred, its duration, and the estimated area and number of Subscribers affected; each unplanned outage or service degradation, the time it occurred, its estimated duration and the estimated area and the number of Subscribers affected; and the total hours of outages and service degradations as a percentage of total hours of Cable System operation.

- (e) A copy of the Franchisee's rules and regulations applicable to Subscribers of the cable system;
- (f) A current list of officers and members of the Board of Directors or similar controlling body of the Grantee and any Affiliates;
- (g) An organizational chart showing all corporations, partnerships or other Persons or entities with more than a five (5) percent ownership interest in the Grantee, and the nature of that ownership interest (limited partner, general partner, preferred shareholder, etc.); and showing the same information for each corporation or partnership that holds such an interest in the corporations or partnerships so identified and so on until the ultimate corporate and partnership interests are identified;
- (h) Unless previously provided, a detailed copy of updated maps in the format set forth in Section 4.3, depicting the location of all cable routes and showing areas served and locations of all trunk lines and feeder lines in the City, and including changes in all such items for the period covered by the report;
- (l) the Grantee's policies regarding Subscriber privacy;
- (j) the Grantee shall provide an emergency contact and notification list including names and business and after hours telephone numbers within 30 days of the effective date of this License agreement;
- (k) Grantee shall also use its best efforts to provide a reasonable update, to the City concerning emerging issues affecting or involving Services and Service delivery, including but not limited to (l) a calendar of upcoming events, meetings or other planned activities with other Grantees or persons using the Streets, or City, School District or other governmental entity staff; (ii) national, state and local issues that affect (or may affect) rates, taxation, licenses, etc. or which may effect revenues and services to the City; and (iii) an update on new, pending, proposed or optional services (Wireless, VOIP, Internet, HDTV, etc.) that may or will be offered to residents and businesses in the City by Grantee or any Affiliate; and (iv) permitting, construction or other issues Grantee believes need to be resolved with the City or other Persons affecting in any material manner the efficient delivery of services to residents and businesses within the City; and (v) any trends in delinquent payments relating to Subscribers, survey responses or independent requests asking for certain or additional services, etc., and (vi) any other issues which might prohibit or restrain

Grantee or the City from effectively carrying out the terms of the license agreement.

9.2.2. Special Reports.

- (a) No later than 120 days after the end of its fiscal year, the Grantee shall provide an annual financial report for the previous calendar year, certified by the Grantee's head of Accounting or similar position, or an independent certified public accountant, including year-end balance sheet and an income statement showing Subscriber revenue from each category of service and every source of non-Subscriber revenue;
- (b) Grantee shall promptly submit a copy and full explanation of any notice of deficiency, forfeiture, or other document issued by any state or federal agency instituting any investigation or civil or criminal proceeding regarding the Cable System, the Grantee, or any Affiliate to the extent the same *may* affect or bear on operations in the City. By way of illustration and not limitation, a notice that an Affiliate that has a management contract for the Cable System was not in compliance with FCC EEO requirements would be deemed to affect or bear on operations in the City.
- (c) The Grantee must submit a copy and brief explanation of any request by the Grantee or any Affiliate for protection under bankruptcy laws, or any judgment related to a declaration of bankruptcy by the Grantee or Affiliate.

9.2.3 Additional reporting.

At the request of the City, the Grantee shall promptly submit to the City such reasonable information as the City may request regarding the Grantee, its compliance with any term or condition of this Code and the License Agreement, with respect to the System or its operation, any Service distributed over the System, or any activity or function associated with the production or distribution of any Service over the System.

9.3 Grantee to Maintain Books, Records and Files.

9.3.1 Books and Records.

Throughout the term of the License Agreement, the Grantee shall maintain in the Service Area, or make available in the Service Area within fifteen (15) business days after the City's request, or such other time period agreed to by the City, complete and accurate books of account and records regarding the Grantee's ownership and operation of the System and the provision of Services over the System, in a manner reasonably acceptable to the City, including without limitation,

books of account and records adequate to enable the Grantee to demonstrate that it is, and throughout the term of the Agreement has been, in compliance with the Agreement and this Code. The Grantee shall maintain its fiscal and financial records and have all relevant fiscal and financial records maintained by others on its behalf in accordance with generally accepted accounting practices. All such documents pertaining to financial matters which may be the subject of an audit by the City shall be retained by the Grantee for a minimum of three (3) years following termination of the License Agreement.

9.3.2 File for Public Inspection.

Throughout the term of the Agreement, the Grantee shall maintain, in a file available for public inspection during normal business hours, in the Service Area, those documents required pursuant to the FCC's rules and regulations.

9.3.3 Performance Evaluation.

Upon the City's request, but not prior to one year after the license origination date and not more frequently than every one year, the Grantee shall prepare a status presentation to provide information to the City regarding system performance, customer service satisfaction, and future system and programming planning. If, upon evaluating the status presentation contents, the City determines that additional information is needed to complete the evaluation, the Grantee shall provide additional relevant data.

Should the City determine that, based on the presentation and expressed community concerns, unsatisfactory or deficient quality or quantity of Cable Service or customer service is being provided, then the Grantee and the City shall enter into good faith negotiations to consider and determine a course of action to correct and improve service.

9.3.4 Other Documents.

Copies of all petitions, applications, communications and reports submitted by a Grantee to the FCC, Securities and Exchange Commission, or any other federal or state regulatory commission or agency, other than the Internal Revenue Service or the Arizona Department of Revenue, having jurisdiction over any matters affecting cable operations authorized pursuant to the License, shall be provided to the City if requested by the City. A copy of any written documentation between Grantee and any public utility providing for the use of any facilities of the public utility by the Grantee, or other evidence of consent to use the same, including, but not limited to poles, lines or conduits, shall also be provided to the City within fifteen (15) business days of the City's request.

9.4 City's Rights of Inspection and Audit.

9.4.1 Right of Inspection -- General.

Upon notice to the Grantee, the City or its designated representatives, shall have the right to examine, for the purpose of verifying Grantee compliance with the terms of this Code and its License Agreement, in the Service Area or other location agreeable to the City, all books and records pertaining to the Grantee's or any Affiliated Person's ownership or operation of the System or to the Grantee's or Affiliated Person's provision of Services over the System. Further, during normal business hours and upon notice to the Grantee, the City or its designated representatives may inspect and examine any other aspect of the System, including facilities and equipment thereof.

9.4.2 Treatment of Proprietary Information.

Access by the City to any of the documents, records or other information covered by Code Article 11 or Articles 2.2, 2.4, 2.6.1, 4.1.3, or 6.1.6 shall not be denied by the Grantee on the grounds that such documents, records or information are alleged by the Grantee to contain proprietary information, provided that this requirement shall not be deemed to constitute a waiver of the Grantee's right to assert that the proprietary information contained in such documents, records or other information, should not be disclosed.

If the City concurs with the Grantee's *assertion regarding the proprietary nature of such information*, the City will not disclose such information to any Person, unless required by a court of competent jurisdiction.

If the City does not concur with the Grantee's assertion, then the Grantee shall promptly provide such documents, including the alleged proprietary portion thereof, to the City, or alternatively, may petition a court of competent jurisdiction to determine the validity of the Grantee's assertion, provided that the Grantee shall not be required to provide the proprietary portion thereof during the pendency of any court challenge to such provision.

Nothing herein shall require Grantee to disclose Subscriber information in violation of Section 631 of the Cable Act or any other applicable federal or state privacy law.

At the election of the City, and in its sole discretion, the City may inspect and review, without copying or retaining any reproduction thereof, information deemed by Grantee to be competitively sensitive.

9.4.3 License Fee Audit.

The City shall have the right to inspect and, subject to Section 9.4.2 above, copy records and the rights to audit or review (using, at its sole discretion, City staff or a certified public accountant or other professional(s) of City's choosing) and to recompute any amounts determined to be payable under this Agreement, whether the records are held by the Grantee or an Affiliate. Grantee also expressly consents to the City reviewing, if permitted by that entity, any other entity that collects or receives funds related to the Grantee's operation in the City, including, by way of illustration and not limitation, any entity that sells advertising on the Grantee's behalf, and Grantee agrees to cooperate in requesting such information from the entity if requested by the City. The Grantee shall be responsible for providing to the City all records necessary to confirm the accurate payment of License fees, without regard to by whom they are held. Such records shall be made available pursuant to the requirements of Section 9.4.1 herein. The Grantee shall maintain or cause to be maintained, all such records for three years.

If, as a result of such audit or other review, the City determines that the Grantee has underpaid its fees in any three (3) month period by three percent (3%) or more, then, in addition to making full payment of the relevant recomputed obligation plus late fees and interest on such amount from the date payment should have been made at the rate provided by Section 7.2.2 of this Agreement, Grantee shall reimburse the City, as a cost incidental to enforcement of the License, for all of the reasonable costs associated with the audit or review, including all reasonable out-of-pocket costs for attorneys, accountants, and other consultants. Any additional amounts due to the City, including reimbursements due, as a result of the audit shall be paid within fifteen (15) days following written notice to the Grantee by the City of the underpayment, which notice shall include a copy of the audit report. If the audit determines that there has been an overpayment by Grantee, the Grantee may credit any overpayment, without provision for interest, against its next quarterly payment.

9.4.4 City May Conduct Additional Compliance Audits and Hearings.

The City may conduct a full compliance audit and hold public hearings at any time during the term of the License Agreement, provided it gives the Grantee written notice ten (10) business days in advance of the commencement of such audits and associated hearings. During such audits and hearings, the Grantee shall fully cooperate with the City and shall provide such information and documents as the City may need to reasonably perform the review.

9.4.5 Public Notice.

Minimum public notice of any public meeting relating to a License Agreement or Grantee shall meet any Arizona State law standards and shall be by publication,

at the Grantee's expense, once in a local newspaper of general circulation at least five (5) days prior to the meeting and by announcement on each access channel on the Grantee's System between the hours of 7:00 p.m. and 10:00 p.m. for five (5) consecutive days prior to the meeting.

SECTION 10 MISCELLANEOUS PROVISIONS

10.1 Controlling Authorities.

This Agreement is made with the understanding that its provisions are controlled by the Cable Act, other federal law, state law, and all applicable local law, ordinances, and regulations.

10.2 Appendices.

The Appendices to this Agreement, attached hereto, and all portions thereof and exhibits thereto, are, except as otherwise specified in such Appendices, incorporated herein by reference and expressly made a part of this Agreement.

10.3 Time of the Essence.

Whenever this License Agreement sets forth any time for any action to be performed by, or on behalf of, Grantee, that time shall be deemed of the essence.

10.4 Subsequent Action by State or Federal Bodies.

10.4.1 Complete Agreement.

It is the intent of the Licensing Authority and Grantee that the terms, conditions and obligations set forth in this License Agreement shall govern their relationship for the full term of the License Agreement. In the event that any court, agency, commission, or other authority of competent jurisdiction declares this License Agreement invalid, in whole or in part, or requires Grantee either to:

- a. perform any act which is inconsistent with any provision of the License Agreement, or
- b. cease performing any act required by any provision of this Agreement, then Grantee shall not be required to comply with any term declared invalid and shall instead comply with any requirements of the court.

10.5 Governing Law.

This Agreement shall be deemed to be executed in the City of Maricopa, County of Pinal, State of Arizona, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the State of Arizona, as applicable to contracts entered into and to be performed entirely within that State. The terms and conditions of this Agreement shall be governed by

and interpreted in accordance with federal law and where federal law is not controlling, the laws of the State of Arizona.

Either party may seek a ruling about the applicability to the terms of this License Agreement of any court determination, federal or state law or regulation rendered, issued, approved, adopted or enacted after the execution of this License Agreement.

10.6 Non-enforcement by Licensing Authority.

Grantee shall not be relieved of its obligation to comply with any of the provisions of this Agreement by reason of any failure of the Licensing Authority to enforce prompt compliance.

10.7 Delays and Failures Beyond Control of Grantee or the Licensing Authority.

Notwithstanding any other provisions of this Agreement, no party to this Agreement shall be liable for delay in performance of, or failure to perform, in whole or in part, its obligations pursuant to this Agreement due to strike, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, civil disturbance, sabotage or vandalism, Subscriber tampering or interference, act of public enemy, terrorism, accident, fire, flood, unavailability of materials or equipment, inability to obtain with diligent efforts any necessary permit or authorization which was requested in writing from the Licensing Authority, inability to obtain rights on reasonable terms and conditions to poles, conduits or other third party facilities or easements, or other events, where that party has exercised all due care in the prevention thereof to the extent that those causes or other events are beyond its control. In the event that any delay in performance or failure to perform affects only part of a party's capacity to perform, it shall perform to the maximum extent it is able to do so and shall take all steps within its power to correct the cause(s).

Grantee and the Licensing Authority agree that in correcting the cause(s), they shall take all reasonable steps to do so in as expeditious a manner as possible. Grantee or the Licensing Authority shall notify the other party in writing of the occurrence of an event covered by this section within a reasonable period of time after it learns of its occurrence.

With specific reference to unavailability of materials or equipment, Grantee shall provide to Licensing Authority within fifteen (15) days of Licensing Authority's request, a written explanation of the efforts Grantee has taken to obtain equipment and materials in a timely manner, which shall include copies of purchase orders and/or other relevant documented information.

10.8 Conflicts of Interest.

The provisions of A.R.S. §38-511 relating to cancellation of contracts due to conflicts of interest shall apply to this Agreement.

10.9 Indemnity.

To the full extent permitted by law, Grantee shall indemnify, defend and hold harmless the City, its officers, agents, and employees, from and against any and all claims, losses or liability, including attorney's fees, arising from the construction, operation, repair or maintenance of the System or work in the Streets of whatever kind whatsoever (including specifically by way of example, but not limited to, violation or infringement of any copyright, trade mark, trade name, service mark, or patent, invasion of the right of privacy, defamation of any Person, firm or corporation) or in any way arising out of the conduct of Grantee's business in the City, including but not limited to business conducted prior to the grant of the License, or Grantee's enjoyment or exercise of the License, regardless of whether the act or omission complained of is authorized, allowed, or prohibited by the Code or this Agreement. Grantee's obligation under this provision shall not be limited in any way by any term of this Agreement or the insurance limits. The City shall give the Grantee prompt notice of any claim or the commencement of any action, suit or other proceeding covered by the provisions of this Section. Grantee will provide the defense of any claims brought against the City by selecting counsel of Grantee's choice to defend the claim, subject to the consent of the City, which will not unreasonably be withheld. *Nothing herein shall be deemed to prevent the City from cooperating with the Grantee 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 City, Grantee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Grantee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the City does not consent to the terms of any such settlement or compromise, the Grantee shall not settle the claim or action but its obligation to indemnify the City for damages shall in no event exceed the amount of such settlement.*

The City shall indemnify Grantee for any claim against Grantee arising solely from the City's actions in the intentionally wrongful or negligent use of the emergency system or City controlled programming on the governmental access channel.

Nothing in this Agreement, however, shall be construed to waive the tort immunity of the City.

10.10 Severability.

If any section, subsection, sentence, clause, phrase, or other portion of this Agreement is, for any reason, declared invalid, in whole or in part, by any court,

agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect.

10.11 Written Notice.

All notices shall be in writing and shall be sufficiently given and served upon the other party by first class mail, registered or certified, return receipt requested, postage prepaid, and addressed as follows:

THE LICENSING AUTHORITY:

Rick Buss
City Manager
City of Maricopa
P.O. Box 610
Maricopa, AZ 85239

with a copy to:

Denis M. Fitzgibbons, Esq.
711 E. Cottonwood Lane, Suite E
P.O. Box 11208
Casa Grande, AZ 85230-1208

GRANTEE:

Rick Anderson
21116 N. John Wayne Parkway
Suite B9
Maricopa, AZ 85239

with a copy to:

Tom Tucci, Esq.
Fabyanske, Westra & Hart, P.A.
800 LaSalle Avenue, Suite 1900
Minneapolis, MN 55402

10.12 Notifications.

The Grantee will notify the Licensing Authority thirty (30) days in advance of any change of U. S. postal mailing address, electronic mail address, telephone and fax numbers, or physical site address for the Grantee's principal place of business.

10.13 Titles.

Titles to sections and subsections of this Agreement are provided for ease of locating information within the Agreement. A title shall not be deemed to change or alter the meaning of any section or subsection. The language of each section and subsection shall control its interpretation.

10.14 Modification.

Except as otherwise provided in this Agreement, any Appendix to this Agreement, or applicable law, no provision of this Agreement nor any Appendix to this Agreement, shall be amended or otherwise modified in whole or in part, except by an instrument, in writing, duly executed by the parties hereto in the same manner as this Agreement.

10.15 Venue and Attorney Fees.

Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for in this Agreement shall be tried in a court of competent jurisdiction in Pinal County, Arizona, or in Federal District Court in the Arizona Federal District located in Phoenix, Arizona. The parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county or Federal District Courts if any actions are filed in Pinal County, Arizona, or if they are filed in the Arizona Federal District Court in Phoenix, Arizona. In the event either party shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition in this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs including reasonable attorney's fees to be determined by the court in such action.

10.16 No Third Party Beneficiaries.

By entering into this Agreement, the parties expressly do not intend to create any obligations or liabilities, or promise any performance to, any third party, nor have the parties created for any third party any right to enforce the terms of this Agreement.

10.17 Relationship between the Parties.

Nothing contained in this Agreement shall be construed as creating an association, trust, partnership, joint venture, or agency relationship of any kind between the parties. Grantee shall conduct the work to be performed pursuant to

this Agreement and the Code as an independent contractor, and each party shall be individually liable for its own duties, obligations and liabilities under this Agreement.

10.18 No Recourse Against City for Grantee.

Grantee shall have no recourse against the City for any loss, cost, expense, claim, liability or damage arising out of any action undertaken or not undertaken by the Grantee pursuant to the Code, the License or this Agreement, whether or not such action or non-action was required by the Agreement or the Code, arising out of the enforcement or non-enforcement by the City of any provision or requirement of this Agreement or the Code, or otherwise arising out of the License, the Agreement or the Code. The preceding shall not, however, preclude Grantee from seeking injunctive relief, nor limit any party's ability to collect attorney's fees as provided in Section 10.15.

10.19 Mutual Representations and Warranties of Authority.

The parties each represent and warrant that they have full authority to enter into and to perform under this Agreement, and that no further approvals, licenses or actions by a governmental agency are required by either party to execute and enter into this License Agreement.

10.20 Additional Representations and Warranties.

In addition to the representations, warranties, and covenants of the Grantee to the Licensing Authority set forth elsewhere herein, the Grantee represents and warrants to the Licensing Authority and covenants and agrees (which *representations, warranties, covenants and agreements shall not be affected or waived by any inspection or examination made by or on behalf of the Licensing Authority*) that, as of the Effective Date:

10.20.1 Organization, Standing and Authorization.

The Grantee is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Arizona and is duly authorized to do business in the State of Arizona and in the Service Area.

10.20.2 Compliance with Law.

To its knowledge, the Grantee is in compliance with all material laws, ordinances, decrees and governmental rules and regulations applicable to the System and will file and diligently pursue all government licenses, permits, and *authorizations necessary for the operation and maintenance of the System* within 60 days after acceptance of any License; and further, will diligently pursue all other forms of approval or authorization necessary to construct, operate, maintain, repair or upgrade the System, or any part thereof, prior to commencement of any such activity. No construction will take place in public easements or public rights-of-way

prior to the permitting by and approval of City of Maricopa Public Works Department.

10.21 Entire Agreement.

This Agreement, including all Appendices, embodies the entire understanding and agreement of the Licensing Authority and the Grantee with respect to the subject matter hereof and merges and supersedes all prior representations, agreements, and understandings, whether oral or written, between the Licensing Authority and the Grantee with respect to the subject matter hereof, including, without limitation, all prior drafts of this Agreement and any Appendices to this Agreement and any and all written or oral statements or representations by any official, employee, agent, attorney, consultant or independent contractor of the Licensing Authority or the Grantee. All other agreements between the Grantee and the Licensing Authority that are in conflict with the provisions of this Agreement are hereby declared invalid and superseded.

10.22 Interpretation and Drafting.

The provisions of this Agreement shall be liberally construed to effectuate its objectives consistent with the Cable Act, the Code and the public interest. In the event of a conflict between the Cable Act and this Agreement, the Cable Act shall prevail. References to applicable law or applicable requirements refer to applicable law or requirements as the same may be amended from time to time. The terms and provisions of this Agreement shall be construed in accordance with their usual and customary meanings. This Agreement is the result of negotiations between the parties, none of whom acted under any duress or compulsion, whether legal, economic, or otherwise. Grantee represents that it has had a full opportunity to consult with an attorney of its choice, that it has carefully read and fully understands all of the provisions of this Agreement and it is entering into this Agreement freely, knowingly and voluntarily. The parties hereby waive the application of any rule of law that otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party (or whose attorney) prepared either the Agreement or any draft of the same.

10.23 Survival.

All representations and warranties contained in this Agreement shall survive the term of the Agreement.

10.24 Binding Effect.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted transferees and assigns. All of the provisions of this Agreement and the Code apply to the Grantee, its successors, and assigns.

10.25 No Waiver; Cumulative Remedies.

No failure on the part of the Licensing Authority or the Grantee to exercise, and no delay in exercising, any right or remedy hereunder and the Code including, without limitation, the rights and remedies set forth in Article 13 of the Code, shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other right or remedy, all subject to the conditions and limitations established in the Code and this Agreement. The rights and remedies provided herein are cumulative and not exclusive of any remedies provided by law, and nothing contained in this Agreement shall impair any of the rights or remedies of the Licensing Authority under applicable law, subject in each case to the terms and conditions of the Code and this Agreement.

10.26 No Waiver of Constitutional Protections.

Notwithstanding anything else in this License or the Cable Code, Licensee does not waive any of its rights under the Arizona and United States Constitutions, including without limitation the First and Fifth Amendments of the United States Constitution.

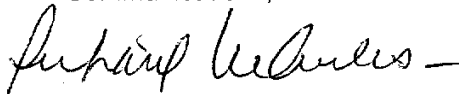
ACCEPTED AND APPROVED this 19th day of October, 2004.

Orbitel Communications, L.L.C.



By: J.R. Spalj
Its: Member

Orbitel Communications, L.L.C.

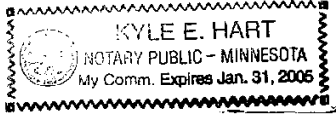


By: Richard W. Anderson
Its: Member

State of MINNESOTA

County of HENNING

The foregoing instrument was acknowledged before me this 18th day of October, 2004, by J R Spalj, a Member of Orbitel Communications, L.L.C., who has sworn and affirmed that he is duly authorized to act on behalf of the company.



[Signature]
(Notary Public)

My Commission expires: 11/31/05

State of Arizona
County of Pinal

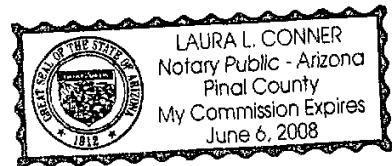
The foregoing instrument was acknowledged before me this 20 day of October, 2004, by Richard W. Anderson a Member of Orbitel Communications, L.L.C., who has sworn and affirmed that he is duly authorized to act on behalf of the company.

[Signature]
(Notary Public)

My Commission expires:

City of Maricopa

[Signature]
Mayor



Attest:

Approved as to Form:

[Signature]
City Clerk

[Signature]
City Attorney

APPENDIX A

PROPOSED SERVICE AREA

All areas within the City limits of the City of Maricopa, County of Pinal, Arizona, as they may be amended from time to time by annexation, de-annexation or otherwise.

APPENDIX B

RATES, FEES, CHARGES AND DEPOSITS

SEE ATTACHED PRICING AND RATE INFORMATION SHEET

Orbitel Communications Pricing Guide

1-800-247-1566

Monthly Rates BASIC PACKAGES

Orbitel Connect (channels 2-22+99)	\$19.95
Basic may be included @ a discount to some Home Owner Associations	
Orbitel Expanded Connect (ch 24-63)	\$23.95
Orbitel Digital Connect includes:	\$43.90
* Expanded Channels (ch 24-63)	
* Digital TV Channels (ch 101-182)	
* Digital Music Channels (ch 701-730)	
* Access to Pay-per-view (ch 501-506)	
* Access to Adult films (ch 520-550)	

PREMIUM SERVICES

* HBO - 6 channels	\$11.95
* Showtime - 7 channels	\$11.95
* Starz & Encore - 12 channels	\$11.95
* Cinemax - 4 channels	\$9.95
* The Movie Channel - 3 channels	\$9.95

PAY-PER-VIEW

* PPV Movies (each)	\$3.95
* Special Events	price varies per event
* Playboy (6-hour block)	\$7.95
* Hot Choice (per movie)	\$7.95
* Hot Network (6-hour block)	\$7.95
* Spice (6-hour block)	\$7.95

BEST VALUES

Best Cable TV & Internet Value	
* Expanded basic, digital, any 1 premium channel & 3Meg internet service	\$85.95
Best Cable TV Value	
* Expanded basic, digital and any 2 premium channels	\$60.95
Platinum package	
* Expanded basic, digital, all 5 premium channels and 3Meg internet service	\$118.95

HIGH-SPEED INTERNET - CABLE MODEM

256/256 Kbps	\$24.95
3 Meg/256 Kbps	\$39.95
Static IP	\$9.95

INSTALLATION RATES - INTERNET

Internet installation	\$49.95
assumes computer meets minimum requirements	
hardware requirements include NIC or USB port	

INSTALLATION RATES - CABLE

Orbitel Connect	\$ 30.00
Expanded or Digital Connect	\$ 30.00
Drop/Add Digital service (if home visit is required)	\$30.00
Additional outlet during initial installation	\$10.00
Additional outlet-separate visit	\$30.00
VCR Connection - separate visit	\$29.95
VCR Connection - initial visit	\$12.00

MISCELLANEOUS FEES

Modem purchase	\$79.95
Late fee - monthly	\$4.00
Returned Check fee	\$20.00
Lost Digital Cable Box	\$388.00
Lost Digital Remote	\$17.50
Digital Cable Box (monthly rental)	\$6.95
Modem Lease per month	\$3.95
HD box (1st one)	\$3.95
Additional HD Box	\$9.95
DVR (Digital Video Recorder) box (1st one)	\$6.95
Additional DVR Box	\$9.95

APPENDIX C

PROPOSED CHANNEL LINEUP PROGRAMMING

SEE ATTACHED CHANNEL LINEUP SHEET

[Home](#)[Special Promotions](#)[Rates](#)[Channel Line-ups](#)[Company Info](#)[Contact Us](#)[Orbitel vs. Dish](#)[Frequently asked Questions](#)[Internet Agreement Acceptable Use Policy](#)

Channel Line-ups

HOA	
2	CSPAN 1
3	KTVK IND CH3 PHOENIX
4	TV GUIDE CHANNEL
5	KPHO CBS CH 5 PHOENIX
6	PUBLIC-EDUCATIONAL-GOVERNMENT
7	KPAZ TBN CH 21 PHOENIX
8	KAET PBS CH 8 PHOENIX
9	KUTP UPN CH 45 PHOENIX
10	KSAZ FOX CH 10 PHOENIX
11	KASW WB CH 61 PHOENIX
12	KPNX NBC CHANNEL 12 PHOENIX
13	KTVW UNIVISION CH 33 PHOENIX
14	KPPX PAX CH 51 PHOENIX
15	KNXV ABC CH 15 PHOENIX
16	EWTN
17	HOME SHOPPING NETWORK
18	PRODUCT INFORMATION NETWORK
19	QVC
20	VH-1
21	WGN-CHICAGO
22	WTBS-ATLANTA
99	KFPH TELEFUTURA CH 35 PHOENIX
EXPANDED	
24	TURNER NETWORK TELEVISION
25	USA NETWORKS

26	FX NETWORK
27	ESPN
28	ESPN2
29	FOX SPORTS ARIZONA
30	SPIKE TV
31	COMEDY CENTRAL
32	E! ENTERTAINMENT
33	MTV
34	BET
35	COUNTRY MUSIC TELEVISION
36	GREAT AMERICAN COUNTRY
37	ABC FAMILY CHANNEL
38	DISNEY
39	NICKELODEON
40	CARTOON NETWORK
41	BOOMERANG
42	TV LAND
43	HALLMARK
44	ANIMAL PLANET
45	DISCOVERY CHANNEL
46	THE LEARNING CHANNEL
47	FIT TV
48	FOOD NETWORK
49	TRAVEL CHANNEL
50	THE WEATHER CHANNEL
51	FOX NEWS CHANNEL
52	CNBC
53	MSNBC
54	CNN
55	HEADLINE NEWS
56	CNN EN ESPANOL
57	GALAVISION

58	A&E NETWORK
59	AMERICAN MOVIE CLASSICS
60	LIFETIME NETWORK
61	OXYGEN
62	SOAPNET
63	COURT TV
DIGITAL	
101	BBC AMERICA
103	BIOGRAPHY
105	BRAVO
107	DISCOVERY CIVILIZATION
108	DISCOVERY HEALTH
109	DISCOVERY HOME & LEISURE
110	DISCOVERY SCIENCE
111	DISCOVERY WINGS
112	HISTORY CHANNEL
113	HISTORY INTERNATIONAL
114	NATIONAL GEOGRAPHIC
116	HOME & GARDEN NETWORK
117	TECH TV
118	TURNER CLASSIC MOVIES
119	INDEPENDENT FILM NETWORK
120	TRIO
125	BLOOMBERG
130	DISCOVERY KIDS
131	NICK GAMES & SPORTS
132	NOGGIN
133	TOON DISNEY
134	NICK TOONS
136	GOODLIFE TV
150	ESPN CLASSIC

151	ESPN NEWS
153	FOX SPORTS WORLD
154	SPEEDVISION
155	GOLF CHANNEL
157	OUTDOOR CHANNEL
158	OUTDOOR LIFE
160	SCI-FI CHANNEL
165	GAME SHOW NETWORK
170	FUSE
171	MTV2
175	VH-1 CLASSIC ROCK
176	VH-1 COUNTRY
177	STYLE
180	LIFETIME MOVIE NETWORK
181	WE
182	FOX MOVIE CHANNEL
PREMIUMS	
301	HBO
302	HBO-E
303	HBO FAMILY-W
304	HBO FAMILY-E
305	HBO PLUS-W
306	HBO SIGNATURE-W
320	SHOWTIME-W
321	SHOWTIME-E
322	SHOWTIME EXTREME-W
323	SHOWTIME EXTREME-E
324	SHOWTIME SHOWCASE - W
325	SHOWTIME SHOWCASE - E
326	SHOWTIME TOO-W
340	CINEMAX-W

341	CINEMAX-E
342	MORE MAX-W
343	MORE MAX - E
350	THE MOVIE CHANNEL-W
351	THE MOVIE CHANNEL EXTRA-W
352	THE MOVIE CHANNEL EXTRA-E
360	STARZ-W
361	STARZ-E
362	STARZ THEATRE-W
380	ENCORE-W
381	ENCORE-E
382	ENCORE ACTION-W
383	ENCORE ACTION-E
384	ENCORE LOVE - W
385	ENCORE MYSTERY - W
386	ENCORE TRUE - W
387	ENCORE TRUE - E
388	ENCORE WESTERN - W
PAY PER VIEW	
501	INDEMAND1
502	INDEMAND2
503	INDEMAND3
504	INDEMAND4
520	PLAYBOY
530	HOT CHOICE
540	HOT NETWORK
550	SPICE

DIGITAL MUSIC (incl in Digital)	
701	ALL REQUEST
702	JAZZ VOCAL
703	HOTTEST HITS
704	MODERN COUNTRY
705	ALTERNATIVE
706	ADULT CONTEMPORARY
707	LITE CLASSICAL
708	ROCK N ROLL OLDIES
709	CLASSIC ROCK
710	URBAN BEST
711	COFFEEHOUSE ROCK
712	DANCE
713	CONTEMPORARY
714	ALBUM ROCK
715	HARD ROCK
716	80s HITS
717	70s HITS
718	CLASSIC R&B
719	TRADITIONAL COUNTRY
720	SOFT HITS
721	RETRO DISCO
722	GROOVE LOUNGE
723	BIG BAND / SWING
724	SMOOTH JAZZ
725	NEW AGE
726	HOLIDAYS AND HAPPENINGS
727	GREAT STANDARDS
728	GOLDEN OLDIES

Orbitel Channel Line-Ups

	FOX Hi Definition
912	NBC Hi Definition
914	PAX Hi Definition
915	ABC Hi Definition
918	PBS Hi Definition