
**CABLE TELEVISION AGREEMENT
BETWEEN THE CITY OF LAS VEGAS
AND COX COMMUNICATIONS LAS VEGAS, INC.**

**CABLE TELEVISION AGREEMENT
CITY OF LAS VEGAS**

Page

1. DEFINITIONS	1
(a) Access Channel	1
(b) Affiliate	1
(c) Agreement	1
(d) Basic Service	1
(e) Cable Act	1
(f) Cable Company	1
(g) Cable Ordinance	1
(h) Cable Service	2
(i) Cable System or System	2
(j) Cable Television Franchise or Cable Franchise	2
(k) Channel	2
(l) Channel Equivalent	2
(m) Company	2
(n) Control	2
(o) Converter	3
(p) City Council	3
(q) Educational Access Channel or Educational Channel	3
(r) Effective Date	3
(s) EG	3
(t) FCC	3
(u) Franchise	3
(v) Franchise Agreement	3
(w) Franchise Area	3
(x) Franchising Authority	3
(y) Governmental Access Channel or Governmental Channel	3
(z) Gross Revenues	4
(aa) Installation	4
(bb) Leased Access Channel or Commercial Access Channel	4
(cc) Normal Business Hours	4
(dd) Normal Operating Conditions	4
(ee) Outage	5
(ff) Premium Service	5
(gg) Prior Cable Franchise	5
(hh) Public Rights-of-Way	5
(il) Regional Authority	5
(ij) RTJ Communities	5

	(kk) Security Fund	5
	(ll) Service Interruption	5
	(mm) Subscriber	5
	(nn) System Upgrade	5
	(oo) Transfer	6
	(pp) User	6
2.	GRANT OF AUTHORITY	6
	(a) Grant of Cable Franchise	6
	(b) Area Served	6
	(c) Term of Cable Franchise	7
	(d) Reservation of Authority	7
	(e) Agreement Subject to Exercise of Police Powers	7
	(f) Effect of Acceptance	7
	(g) Claims Related to Prior Cable Franchise	8
	(h) No Recourse	8
3.	THE SYSTEM.	8
	(a) The System and Its Operations	8
	(b) Service to All Persons	10
	(c) Requirements With Respect to Work on the System	11
	(d) Interconnection:	12
	(e) Emergency Alert System	12
4.	ACCESS CHANNELS.	12
	(a) Channel Capacity	12
	(b) Return Feed From Facilities	19
	(c) Cable Drops to Certain Facilities	20
	(d) Surveys and Announcements	20
	(e) Editorial Control	21
	(f) Institutional Network	21
5.	FEEES AND CHARGES	22
6.	CUSTOMER SERVICE	22
	(a) General Provisions	22
	(b) Applicability	23
	(c) Notice to Subscribers	23
	(d) Employee Identification	27
	(e) Vehicle Identification	27
	(f) Telephone and Office Availability.	27
	(g) Response to Complaints and Inquiries	30
	(h) Scheduling and Completing Service.	30

	(i)	Other Service Requirements	34
	(j)	Installations, Connections, and Other Services	35
	(k)	Service Interruptions	37
	(l)	Billing	38
	(m)	Deposits, Refunds and Credits	40
	(n)	Disconnection/Denial of Service	43
	(o)	Changes in Service	46
	(p)	Parental Control Option	47
	(q)	Enforcement	47
	(r)	Anticompetitive Acts Prohibited	48
7.		FRANCHISE FEE	48
	(a)	Payment to Franchising Authority	48
	(b)	Intent of Provision	48
	(c)	Franchise Fees - Payment	49
	(d)	Franchise Fee Payments Subject to Audit	49
	(e)	Late Payments	50
	(f)	No Limitation on Taxing Authority	50
8.		OVERSIGHT AND REGULATION	52
9.		TRANSFERS	52
10.		PERFORMANCE GUARANTEES AND REMEDIES	52
	(a)	Remedies Not Exclusive	52
	(b)	Liquidated Damages	53
11.		MISCELLANEOUS	57
	(a)	Controlling Authorities	57
	(b)	Nonexclusive Cable Franchise	57
	(c)	No Waiver; Cumulative Remedies	58
	(d)	Notices	58
	(e)	Delays and Failure Beyond the Control of the Company	59
	(f)	Additional Representations and Warranties	59
	(g)	Maintenance of System in Good Working Order	60
	(h)	Binding Effect	60
	(i)	Severability	60
	(j)	No Agency	61
	(k)	Governing Law	61
	(l)	Claims Under Agreement	61
	(m)	Compliance With Federal and State Laws	62
	(n)	Time of the Essence	62
	(o)	Captions and References	63

**CABLE TELEVISION AGREEMENT
BETWEEN THE CITY OF LAS VEGAS
AND COX COMMUNICATIONS LAS VEGAS, INC.**

THIS AGREEMENT (the "Agreement") is entered into by and between the City of Las Vegas ("Franchising Authority"), and Cox Communications Las Vegas, Inc., a corporation duly organized and validly existing under the laws of the State of Delaware, whose principal place of business is located at 121 S. Martin Luther King Blvd., Las Vegas, Nevada ("Company"). In consideration of the covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

1. Definitions

Except as otherwise provided herein, the definitions and word usage set forth in the Cable Ordinance are incorporated herein and shall apply in this Agreement. In addition, the following terms, phrases, words, and their derivations shall have the meanings set forth herein, unless the context clearly indicates that another meaning is intended.

(a) *Access Channel*: Any Channel on a Cable System designated by a Cable Company for educational, or governmental use.

(b) *Affiliate*: Any person who owns or controls, is owned or controlled by, or is under common ownership or control with an entity.

(c) *Agreement*: This contract and any amendments, exhibits or appendixes hereto.

(d) *Basic Service*: any Cable Service tier which includes the retransmission of local television broadcast signals.

(e) *Cable Act*: Title VI of the Communications Act of 1934, as amended, 47 U.S.C. §§ 521 *et seq.*

(f) *Cable Company*: A natural person, partnership, domestic or foreign corporation, association, joint venture, or organization of any kind that has been granted a franchise by the Franchising Authority.

(g) *Cable Ordinance*: Any provision of Title 6 of the Las Vegas Municipal Code, as it may be amended from time to time, which pertain to cable television regulation.

(h) **Cable Service:** (1) the one-way transmission to subscribers of video programming or other programming service; and (2) subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.

(i) **Cable System or System:** A facility consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable television service which includes video programming and which is provided to multiple subscribers within the Franchising Authority, but such term does not include (1) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (2) a facility that serves subscribers without using any Public Right-of-Way; (3) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act, ~~except that such facility shall be considered a Cable System to the extent such facility is used in the transmission of video programming directly to subscribers, unless the extent of such use is solely to provide interactive on-demand services;~~ (4) an open video system that complies with 47 U.S.C. § 573; or (5) any facilities of any electric utility used solely for operating its electric utility system. A reference to a Cable System refers to any part thereof, including, without limitation, converters. The foregoing definition of "Cable System" shall not be deemed to circumscribe or limit the valid authority of the Franchising Authority to regulate or franchise the activities of any other communications system or provider of communications services to the full extent permitted by law. This Franchise Agreement shall be presumed to authorize use of the Public Rights-of-Way solely for the provision of Cable Service, if it does not otherwise define the services a Cable Company is authorized to use the Public Rights-of-Way to provide, provided, however, that the Company shall have all rights granted by state and federal law as to use of the Public Rights-of-Way.

(j) **Cable Television Franchise or Cable Franchise:** the cable television service area franchise granted pursuant to this Agreement.

(k) **Channel:** A six Megahertz (MHz) frequency band, which is capable of carrying either one standard video signal, a number of audio, digital or other non-video signals or some combination of such signals.

(l) **Channel Equivalent:** The System capacity required to provide the transmission of a video signal, with accompanying audio, that is in digital format and capable of producing sound and picture of NTSC quality or better, based on the technology then in use in the System.

(m) **Company:** Cox Communications Las Vegas, Inc., a corporation duly organized under the laws of the State of Delaware whose principal place of business is located at 121 S. Martin Luther King Blvd., Las Vegas, Nevada, 89106.

(n) **Control:** actual working control in whatever manner exercised.

(o) **Converter:** An electronic device which may serve as an interface between a System and a Subscriber's television receiver or other terminal equipment, and which may perform a variety of functions, including signal security, descrambling, electronic polling, frequency conversion and channel selection.

(p) **City Council:** The governing body of the Franchising Authority.

(q) **Educational Access Channel or Educational Channel:** Any Channel on a Cable System designated by the Company for educational use.

~~(r) **Effective Date:** the date upon which the Company accepts this Cable Franchise after it has been approved by the Franchising Authority.~~

(s) **EG:** Educational and governmental.

(t) **FCC:** The Federal Communications Commission, its designee, or any successor thereto.

(u) **Franchise:** A non-exclusive authorization granted to construct, operate, and maintain a Cable System along the Public Rights-of-Way to provide cable service within all or a specified area of the Franchising Authority. Any such authorization, in whatever form granted, shall not mean or include any other license or permit required for the privilege of transacting and carrying on a business within the Franchising Authority as required by the ordinances and laws of the Franchising Authority, or for attaching devices to poles or other structures, whether owned by the Franchising Authority or a private entity, or for excavating or performing other work in or along Public Rights-of-Way.

(v) **Franchise Agreement:** A contract entered into between the Franchising Authority and a cable company that sets forth the terms and conditions under which a franchise will be granted and exercised.

(w) **Franchise Area:** The entire present territorial limits of the Franchising Authority and any area annexed thereto during the term of the Cable Franchise.

(x) **Franchising Authority:** The City of Las Vegas, Nevada, or, as appropriate in the case of specific provisions of this Agreement, any board, bureau, authority, agency, commission, department of, or any other entity specifically designated by the Franchising Authority to act on behalf of the City of Las Vegas, Nevada, or any officer, official, employee, or agent thereof, or any successor thereto.

(y) **Governmental Access Channel or Governmental Channel:** Any channel on a cable system designated by a cable company for government use.

(z) **Gross Revenues:** Any and all cash, credits, property or other consideration of any kind or nature arising from, attributable to, or in any way derived directly or indirectly by a cable company, its Affiliates, or by any other entity that is a cable operator of the System, from the operation of such cable company's Cable System (including the studios and other facilities associated therewith) to provide Cable Services. Gross Revenues shall be calculated and reported based on generally accepted accounting principles (GAAP). Gross Revenues include, by way of illustration and not limitation, monthly fees charged Subscribers for any basic, optional, premium, per-channel, per-program service, or cable programming service; installation, disconnection, reconnection, and change-in-service fees; leased channel fees and any other fees from lease or license of the System for cable services; late fees and administrative fees; revenues from rentals or sales of Converters or other equipment; studio rental, production equipment, and personnel fees for programming carried on the System; advertising revenues; barter; revenues from program guides; revenues from home shopping and bank-at-home channels; and (to the extent permitted by applicable law) revenues from Internet services provided using the cable system. Gross Revenues shall include an allocated portion of any revenue derived by the Company or its affiliates pursuant to any regional, national or international compensation arrangement for any service or activity derived from the operation of the System in the Cable Franchise Area, e.g., advertising. Such an allocation shall be based on the number of Subscribers in the Cable Franchise Area divided by the total number of subscribers relevant to such regional or national arrangements. Gross Revenues shall not include any bad debt, provided, however, that all or any part of any such actual bad debt that is written off but subsequently collected shall be included in Gross Revenues in the period collected. Gross Revenues shall not include any taxes on services furnished by a cable company which are imposed directly on any Subscriber or user by the state, Franchising Authority, or other governmental unit and which are collected by a cable company on behalf of said governmental unit. A franchise fee is not such a tax. Gross Revenues shall exclude any net amount actually paid by the Company to a programmer for pay or premium channels (i.e., video programming offered on a per channel or per program basis as those terms are applied in federal law).

(aa) **Installation:** The connection of System services to Subscribers' television receivers or other Subscriber-owned or -provided terminal equipment.

(bb) **Leased Access Channel or Commercial Access Channel:** Any Channel on a Cable System designated for use by a person unaffiliated with the Cable Company.

(cc) **Normal Business Hours:** Those hours during which most similar businesses in the community are open to serve customers, including some evening hours at least one night per week and/or some weekend hours.

(dd) **Normal Operating Conditions:** Those service conditions that are within the reasonable control of a Cable Company. Conditions that are not within the reasonable control of a Cable Company include, but are not limited to, natural disasters, civil disturbances, power outages, and telephone network outages. Conditions that are within the reasonable control of a

Cable Company include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of a Cable System.

(ee) *Outage*: A Service Interruption affecting all Subscribers that are served by any single node of the System that facilitates the provision of Cable Service to Subscribers within a discrete area within the Franchise Area.

(ff) *Premium Service*: Any Cable Service offered on a per-channel, per-program or per-view basis.

(gg) *Prior Cable Franchise*: Community Cable TV Franchise Agreement, dated December 5, 1979.

(hh) *Public Rights-of-Way*: The surface of, and the space above and below, any and all streets, avenues, highways, boulevards, concourses, driveways, bridges, tunnels, parks, parkways, waterways, docks, bulkheads, wharves, piers, public grounds and public places or waters within and belonging to the Franchising Authority, which, consistent with the purposes for which it was dedicated, may be used for the purpose of installing and maintaining a Cable System.

(ii) *Regional Authority*: The Regional Telecommunications Jurisdictions.

(jj) *RTJ Communities*: The City of Boulder City, Nevada; the City of Henderson, Nevada; the City of Las Vegas, Nevada; the City of North Las Vegas, Nevada; and the County of Clark, Nevada.

(kk) *Security Fund*: A performance bond, letter of credit, or cash deposit, or any or all of these, to the extent applicable.

(ll) *Service Interruption*: Loss of picture or sound on one or more channels, or degradation of picture or sound beyond permissible levels as defined by applicable law, caused by the System.

(mm) *Subscriber*: Any person lawfully receiving any Cable Service provided by the Company by means of or in connection with its Cable System, whether or not a fee is paid for such Cable Service.

(nn) *System Upgrade*: A major improvement or enhancement in the technology or service capabilities made by the Company to its Cable System, as more fully described in Section 3(a)(3) herein.

(oo) Transfer

(1) "Transfer" shall mean any transaction in which: (A) any ownership or other right, title, or interest of more than five percent (5%) in a Cable Company or its Cable System is transferred, sold, assigned, leased, sublet, or mortgaged, directly or indirectly, in whole or in part; or (B) there is any change or transfer of control of a Cable Company or Cable System; or (C) the rights and/or obligations held by a Cable Company under its Franchise are transferred, directly or indirectly, to another party; or (D) any change or substitution occurs in the managing general partners of a Cable Company, where applicable; or (E) a Cable Company, or its corporate parents at any level, enter into any transaction that materially increases the debt that is to be borne by the Cable System directly or indirectly, in a manner that will adversely affect Subscribers.

(2) A rebuttable presumption that a Transfer of control has occurred shall arise upon the acquisition or accumulation of five percent (5%) or more of the ownership of an entity by any person or group of persons acting in concert, none of whom already own or control fifty percent (50%) or more of such right or control, singularly or collectively.

(3) The Cable Company is responsible for ensuring that the intent of Section 9 herein is carried out. If for any reason an event occurs that would require the Franchising Authority's approval with respect to the Cable Company under Section 9, whether or not such event is directly or indirectly within the Cable Company's control, such event shall constitute a "Transfer" for purposes of this Agreement and any applicable law.

(pp) User: A person or organization using a Channel or equipment and facilities for purposes of producing or transmitting material, as contrasted with the receipt thereof in the capacity of a Subscriber.

2. Grant of Authority

(a) Grant of Cable Franchise: Subject to the terms and conditions of this Agreement and the Cable Ordinance, the Franchising Authority hereby grants the Company the right to own, construct, operate, maintain, upgrade, and repair a Cable System along the Public Rights-of-Way within the Cable Franchise Area, for the sole purpose of providing Cable Service. This Cable Franchise shall grant no authority for the Company to use the Franchising Authority's Public Rights-of-Way for any purposes other than provision of Cable Service, except to the extent other services may be provided pursuant to applicable state, federal or local law or over an institutional network. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement. This Agreement does not confer any rights other than as expressly provided herein or as mandated by federal, state or local law.

(b) Area Served: The Cable Franchise is granted for the Cable Franchise Area defined herein.

(c) Term of Cable Franchise

(1) This Cable Franchise shall commence on the Effective Date and shall expire ten years after that date, unless the Cable Franchise is earlier revoked or its term shortened as provided herein or in the Cable Ordinance, or is extended for five years pursuant to NRS § 711.190(5).

(2) If the Cable Franchise term is extended for five years pursuant to NRS § 711.190(5), the Company shall have a right to a second five-year extension on the same terms and conditions if it shows that it meets the following criteria:

(A) ~~the Company has substantially complied with the terms and conditions of the Cable Franchise Agreement;~~

(B) the technology used by the Company in its System at the end of the fifteen-year term is state-of-the-art for communities of comparable size; and

(C) the Company replaces governmental access equipment then in use in the RTJ Communities (i) that was purchased through funds pursuant to such Communities' 1998 Settlement Agreement, or (ii) that replaced such equipment, with equipment meeting such Communities' future cable-related needs and interests, should such equipment require replacement in the reasonable discretion of the Franchising Authority, to the extent consistent with state law.

(d) *Reservation of Authority:* Nothing in this Agreement shall (i) abrogate the right of the Franchising Authority or other public entities to perform any public works or public improvements of any description, (ii) be construed as a waiver of any codes or ordinances of the Franchising Authority or of the Franchising Authority's right to require the Company or any Person utilizing the System to secure the appropriate permits or authorizations for such use, or (iii) be construed as a waiver or release of the rights of the Franchising Authority in and to the Public Rights-of-Way.

(e) *Agreement Subject to Exercise of Police Powers:* All rights and privileges granted herein are subject to the police powers of the Franchising Authority and its rights to make laws and regulations.

(f) *Effect of Acceptance:* By accepting the Cable Franchise and executing this Agreement, the Company:

(1) accepts and agrees to comply with each lawful provision of the Cable Ordinance and this Agreement, and all applicable federal, state, and local laws and regulations, provided that the Company reserves the right to challenge any future exercise of the Franchising Authority's legislative or police powers as unlawful or substantially inconsistent with the Company's rights under this Agreement or the Cable Ordinance;

(2) acknowledges and accepts the Franchising Authority's legal right to grant the Cable Franchise, to enter this Agreement, and to enact and enforce ordinances and regulations in the lawful exercise of its police powers;

(3) agrees that, based on the representation of the Franchising Authority, the Cable Franchise was granted pursuant to processes and procedures consistent with applicable law, and that it will not raise any claim to the contrary, or allege in any claim or proceeding against the Franchising Authority that at the time of acceptance of this Agreement any provision, condition or term of this Agreement, or of the Ordinance language as available to the Company at the time of the acceptance of the Cable Franchise provided such Ordinance is enacted within one hundred twenty (120) days thereafter, was unreasonable or arbitrary, or that at the time of the acceptance of this Agreement any such provision, condition or term was void or unlawful or that the Franchising Authority had no power or authority to make or enforce any such provision, condition or term.

(g) Claims Related to Prior Cable Franchise

(1) The grant of the Cable Franchise shall have no effect on the Company's duty under the Prior Cable Franchise to indemnify or insure the Franchising Authority against acts and omissions occurring during the period that the Prior Cable Franchise was in effect.

(2) Except as required to carry out the intent of the previous paragraph, as of the effective date of this Agreement, the Prior Cable Franchise is superseded and is of no further force and effect.

(h) No Recourse: The Company shall have no recourse against the Franchising Authority for any monetary loss, cost, expense, claim, liability or damage arising out of any action undertaken or not undertaken by the Company pursuant to the Cable Franchise or this Agreement, whether or not such action or non-action was required by the Cable Franchise or the Agreement, arising out of the enforcement or non-enforcement by the Franchising Authority of any provision or requirement of this Agreement, or otherwise arising out of the Cable Franchise or the Agreement.

3. The System.

(a) The System and Its Operations

(1) **General Obligation.** The Company shall construct, operate, maintain, and upgrade the System as provided in this Agreement. The Company in its sole discretion may determine the allocation of analog and digital capacity on the System, and when to commence offering Cable Service or any other services using the digital capacity of the System, subject to the rights of the Franchising Authority stated in Section 4(b).

(2) **Current System.** The Company is authorized and required to operate its existing System, and to provide service substantially equivalent to its existing service, within the Franchising Authority as of the Effective Date, until such time as the System is upgraded, as provided herein.

(3) **System Upgrade.** Pursuant to the schedule set in Section 3(a)(4), the Company shall complete a System Upgrade providing at least the following capabilities:

(A) The upgraded System shall have a minimum bandwidth of 750 MHz on all active components and at least 1 GHz for all passive components downstream to all Subscribers.

(B) The System shall utilize a fiber-optic wire trunk and distribution design ("fiber-to-the-neighborhood") with an average of 1,200 residences, businesses and other structures served by a fiber node.

(C) There shall be no more than eight active components in a cascade from any node and no more than ten active components in a cascade measured from the headend.

(D) The upgraded System shall provide activated two-way capability throughout the entire System.

(4) **System Upgrade and Construction Schedule.**

(A) The Company shall begin construction of the System Upgrade and construction no later than twelve months after the Effective Date. In order to minimize disruption of the Public Rights-of-Way, the Company shall use its best efforts to complete the System Upgrade by the end of the third quarter of 1999, but shall in any event complete and activate the System Upgrade and construction before January 1, 2000.

(B) The Company's construction plan shall insure that service is extended to low income areas at least as quickly as it is extended to higher income areas.

(5) **Delays in the System Upgrade.** The Company shall not be excused from the timely performance of its obligation to complete any System Upgrade within the times specified herein, unless its failure is due to (i) *force majeure*, or (ii) unreasonable failure or delay by the Franchising Authority to issue any permits or permission upon a timely request submitted by the Company or its contractor representative and tender of any required permit fee. If the Company does not timely perform such obligation, this shall constitute a material violation of this Agreement and the Franchising Authority may either grant the Company an extension of time to complete such construction or implement any enforcement measures specified in this Agreement or the Cable Ordinance.

(b) Service to All Persons

(1) **General Obligation.** The Company shall, pursuant to the criteria set forth in this Section 3(b), make Cable Service available to all residences, businesses and other structures within the Cable Franchise Area, including multiple dwelling unit buildings, whose owners or occupants request Cable Service.

(2) **Line Extension Requirements.**

(A) ~~Within the Company's existing service areas as of the Effective Date, the Company must extend its Cable System upon request to provide service to any person or business upon request, except for sites to which the Company cannot legally obtain access, without charging such person or business more than the standard installation charges.~~

(B) For areas within the Franchising Authority's borders that were not served as of the Effective Date, including areas later annexed by the Franchising Authority and not already served by another cable operator, the Company shall extend its Cable System within a reasonable time (but not to exceed one hundred twenty (120) days) to provide service to any person or business upon request, except for sites to which the Company cannot legally obtain access, at no charge other than any applicable installation fees for the individual subscriber's drop, as long as the following conditions are satisfied:

(i) the new subscriber requesting service is located 300 feet or less from the termination of the Cable System, and

(ii) the number of potential subscribers to be passed by the extension necessary to serve such subscriber is equal to or greater than 35 potential subscribers per mile measured from any point on the system.

(C) In the event that the requirements set forth in Section 3(b)(2)(B) are not met, the Company must offer to extend its cable television system based upon an equitable and reasonable cost-sharing arrangement with affected potential subscribers.

(3) **Continuity of Service.**

(A) The Company shall make Cable Service available to all Subscribers in the Cable Franchise Area as long as their financial and other obligations to the Company are satisfied.

(B) The Company shall ensure that all Subscribers receive continuous uninterrupted service. At the Franchising Authority's request, the Company shall operate its System for a temporary period (the "Transition Period") following the termination, sale, or

Transfer of its Cable Franchise as necessary to maintain service to Subscribers, and shall cooperate with the Franchising Authority to assure an orderly transition from it to another Company. The Transition Period shall be no longer than the reasonable period required to ensure that Cable Service will be available to Subscribers, and shall not be longer than thirty-six (36) months, unless extended by the Franchising Authority for good cause. During the Transition Period, the Company and the Franchising Authority will continue to be obligated to comply with the terms and conditions of this Agreement and applicable laws and regulations.

(C) If the Company abandons its System during the Cable Franchise term, or fails to operate its System in accordance with the terms of this Agreement during any Transition Period, the Franchising Authority, at its option, may operate the System, designate another entity to operate the System temporarily until the Company restores service under conditions acceptable to the Franchising Authority or until the Cable Franchise is revoked and a new franchisee selected by the Franchising Authority is providing service, or seek an injunction requiring the Company to continue operations. If the Franchising Authority is required to operate or designate another entity to operate the Cable System, the Company shall reimburse the Franchising Authority or its designee for all reasonable costs and damages incurred that are in excess of the revenues from the Cable System.

(D) The Franchising Authority shall be entitled to injunctive relief under the preceding paragraph if:

(i) The Company fails to provide Cable Service in accordance with its Cable Franchise over a substantial portion of the Cable Franchise Area for ninety-six (96) consecutive hours, unless the Franchising Authority authorizes a longer interruption of service or the failure is due to *force majeure*; or

(ii) The Company, for any period, willfully and without cause refuses to provide Cable Service in accordance with its Cable Franchise over a substantial portion of the Cable Franchise Area.

(c) *Requirements With Respect to Work on the System*

(1) **General Requirement.** The Company shall comply with all lawful standards and procedures required by the Cable Ordinance or other applicable law.

(2) **Licenses and Permits.** The Company shall obtain all permits, licenses, or other forms of approval or authorization, including but not limited to encroachment permits, necessary to construct, operate, maintain, repair or upgrade the System, or any part thereof, prior to commencement of any such activity.

(d) Interconnection:

(1) The System shall to the best of the Company's ability interconnect all the RTJ Communities served by the Company so that access programming and emergency alerts placed on the System in one such cable franchise area can be shown in other such cable franchise areas, given appropriate agreements among the parties involved.

(2) With respect to systems other than those specified in subsection 3(d)(1), the Company shall design its System so that it may be interconnected for access programming and emergency alerts with other cable systems or similar communications systems in the area. Interconnection of systems may be made by direct cable connection, microwave link, satellite or other appropriate methods.

(3) Upon receiving the directive of the Franchising Authority to interconnect, the Company shall immediately initiate negotiations with the other affected system or systems so that all costs of the interconnection link shall be shared equally.

(4) The Franchising Authority may grant reasonable extensions of time to interconnect or rescind its request to interconnect upon petition by the Company to the Franchising Authority.

(e) Emergency Alert System

(1) Company shall install and thereafter maintain for use by the Franchising Authority an Emergency Alert System consistent with FCC regulations ("EAS").

(2) This EAS shall be capable of remote activation by telephone and shall allow a representative of the Franchising Authority to override the audio and provide a video crawl on all channels on the Company's System that may lawfully be overridden, without the assistance of the Company, for emergency broadcasts from a location designated by the Franchising Authority in the event of a civil emergency or for reasonable tests.

(3) The Franchising Authority will provide a minimum of forty-eight (48) hours' notice to Company prior to any test use of the EAS. Company shall cooperate with the Franchising Authority in any such test.

4. ACCESS CHANNELS.

(a) Channel Capacity

(1) **County Channel.** Upon completion of the System Upgrade, the Company shall make available to all Basic Service Subscribers on the System the County's full-time

analog video government access channel "C4", programmed by Clark County, which shall be carried throughout the system on cable channel 4, except that Boulder City shall maintain its switching capability for this channel..

(2) **Las Vegas Channel.** Upon completion of the System Upgrade, but in any event no later than January 1, 2000, the Company shall make available to all Basic Service Subscribers on the System a full-time analog video government Access Channel to be programmed by the City of Las Vegas, carried on the basic tier and on a channel assignment that is uniform throughout the RTJ Communities.

(3) **Additional Municipal Channel.** Upon completion of the System Upgrade, but in any event as of January 1, 2000, any or all of the RTJ Communities other than Clark County and the City of Las Vegas shall have the right to request activation of one full-time analog video government Access Channel in addition to those specified in Sections 4(a)(1) and 4(a)(2). Upon such request, the Company shall within a reasonable period of time, but not to exceed ninety (90) days, make such additional government Access Channel available to all Subscribers on the System for requesting communities' use. Such an additional government Access Channel shall carry governmental access programming for each such community, as determined by that community. The additional government Access Channel specified in this Section 4(a)(3) shall be carried at the Company's discretion either on the basic tier or on a cable programming service tier.

(4) **Educational Channels.**

(A) Upon completion of the System Upgrade, but in any event no later than January 1, 2000, the Company shall make available to all

Subscribers on the System one full-time analog video educational Access Channel, carried on a channel assignment that is uniform throughout the RTJ Communities.

(B) In addition to the Channel specified in subsection 4(a)(4)(A), the Access Manager may require the Company to make available one additional educational Access Channel if the Channel specified in subsection 4(a)(4)(A) is fully programmed pursuant to the criteria in Section 4(a)(8)(A). Such additional Channel shall be provided by the Company within 180 days after a written request from the Access Manager, if such criteria are fulfilled.

(C) Educational Access Channels shall be programmed by a non-profit entity ("Access Manager") selected and directed by a Board ("Educational Access Board"). The Educational Access Board shall have eight members, appointed as follows:

- (i) three members appointed by the Company;
- (ii) one member appointed by the Clark County School District;
- (iii) one member appointed by the University of Nevada at Las Vegas;
- (iv) one member appointed by the Community College of Southern Nevada;
- (v) two members appointed by the RTJ Communities.

(D) Each year during the Cable Franchise term, the City shall provide an annual matching grant to the Access Manager, equal to the lesser of (i) \$150,000 (in 1998 dollars adjusted for inflation according to the Consumer Price Index, but not to exceed a total of three percent per year) or (ii) the total private-sector contributions to the Access Manager made during the previous year. Such matching grant shall be reduced by the amount of any such matching contributions made by any other RTJ Communities for that year.

(5) **Community Access Channel.** A digital Channel Equivalent shall be reserved for future use by the RTJ Communities. After activation of any digital capacity on the System, in addition to the Channel Equivalents specified in Sections 4(a)(5) and 4(a)(7), the RTJ Communities may require the Company to make available such an additional Channel Equivalent. Such additional Channel Equivalent shall be provided by the Company 180 days after a written request from an RTJ Community.

(6) **Digital Set-Aside.** Upon activation of any digital capacity on the System, the Company shall make available to the RTJ Communities three digital Channel Equivalents, upon request by any RTJ Community. Capacity made available under this section shall be used for non-commercial governmental purposes only. To the extent that transmissions over such capacity are generally available only to persons who are not residential Subscribers, such capacity may be used for video, voice, data, or other content; otherwise, it may be used by the RTJ Communities for transmission of content comparable to content the Company may itself lawfully provide to Subscribers. The Company and the

Franchising Authority shall work together to implement technical solutions that make the most efficient use of such capacity.

(7) **Additional Digital Capacity.** After activation of any digital capacity on the System, in addition to the Channel Equivalents specified in subsection 4(a)(5), any or all of the RTJ Communities may require the Company to make available additional Channel Equivalents if those specified in subsection 4(a)(5) are fully programmed pursuant to the criteria in subsection 4(a)(8)(B), up to a maximum of two additional Channel Equivalents in the aggregate for all RTJ Communities. Such additional Channel Equivalents shall be provided by the Company within 180 days after a written request from an RTJ Community, if such criteria are fulfilled.

(8) **Criteria for Provision of Additional Capacity.** A Channel or Channel Equivalent shall be considered fully programmed under the following conditions.

(A) **Educational Access:** A Channel set aside for educational access programming shall be considered fully programmed when it is programmed with qualified programming at least one hundred twelve hours per week over a consecutive twenty-six (26) week period. All qualified programming shall count in this measurement for the actual running time shown. Repeat programs as defined in Section 4(a)(8)(C)(i) are qualified programming only to a maximum of ten percent (10%) of total qualified programming. Alternatively, an Educational Access Channel may be considered fully programmed even if the above criteria are not met if the three

Company members of the Educational Access Board agree that it is fully programmed.

(B) *Governmental Digital Access:* An Access Channel set aside for governmental access programming shall be considered fully programmed when it is programmed with qualified programming at least eighty-four (84) hours per week over a consecutive sixteen (16) week period. All qualified programming shall count in this measurement for the actual running time shown. Repeat programs as defined in Section 4(a)(8)(C)(i) are qualified programming only to a maximum of thirty-five percent (35%) of total qualified programming.

(C) As used in this subsection 4(a)(5):

(i) "repeat program" means the running time of any program only to the extent it is shown more than once during the test hours over the applicable measurement period (e.g., 16 weeks in Section 4(a)(8)(B)), except that a public service announcement less than five minutes in length shall count for only 25% of the total time it runs for purposes of determining the amount of repeat programming, regardless of the number of times it is shown.

(ii) "qualified programming," except as specified more particularly above, includes any material except for "bulletin

board" material where the same text (or video and text) screen is sent simultaneously to all System Subscribers.

(9) The Franchising Authority shall prescribe rules and procedures under which the Company is permitted, in the discretion of the Franchising Authority, to use such channel capacity for the provision of other services if such channel capacity is not being used for the purposes designated.

(10) Channel assignment for an Access Channel, once made, may be changed only if must-carry obligations legally require such a change, and in such a case the Company shall pay all reasonable costs of the change, including reasonable promotional costs, to protect the Channel user's investment in the channel name and brand identification.

(11) Access Channels shall be used solely for non-commercial programming. Use of such Access Channels by Franchising Authority enterprise funds and agencies is not "commercial" solely because the enterprise or agency has more revenues than expenses, or because the activity in which it is engaged is provided on a for-profit basis by private entities in other communities or the Franchising Authority. Nothing prevents the Franchising Authority from authorizing charges to users or viewers to pay for such non-commercial services such as fees for video class instruction or charges to recover the cost of special use equipment, or to the extent such charges may be required by applicable law.

(12) Access Channels must be carried on Channels of technical quality at least equivalent to that of other Channels on the System.

(b) Return Feed From Facilities

(1) The Company shall provide dedicated, bidirectional activated fiber optic links from each of the following sites to the System's fiber ring so that access programming can reach the headend through an all-fiber connection:

- (A) one site specified by each RTJ Community;**
- (B) one additional site for joint use by the RTJ Communities, specified by the RTJ Communities with the consent of the Company, which shall not unreasonably be withheld;**
- (C) at least one site suitable for mounting microwave receiving equipment from mobile unit signals. The signals from this site will be placed on an Access channel, as specified by that Community with the consent of the Company. The Company shall not unreasonably withhold its consent.**
- (D) Upon request by the RTJ Communities and advance payment to the Company of the cost, the Company shall construct any additional return feeds requested by the RTJ Communities on an incremental cost basis.**

(2) The Company shall provide and install all equipment needed to transmit educational and governmental programming from the sites specified in Section 4(b)(1) to Subscribers via the appropriate EG Channels on the System.

(3) The dedicated connection required by Section 4(b)(1) shall be designed and built to include all equipment, including but not limited to laser transmitters, modulators,

and processors; drops and wiring, so that each such center can send signals to the headend on at least two channels initially and up to two additional channels if additional downstream channels are activated for EG use; and so that the facilities can each remotely and without assistance from the Company or access to its headend (i) receive signals from distant locations; (ii) route signals originated at that center or at other locations onto any of the access channels on the regular subscriber network; and (iii) otherwise control the signals to allow for smooth breaks, transitions, insertion of station IDs and other material. Company shall bear the cost of acquiring all equipment necessary to meet this requirement.

(c) Cable Drops to Certain Facilities: Upon the request of the Franchising Authority, the Company shall use its best efforts to provide each non-educational facility used by the Franchising Authority with one subscriber drop or demarcation interface. If such a drop is 150 feet or less in length, the Company shall provide it at no cost to the Franchising Authority. To the extent that such a drop exceeds 150 feet in length, the Franchising Authority and Company will each pay half of the actual direct cost of construction of the remaining length of the drop.

(d) Surveys and Announcements

(1) Company shall include in a survey of its Subscribers at least once each year a reasonable number of questions from the Franchising Authority regarding subscriber acceptance of access programming. Such a survey may be combined with any other survey conducted by the Company.

(2) Company shall air at least fifteen (15) minutes monthly of public service announcements and promotional spots for Access Channels specified or provided

by the Franchising Authority. Such material shall be shown on non-Access Channels at times and on Channels selected by the Company.

(e) *Editorial Control:* Except as expressly required by federal law, the Company shall not exercise any editorial control over the content of programming on the designated Educational or Governmental Access Channels (except for such programming as the Company may produce and cablecast on such Channels).

(f) *Institutional Network*

(1) Company shall provide transmission capacity, either directly or through a third party, for institutional network use by the Franchising Authority. Such capacity shall be suitable for voice, video, and/or data transmission.

(2) Company shall provide connections for institutional network use to the sites specified in Exhibit B. Company shall provide additional connections to new Franchising Authority sites other than those in Exhibit B if the Franchising Authority notifies the Company of the location of such sites in advance of the construction in that area. To the extent to which the Franchising Authority wishes to provide for additional connections, the Franchising Authority may issue a request for proposals, and Company shall submit a bid in response to the Franchising Authority's request, which the Franchising Authority may accept or reject at its discretion. If the Franchising Authority accepts such a bid, Company shall provide such additional connections accordingly.

(3) Any charges made by Company to the Franchising Authority with regard to the institutional network, including but not limited to charges for transmission capacity, construction, or connection, shall be at the Company's lowest commercial or wholesale

rate, whichever is less. If the Company has no such rate, such charges shall be at the Company's incremental direct cost.

(4) If the Franchising Authority finds that the Company has charged the Franchising Authority more than the lowest commercial or wholesale rate as specified in Section 4(f)(3), the Company shall reimburse the Franchising Authority for any difference between such rate and the rate actually charged over the period during which such overcharge was effective, with interest as specified in Section 7(e).

5. FEES AND CHARGES

The Franchising Authority reserves the right to regulate the rates, fees, charges, deposits and associated terms and conditions for services provided by the Company to the fullest extent permitted by applicable law, and the Franchising Authority may, in connection with any such regulation of rates, establish rules and regulations to the extent permitted by applicable law. In connection with such regulation, the Franchising Authority shall comply with FCC rules and provide the public with an opportunity to comment.

6. CUSTOMER SERVICE

(a) General Provisions

(1) This Section 6 sets forth customer service standards that the Company must satisfy. In addition, the Company shall at all times satisfy any additional or stricter requirements that are mandatory under FCC regulations, or other applicable federal, state, or local law or regulation, as the same may be amended from time to time.

(2) Nothing in this Section in any way relieves the Company of its obligation to comply with other applicable consumer protection laws and its Franchise Agreement.

(b) *Applicability:* The Cable Company shall use its best efforts to comply with the standards specified in this Section 6 at all times. However, the Cable Company shall not be penalized or otherwise sanctioned for violations of these standards occurring up to one year after the Effective Date. This grace period shall not apply to continuing violations to the extent they continue after the one-year grace period.

(c) *Notice to Subscribers*

(1) The Company shall notify subscribers and the Franchising Authority of any pricing changes or additional charges (excluding temporary marketing and sales discounts, or offers) and/or any changes in programming services (including the scrambling or descrambling of channels) through announcements on the system and in writing. Notice of proposed rate changes shall itemize all new rates and the amount of increase or decrease from current rates. Notice of proposed programming changes shall include a description of any new programming services, Channel assignments, hours of programming operation, and any changes to existing Channel positions and programming services affected by such changes. Notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes, and to the Franchising Authority at least fifteen days prior to such notice to Subscribers, if the change is within the control of the Cable Company. Notice of any such change that is not within the Cable Company's control shall be provided to the Franchising Authority as soon as practicable, and if possible prior to Subscriber notification.

(2) If the Company participates in promotions in which premium channels offering X, NC-17 or R-rated programming are delivered unscrambled or free of charge, it must provide notice to all Subscribers at least thirty (30) days prior to such promotions advising that they can request that the promotional channel be blocked.

(3) The Company shall provide written information to Subscribers on each of the following areas at the time of installation of service, at least annually to all Subscribers, at any time upon request, and at least thirty (30) days prior to making significant changes in the information required by this section. Copies of all such materials provided to Subscribers shall also be provided to the Franchising Authority at least annually.

- (A) products and services offered;
- (B) prices and options for service;
- (C) conditions and restrictions of service, including but not limited to need for equipment and equipment rental requirements;
- (D) service charges, including deposits, installation, late fees, equipment, and repair charges, whether regulated or unregulated;
- (E) installation and maintenance policies, delinquent Subscriber disconnect and reconnect procedures, and any other of its policies applicable to its Subscribers, including, when applicable, information regarding the Subscriber's home wiring rights and information describing ownership of internal wiring during the period service is provided;

-
-
- (F) instructions on how to use the Cable Service and operate any Subscriber terminal equipment;**
 - (G) Channel positions of all programming carried on the System;**
 - (H) billing and complaint procedures;**
 - (I) refund and credit policies;**
 - (J) availability of parental control devices;**
 - (K) procedures for changes or termination of service and any associated charges;**
 - (L) procedures by which the Subscriber will be notified of changes in fees, charges, deposits, or associated terms and conditions for service;**
 - (M) Subscriber privacy rights;**
 - (N) address and telephone number of the Cable Company's local office to which complaints may be reported;**
 - (O) procedures for reporting and resolving service problems;**
 - (P) the Cable Company's emergency service telephone number;**
 - (Q) a copy of the service contract, if any;**
 - (R) notice of the availability of universal remote controls and other compatible equipment (a list of which, specifying brands and models, shall be provided to any Subscriber upon request);**
 - (S) information concerning the Franchising Authority's responsibility as franchising authority, including the address and telephone**

number of the Franchising Authority's consumer information office regarding cable.

(4) Prior to the beginning of any System Upgrade construction, and periodically during each phase, the Company shall inform the public and its Subscribers about the progress of the upgrade, areas where construction crews will be working and any expected temporary interruptions to existing services which may occur.

(5) In order that Subscribers be fully apprised of the charges they may incur, telephonic communications and all Cable Company promotional materials, announcements, and advertising of residential cable service to Subscribers and the general public, where price information is listed in any manner, shall clearly and accurately disclose price terms and options and shall quote the rates, fees, and/or charges. In all communications to Subscribers, the Company must use generally accepted terminology. The Company shall take appropriate steps to ensure that price terms are clearly and accurately disclosed to potential customers before an order is accepted.

(6) The Company shall provide the Franchising Authority with a complete schedule of all current programming services, excluding pay-per-view rates and charges and commercial rates, and shall keep this schedule updated during its franchise term.

(7) The Cable Company shall maintain a public file containing all notices provided to Subscribers under these customer service standards. Copies of all such notices, promotional or special offers sent to Subscribers, and of any agreements used with subscribers, shall be filed with the Franchising Authority upon request.

(d) Employee Identification: The Company shall provide and require all employees and agents, including employees of subcontractors, who come in contact with the public to wear cable company identification. The identification document shall:

(1) be worn on the outside of said representative's clothing and visible to other persons;

(2) bear the name and a picture of said representative; and

(3) prominently display the Cable Company's name and address.

(e) Vehicle Identification: Any of the Company's vehicles, including those of its agents and subcontractors, used for construction, installation, maintenance or removal of its facilities, shall prominently display signage identifying the Cable Company.

(f) Telephone and Office Availability.

(1) **Telephone Availability.** The Company's office shall be accessible by all persons within its Cable Franchise Area through a toll-free telephone number twenty-four (24) hours a day, including weekends and holidays.

(2) **Customer Service Representatives.** The Company's customer service operators shall be trained to screen requests and assist in solving problems. Such customer service representatives will identify themselves by at least their first names immediately upon initial contact. A Subscriber shall be transferred to a supervisor upon request, or, if none is available, receive a return call from a supervisor within one working day of request.

(3) **Office.** The Cable Company shall maintain a local business office accessible to the public for the purpose of transacting business, including but not limited

to taking installation and service requests, offering and exchanging equipment, receiving billing and service inquiries and resolving complaints. Excluding legal holidays, the business office shall be open to receive inquiries or complaints from the public as follows:

- (A) during normal business hours on weekdays, with minimum opening and closing times of nine a.m. and five p.m. respectively; and
- (B) for extended hours of at least four hours per week, which may include weekdays after five p.m. and/or weekends, at the discretion of the cable company.

(4) **Normal Business Hours.** During normal business hours and the extended hours specified in Section 6(f)(3)(B), the Company must have telephone lines and adequate staff available to accept or exchange equipment, such as converters, at the option of the cable company either at its office or in the field; to schedule and perform emergency service or emergency technician calls; to accept payments at its office or at a drop box; and to answer Subscriber inquiries.

(5) **Telephone Standards.** Under normal operating conditions, the following standards shall be met by the Company at least ninety (90) percent of the time, measured quarterly:

- (A) Telephone answering time, including wait time, shall not exceed thirty (30) seconds.
- (B) Call transfer time shall not exceed an additional thirty (30) seconds.
- (C) No more than three percent (3%) of incoming customer service callers shall receive a busy signal.

(D) Customer service operators will identify themselves immediately upon initial contact.

(E) When the business office is closed, an answering machine or service capable of receiving and recording service complaints and inquiries shall be employed if the telephone is not answered by a person. Inquiries received after hours must be responded to by a trained representative of the Company on the next business day. To the extent possible, the after-hours answering service shall comply with the same telephone answer time standard set forth in this Section. Any answering service employed by the Company shall provide the cable company on a monthly basis written detailed records of all service calls received, including date, time and nature of call, which shall be made available for inspection by the Franchising Authority upon reasonable notice during normal business hours.

(6) **Emergency Telephone Access.** The Company shall at all times provide emergency telephone lines so that the Franchising Authority and other local governments can contact the Cable Company immediately when necessary (*e.g.*, in the event of an emergency or service interruption). The Company shall notify the Franchising Authority as promptly as possible by any available means whenever there is a total interruption of telephone service which affects the Cable Company's Subscriber service phone lines.

(g) *Response to Complaints and Inquiries*

(1) The Company shall investigate complaints, make every effort to resolve such complaints, and report the results of the investigation to the complainant within five working days of receipt of the complaint.

(2) If a complaint is not resolved to the satisfaction of both the complainant and the Cable Company, the Cable Company shall immediately inform the complainant orally, and follow up in writing, of the complaint procedures and the Franchising Authority's cable consumer information office address and telephone number.

(3) If the Franchising Authority refers a complaint to the Company on behalf of a complainant, the Cable Company shall investigate the complaint and report the results of the investigation in writing to the Franchising Authority and to the complainant within seven working days.

(4) Under normal operating conditions, billing inquiries and requests for service, repair, and maintenance not involving service interruptions must be acknowledged by a trained customer service representative within twenty-four (24) hours, or prior to the end of the next business day, whichever is earlier. The Company shall respond to all other inquiries within five (5) business days of the inquiry or complaint.

(h) *Scheduling and Completing Service.* Under normal operating conditions, each of the following standards shall be met by the Cable Company at least 95% of the time, as measured on a quarterly basis:

(1) Prompt Service.

-
-
- (A) Standard installations (those installations at serviceable addresses that consist of an aerial or underground drop of no more than 150 feet in length running from the nearest feeder cable of the System to the terminal of the Subscriber using exposed wiring inside the Subscriber's premises) shall be completed within seven (7) business days after the order is placed, unless a later appointment date is agreed to by the Subscriber.
- (B) Non-standard installations (those which exceed standard minimum lengths or, in the case of underground drop, which involve unforeseen conditions beyond routine trenching and laying of cable) shall be completed within sixty (60) days after such requests, unless reasonable construction permitting or installation time frames impose a later installation date. The Cable Company shall immediately notify the affected Subscriber of any such installation delays beyond the sixty (60) day requirement.
- (C) The Company shall investigate all service requests and initiate service or repair as soon as practicable but no later than thirty-six (36) hours after the request. The results of such service or repair requests shall be reported to the Subscriber within three working days of the request.
- (D) Repairs and maintenance for service interruptions and other repairs not requiring work within a Subscriber's premises must be

completed within twenty-four (24) hours after the Subscriber reports the problem to the Cable Company or its representative or the interruption or need for repairs otherwise becomes known to the Cable Company.

(E) Work on all other requests for service must be begun by the next business day after notification of the problem.

(F) All requests for service, except installation requests, must be completed in the shortest time possible, but in any event within three (3) days from the date of the initial request. The three-day time limit shall not apply if, for reasons beyond the Cable Company's control, the work could not be completed in those time periods even with the exercise of all due diligence. The failure of the Company to hire sufficient staff or to properly train its staff shall not justify its failure to comply with this provision. If the Company fails to complete the work within the specified time period, it shall nonetheless proceed to complete the work as soon as possible. Except as preempted by federal law, no charge shall be made to the subscriber for such service, except for the cost of repairs to the Cable Company's equipment or facilities where it can be documented that the equipment or facility was damaged by a subscriber.

(2) **Service Times.** The Cable Company shall perform service calls, installations, and disconnects at least during normal business hours. Maintenance service capability enabling the prompt location and correction of major system malfunctions shall be available at all times.

(3) **Appointments.** The Company shall schedule installation, maintenance or repair service appointments with subscribers during a designated four-hour block of time agreed to by the subscriber to enter said subscriber's residence or business to install, maintain, repair or adjust equipment or services. Such appointment blocks shall be scheduled either during morning or afternoon hours (*e.g.*, eight a.m. to twelve noon, or one p.m. to five p.m.) or at a time mutually agreed upon by the Subscriber and Cable Company. Where a Subscriber cannot conveniently arrange for a service call or installation during normal business hours, the Company shall also schedule service and installation calls outside normal business hours for the express convenience of the Subscriber.

(4) **Cancellations.** Under normal operating conditions, the Cable Company shall provide a minimum of one day's advance notice of an appointment cancellation and may not cancel an appointment with a Subscriber after the close of business on the business day prior to the scheduled appointment. The Company may not cancel an appointment with a Subscriber after the close of business on the business day preceding the appointment, nor may the Cable Company miss a duly scheduled appointment. If the Company's representative is running late for an appointment with a Subscriber and will not be able to keep the appointment as scheduled, the Cable Company shall contact the

Subscriber, and reschedule the appointment as necessary, at a time which is convenient for the Subscriber. If the Cable Company is unable to keep a scheduled appointment and has not previously provided notice of cancellation to the Subscriber, the Cable Company will make at least two attempts to directly contact and notify the Subscriber during the scheduled appointment block, documenting its efforts to do so. The Cable Company will give the Subscriber notice of its inability to keep the appointment, and of its attempts to contact the Subscriber.

(l) Other Service Requirements

(1) **Technical Adjustments.** At the time of service, Cable Company technicians will provide appropriate technical adjustments (e.g., grounding) necessary for the Subscriber's equipment to receive satisfactory reception, provided the Subscriber's equipment is in good working condition.

(2) **Emergency Maintenance.** The Company shall keep an emergency system maintenance and repair staff, capable of responding to and repairing System malfunctions or interruptions, on a twenty-four (24) hour basis, and shall respond to Service Interruptions twenty-four (24) hours a day, seven (7) days a week under normal operating conditions.

(3) **Maintenance Service Record.** The Company shall keep a maintenance service record which will indicate the nature of each service complaint, the date and time it was received, the disposition of said complaint, and the time and date thereof. Complete records of the Company's action in response to all complaints shall be made available for

inspection by the Franchising Authority upon reasonable request during Normal Business Hours.

(4) **Cable Company-Owned Equipment.** Except as federal law preempts, no charge shall be made to the Subscriber for repairs or maintenance of Cable Company-owned equipment or facilities, except for the cost of repairs to the Cable Company's equipment or facilities where it can be shown that the equipment or facility was damaged by a Subscriber.

(5) **Mobility-Limited Subscribers.** With regard to mobility-limited Subscribers, upon Subscriber request, the Cable Company shall arrange for pickup and/or replacement of converters or other cable company equipment at the Subscriber's address or by a satisfactory equivalent (such as the provision of a postage-prepaid mailer).

(6) **Private Property Access.** The Cable Company shall provide at least two (2) days' written notice to the affected property owner of the approximate time its employees or representatives plan to enter onto said property owner's external property for the purpose of equipment installation, service, maintenance or repair of the System.

(j) Installations, Connections, and Other Services

(1) **Requests for Installation.** The Company shall fill all installation requests pursuant to the provisions of this Section unless:

- (A) The Cable Company cannot obtain access to the requesting person's premises in accordance with the installation times specified in this Section; or

-
- (B) the requesting person has not paid reasonable advance deposits and fees required by the Company; or
 - (C) the requesting person is currently in debt to the Cable Company; or
 - (D) the requesting person has been convicted of theft of cable television service.

(2) **Installations Generally.** The Subscriber's preference as to the point of entry into the residence shall be observed whenever feasible. Runs in building interiors shall be as unobtrusive as possible. The Cable Company shall use due care in the process of installation and shall repair any damage to the Subscriber's property caused by said installation. Such restoration shall be undertaken as soon as possible after the damage is incurred and shall be completed within no more than thirty (30) days after the damage is incurred. All installations will include appropriate technical adjustments in order to receive service, and comply with the provision of any consumer information and literature required by applicable law to instruct the subscriber in the utilization of the service.

(3) **Standard Installations.** Except as federal rate regulations may otherwise require, the Cable Company shall not assess a Subscriber any cost other than a standard installation charge for service drops of one hundred fifty (150) feet or less, for a single outlet, unless the Cable Company demonstrates to the Franchising Authority's satisfaction that extraordinary circumstances justify a higher charge.

(4) **Non-Standard Installations.** Except as applicable law may otherwise require, where a drop exceeds one hundred fifty (150) feet in length, the Company may charge a Subscriber allowable rates for installing the drop beyond one hundred fifty (150)

feet, provided that drop length charged for shall be the difference between the actual length of the installed drop and one hundred fifty (150) feet.

(5) **Location of Drops.** In locations where the Cable Company's System must be underground, drops must be placed underground as well. Except as federal law may otherwise require, in any area where the Company would be entitled to install a drop above-ground, the Cable Company will provide the homeowner the option to have the drop installed underground if requested, but may charge the homeowner the difference between the allowable charge for the above-ground installation and the allowable charge for the underground installation.

(6) **Antennas and Antenna Switches.** The Company shall adhere to FCC regulations regarding antenna switches. The Company shall not, as a condition to providing cable service, require any Subscriber or potential Subscriber to remove any existing antenna structures for the receipt of over-the-air television signals.

(7) **Delinquent Accounts.** The Company shall use its best efforts to collect on delinquent Subscriber accounts before terminating service. In all cases, the Cable Company shall provide the customer with at least ten (10) working days written notice prior to disconnection.

(k) Service Interruptions

(1) The Company may intentionally interrupt service on the Cable System only for good cause and for the shortest time possible and, except in emergency situations or to the extent necessary to fix the affected Subscriber's service problems, only after a minimum of forty-eight (48) hours prior notice to subscribers and the Franchising

Authority of the anticipated Service Interruption; provided, however, that planned maintenance that does not require more than four (4) hours' interruption of service and that occurs between the hours of 12:00 midnight and 6:00 a.m. shall not require such notice to subscribers, but shall require notice to the Franchising Authority no less than twenty-four (24) hours prior to the anticipated Service Interruption.

(2) If an unscheduled Service Interruption or outage occurs for a duration of two (2) or more continuous hours to three percent (3%) or more of the Subscribers in the Cable Franchise Area, the Cable Company shall notify the Franchising Authority within two (2) hours of such occurrence, or at the opening of business on the next business day if the interruption occurred outside Normal Business Hours.

(3) The Company shall provide the Franchising Authority with prompt notice of any Service Interruptions of which the Company is aware, including advance notice of any planned Service Interruptions.

(l) Billing

(1) Bills shall be clear, concise, and understandable. Bills must be itemized including, but not limited to, basic and premium service charges and equipment charges as well as charges for any other service packages ordered by the Subscriber. Bills shall clearly delineate all activity during the billing period, including optional charges, rebates, and credits, and permit subscribers readily to determine the cost of each service or equipment item that is part of the total bill. The portion of the bill retained by the Subscriber must include:

(A) payment due date;

-
-
- (B) service dates covered by the billing;
 - (C) any applicable credits due to the Subscriber, or past due amounts owed by the subscriber;
 - (D) itemization of charges for each tier of programming or service package and equipment item charged to the Subscriber;
 - (E) late payment fee, if any, and late payment due date;
 - (F) address, telephone number and business hours to contact the Cable Company regarding customer service and billing inquiries or disputes;
 - (G) the Franchising Authority's cable consumer information office, address and telephone number; and
 - (H) if government-imposed fees or taxes are itemized, such fees or taxes.

(2) The Company shall submit to the Franchising Authority on a monthly basis a sample Cable Company subscriber billing for that month itemizing all current charges for services and equipment.

(3) The Company's first billing statement after a new installation or service change shall be prorated as appropriate and shall reflect any security deposit.

(4) The Company's billing statement must show a specific payment due date not earlier than least ten (10) business days from the date the bill is postmarked, unless otherwise agreed to pursuant to a residential rental agreement establishing tenancy. The Company shall not assess a late fee earlier than the due date of the next billing cycle. Any

late fee imposed by the Company that does not exceed \$5.50 in 1998 dollars (adjusted annually for inflation based on the Consumer Price Index) shall be presumed reasonable to recover the costs associated with the delinquent payment. The late fee shall appear on the following month's billing statement. The Company may not charge a late fee unless (a) the Subscriber's bill sets forth when the late fee will be assessed, and (b) the bill sets forth the amount of the late fee.

(5) Subscribers shall not be charged a late fee or otherwise penalized for any failure by the Company, including failure to timely or correctly bill the subscriber, or failure to properly credit the Subscriber for a payment timely made.

(6) The Company must notify the Subscriber that he or she can remit payment in person at the Cable Company's business office and inform the Subscriber of the address of that office.

(m) Deposits, Refunds and Credits.

(1) Under normal operating conditions, if the Company fails, through no fault of the Subscriber or contrary to prior agreement with the Subscriber, to perform installations within the prescribed time lines as defined in Section 6(g), or does not arrive for appointments for installations within the scheduled appointment block pursuant to this section, the Cable Company shall provide free installation to the subscriber, or shall provide a credit of at least ten dollars (\$10) if the requested installation was already free or discounted.

(2) Under Normal Operating Conditions, if the Company fails, through no fault of the Subscriber or contrary to prior agreement with the Subscriber, to perform scheduled

maintenance or repairs, or does not arrive for appointments for maintenance or repairs within the scheduled appointment block pursuant to Section 6(g), the Cable Company shall provide the scheduled maintenance or repair free to the Subscriber, or shall provide a credit of at least twenty dollars (\$20) if the maintenance or repair was already free.

(3) Under Normal Operating Conditions, the Cable Company shall issue an automatic credit to the accounts of all Subscribers within a definable service area, whether or not notified by Subscribers, when there is a Service Interruption affecting all channels, including premium channels and non-premium channels, for four (4) hours or longer in a twenty-four (24) hour period. If there is a Service Interruption on one or more such channels for two (2) hours or longer in a twenty-four (24) hour period, the Cable Company shall issue a credit to accounts of Subscribers who notify the Cable Company of such Service Interruption, whether or not the Subscriber specifically asks for a credit. Such credit shall equal, at a minimum, the value of one-thirtieth (1/30th) of the Subscriber's current monthly bill, excluding pay-per-view and special events. In the event that a pay-per-view channel is affected by a Service Interruption, the Cable Company shall issue full credit to the accounts of all Subscribers who paid in advance for such event(s).

(4) Credits pursuant to this Section 6(m) will be issued no later than the Subscriber's next billing cycle following the determination that a credit is warranted. Refunds and credits pursuant to this section will be issued by the Company within sixty (60) days following the resolution of the event giving rise to the refund and/or credit.

(5) If the Company fails to pay a Subscriber any refunds or credits within sixty (60) days pursuant to this subsection, the Cable Company shall pay interest to the

Subscriber, in addition to the original credit or refund, at the same interest rate applicable to late Franchise Fee payments.

(6) The Cable Company may require reasonable, non-discriminatory, refundable deposits for service or equipment, provided that:

(A) If a Subscriber's account is in good standing with the Cable Company for one year, the Cable Company shall refund to the Subscriber any deposits made by the Subscriber, plus interest at the rate described in Section 7(e).

(B) Upon termination of service for any reason, the Cable Company shall either:

-
- (i) refund to the Subscriber any unrefunded deposits, plus interest at the rate described in Section 7(e), and the unused portion of any prepaid service charge (if termination is prior to end of a prepaid period), but specifically excluding installation fees; or
 - (ii) issue a credit equal to the amount of any refund as defined in Section 6(m)(6)(B)(i), including deposit, interest and unused portion of prepaid service charge, which is owed to the Subscriber, to be applied against amounts owed by the subscriber to the Cable Company. If such credit exceeds the amounts owing, the remainder shall be refunded as indicated in Section 6(m)(6)(B)(i).

(7) Credits stated in dollar amounts in this Section 6(m) are in 1998 dollars and shall be adjusted annually for inflation based on the Consumer Price Index.

(n) Disconnection/Denial of Service.

- (1) A Subscriber may terminate service at any time.
- (2) The Company shall disconnect a Subscriber's service within six working days of a subscriber's request. No period of notice prior to voluntary termination or downgrade of service may be required of Subscribers by the Cable Company. The Company shall cease to charge a Subscriber for Cable Service immediately after receiving a request to discontinue Cable Service. If for any reason a subscriber terminates cable service prior to the end of a prepaid period, the unused portion of any prepaid service fees

shall be refunded to the subscriber within thirty days or by the end of the next billing cycle, whichever is earlier.

(3) No charge may be imposed for any voluntary disconnection or downgrade, except to the extent that federal law specifically provides that the cable company must be permitted so to charge a Subscriber. So long as the subscriber returns, or permits the Cable Company to retrieve, any equipment necessary to receive a service within five (5) business days of the disconnection, no charge may be imposed by any Cable Company for any cable service delivered after the date of the disconnect request.

(4) A Subscriber may be asked, but not required, to disconnect the Company's equipment and return it to the business office.

(5) The Company shall not terminate residential service for non-payment of a delinquent account unless the Cable Company furnishes written notice of the delinquency and impending termination at least fifteen (15) days prior to the proposed termination. The notice shall be mailed to the Subscriber to whom the service is billed and shall be postmarked no earlier than the sixteenth (16th) day after the due date of the unpaid bill. Such notice may be part of a billing statement. Such notice shall be mailed, postage pre-paid, to the Subscriber to whom the service is billed, and may be part of a billing statement. The Company shall terminate service only on days when a Subscriber can reach a representative of the Cable Company either in person or by telephone. Service terminated without good cause must be restored without charge for the service restoration. Good cause includes, but is not limited to, failure to pay, payment by check for which there are insufficient funds, theft of service, abuse of cable company equipment,

employees or representatives, or other similar actions. If the Subscriber pays all amounts due, including late charges, before the date scheduled for disconnection, the Cable Company shall not disconnect service. After disconnection, upon payment by the Subscriber in full of all proper fees or charges, including the payment of the reconnection charge, if any, the Cable Company shall promptly reinstate service.

(6) The Company may immediately disconnect a Subscriber if the Subscriber is damaging or destroying the Cable Company's Cable System or equipment. After disconnection, the Cable Company shall restore service after the Subscriber provides adequate assurance that it has ceased the practices that led to disconnection, and paid all proper fees and charges, including any reconnect fees and amounts owed the Cable Company for damage to its Cable System or equipment.

(7) The Company may also disconnect a Subscriber that causes signal leakage in excess of federal limits. The Company may disconnect a Subscriber without notice where signal leakage is detected originating from the Subscriber's premises in excess of federal limits, provided that the Cable Company shall immediately notify the Subscriber of the problem and, once the problem is corrected, reconnect the Subscriber without charge.

(8) The Company shall reconnect service to customers wishing restoration of service, provided such a customer shall first satisfy any previous obligations owed.

(9) The Company shall furnish and maintain services to each person who makes a *bona fide* request to receive any service. Nothing in this Section 6 shall limit the right of the Company to deny service to any household which or individual who has a negative

credit or service history with the Cable Company, which may include nonpayment of bills or theft or damage to the Cable Company's equipment, or who has threatened or assaulted employees of the Cable Company in the course of their employment, provided that in the event service is denied, the Cable Company will give notice to the denied person of the right to contact the appropriate regulatory authority, providing name, address, and phone number of the Franchising Authority.

(10) The Company shall not request more personally identifying information than is necessary to confirm the identity of a Subscriber. The type of information considered to be necessary may vary depending on the individual Subscriber, but the Company may not deny service to a person who fails to provide a Social Security number, although additional deposits may be required. However, the Company may deny service if a person fails to produce any verifiable personally identifying information after being requested to do so.

(o) *Changes in Service.*

(1) The Company may not alter the service being provided to a class of Subscribers (including by retiring, restructuring or otherwise) without the express permission of each Subscriber, unless it complies with this Section, except to the extent that federal law specifically provides that the Cable Company must be permitted to make such alterations in a manner inconsistent with this Section.

(2) No charge may be made for any service or product that the Subscriber has not affirmatively indicated it wishes to receive. Payment of the regular monthly bill does not in and of itself constitute such an affirmative indication.

(3) The Company shall comply with all applicable law regarding buy-through of tiers.

(p) *Parental Control Option:* Upon the request of a Subscriber, the Company shall make available a device by which the Subscriber can block completely the video and audio signals of a particular cable service. The control option described herein shall be made available to all Subscribers requesting it when any Cable Service is provided, or reasonably soon thereafter.

(q) *Enforcement.*

(1) The Company shall keep such records as are necessary to show compliance with these customer service standards and FCC customer service standards.

(2) Unless this requirement is waived in writing by the Franchising Authority, the Company shall file annually with the Franchising Authority a statement signed by an officer or employee certifying compliance with this Section 6 for each calendar quarter. Each such certification shall be filed with the cable company's annual report. If the Company is unable to certify full compliance for each calendar quarter, it must indicate in its filing each standard with which it is in compliance, and in non-compliance statement.

(3) If the Company is non-compliance with any standard during any calendar quarter, it shall include in its annual filing a statement specifying areas of non-compliance, the reason for the non-compliance and a remedial plan.

(4) If the Company fails to file a compliance certificate or noncompliance statement as required herein, it shall be liable for the liquidated damages specified herein for violation of customer service standards.

(5) In addition, except as prohibited by federal law, the Company shall be subject to penalties, forfeitures and any other remedies or sanctions available under federal, state or local law if it fails to comply with the standards herein.

(r) *Anticompetitive Acts Prohibited.*

The Company shall not engage in acts that have the purpose or effect of limiting competition for the provision of cable service or services similar to Cable Service in the Franchising Authority, except for such actions as are expressly permitted by federal or state law.

7. FRANCHISE FEE

(a) *Payment to Franchising Authority:* As compensation for the use of the Public Rights-of-Way, the Company shall pay to the Franchising Authority a franchise fee. The franchise fee shall be four percent (4%) of Gross Revenues for the first two years of the Cable Franchise term, and five percent (5%) of Gross Revenues thereafter.

(b) *Intent of Provision:* The parties intend that the franchise fees be paid on all those revenues derived from the operation of the Cable System to provide Cable Service. The provisions of this Agreement, including but not limited to the definition of Gross Revenues, shall be interpreted so as to prevent the Company from avoiding by corporate reorganization or otherwise the payment of Franchise fees that could otherwise lawfully

be collected, and so as to prevent the Franchising Authority from charging Franchise fees twice on the same revenues.

(c) Franchise Fees - Payment: All payments of franchise fees shall be made on a quarterly basis, not later than forty-five (45) days after the last day of each March, June, September, and December, and shall be remitted simultaneously with a report setting forth the Gross Revenue for the quarter ending on said last day. Such report shall be certified by the Company's chief financial officer or an independent certified public accountant and shall reflect the total amount of monthly Gross Revenues for the payment period pursuant to generally accepted accounting principles (GAAP) and a breakdown by major revenue categories (such as basic service, cable programming service, premium service, and other such categories as indicated in § 1(z)). The Franchising Authority shall have the right to require further reasonable supporting information.

(d) Franchise Fee Payments Subject to Audit

(1) The Franchising Authority shall have the right to inspect, copy and audit all records relevant to the calculation of the franchise fee, regardless of where held, and to recompute any amounts determined to be payable under this Agreement. The Company shall either provide such records at a location within the RTJ Communities, or pay the full cost for the Franchising Authority's auditors to travel to and work at the site where the Company makes such records available.

(2) The Company shall maintain such records for a minimum of 42 months.

(3) Except as specified in Section 7(d)(1), the Franchising Authority's audit expenses shall be borne by the Franchising Authority unless the audit discloses an

underpayment in excess of five percent (5%) of the amount paid, in which case the costs of the audit shall be borne by the Company as a cost incidental to the enforcement of the Cable Franchise. Any additional amounts due to the Franchising Authority as a result of the audit shall be paid within thirty (30) days following written notice to the Company by the Franchising Authority of the underpayment, which notice shall include a copy of the audit report. If recomputation results in additional revenue to be paid to the Franchising Authority, such amount shall be subject to an interest charge computed from such date as specified in Section 7(e).

(4) The Company shall maintain its fiscal and financial records and have all relevant fiscal and financial records maintained by others on its behalf in such a manner as to enable the Franchising Authority to determine Gross Revenues.

(e) *Late Payments:* In the event any franchise fee payment or recomputation amount is not made on or before the required date, the Company shall pay interest charges computed from such due date, at an annual rate equal to the commercial prime interest rate of the Franchising Authority's primary depository bank during the period such unpaid amount is owed, as a cost incidental to the enforcement of the Cable Franchise.

(f) *No Limitation on Taxing Authority*

(1) Nothing in this Agreement shall be construed to limit any authority of the Franchising Authority 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 Franchising Authority may impose a tax, fee, or other assessment on any Person (other than a cable operator) 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 cable operator.

(2) The franchise fee payments required by this section shall be in addition to any and all taxes of a general nature and not applicable solely to cable television operations within the Franchising Authority or other fees or charges which the Company shall be required to pay to the Franchising Authority or to any state or federal agency or authority, as required herein or by law, all of which shall be separate and distinct obligations of the Company. The Company shall not have or make any claim for any deduction or other credit of all or any part of the amount of said franchise fee payments from or against any of said Franchising Authority taxes or other fees or charges which the Company is required to pay to the Franchising Authority, except to the extent that applicable law requires the Franchising Authority to permit the Company such a deduction or credit . The Company shall not apply nor seek to apply all or any part of the amount of said franchise fee payments as a deduction or other credit from or against any of said Franchising Authority taxes or other fees or charges, each of which shall be deemed to be separate and distinct obligations of Company. Nor shall the Company 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 franchise fee obligations, each of which shall be deemed to be separate and distinct obligations of the Company.

8. OVERSIGHT AND REGULATION

The Franchising Authority shall have the right to oversee, regulate, and periodically inspect the construction, operation, maintenance and upgrade of the System, and all parts thereof, to the extent necessary to ensure compliance with the provisions of this Agreement.

9. TRANSFERS

The Cable Franchise shall be a privilege that is in the public trust and personal to Company. The Company's obligations under its Cable Franchise involve personal services whose performance involves personal credit, trust, and confidence in the Company. No Transfer shall occur except as provided in the Cable Ordinance, provided, however, that the Company may transfer the Franchise from Cox Communications Las Vegas, Inc., to another wholly owned Affiliate of Cox Enterprises, Inc., upon thirty days' prior written notice, if (i) such new Affiliate accepts the Franchise under its then current terms and conditions and assume liability for all acts and omissions of its predecessors, and (ii) Cox Communications, Inc., provides a guarantee of such new Affiliate's performance in a form acceptable to the Franchising Authority.

10. PERFORMANCE GUARANTEES AND REMEDIES.

(a) *Remedies Not Exclusive:* The Company agrees that the Franchising Authority shall have the specific rights and remedies set forth in this Section 10. These rights and remedies are in addition to any and all other rights or remedies now or hereafter available to the Franchising Authority, and will not be deemed waived by the exercise of any other right or remedy. The rights and remedies provided in this Agreement 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 Franchising Authority under applicable law. The exercise of any such right or remedy by the Franchising Authority shall not release the Company from its obligations or any liability under this Agreement, except as expressly provided for in this Agreement or as necessary to avoid duplicative recovery from or payments by the Company. Neither the creation of a Security Fund, nor the receipt of any damages recovered by the Franchising Authority thereunder, shall be construed to excuse faithful performance by the Company or limit the liability of the Company for damages, either to the full amount of the Security Fund or otherwise.

(b) Liquidated Damages

(1) **Amount of Damages.** Franchising Authority and Company agree that, as of the time of the grant of this Franchise, it is impracticable, if not impossible, to reasonably ascertain the extent of damages which will be incurred by the Franchising Authority as a result of a breach by Company of obligations under this Franchise. Consequently, Franchising Authority may, at its sole option, collect any of the liquidated damages described below for the violations and in the amounts described below. Such damages shall not be a substitute for actual performance by the Company of a financial payment, but shall be in addition to any such actual performance. To maintain that estimate, the parties agree that the liquidated damage amounts are in 1998 dollars and shall be increased each year by the increase in the U.S. City Average of the Consumer Price Index. The Franchising Authority may waive or reduce the liquidated damage amounts herein for good cause.

(A) Construction. The Franchising Authority may impose liquidated damages of five hundred dollars (\$500) per day for each day that any increment of new construction as required by this Franchise is not timely completed;

(B) Technical Standards. Not more often than once a year, except for retesting, Community may instruct Company to conduct a technical test of a reasonable number of locations to determine compliance with FCC technical standards. If more than ten percent (10%) of the locations tested fail to meet the FCC technical standards, the Franchising Authority may impose liquidated damages in the amount of one hundred dollars (\$100) per day per location not in compliance, plus the Franchising Authority's reasonable costs of enforcement, measured from the date the noncompliance is detected until the day that FCC standards have been satisfied at each and every retested location.

(C) Customer Service. If Company violates, in any material way, any of the customer service standards specified in the Franchise, the Franchising Authority may impose liquidated damages in an amount up to two hundred and fifty dollars (\$250) per violation per day.

(2) Cure. In the event that Franchising Authority has reason to believe that Company has failed to comply with any material provision of this Franchise or the Ordinance and therefore desires to impose damages on Company as stipulated above,

Franchising Authority shall notify Company in writing of the provision or provisions which the Franchising Authority believes may be in default as well as a cure period which shall be a reasonable amount of time under the circumstances but in no event less than thirty (30) days ("Cure Period"). Violations that would otherwise be measured on a quarterly basis shall be measured proportionately over any such Cure Period for purposes of determining whether the violation has been cured. Company shall upon receipt of said notice:

- (A) Cure the violation within the Cure Period; or,
 - (B) Respond during the Cure Period to the Franchising Authority or a designee appointed by the Franchising Authority in writing, contesting the Franchising Authority's assertion of violation and providing such information or documentation as may be necessary to support Company's position and/or request an extension of the Cure Period.
- (3) Payment and Appeal.
- (A) In the event Company fails to cure the violation within the applicable Cure Period, or provide an explanation for failure to cure acceptable to Franchising Authority in the Franchising Authority's sole discretion, the Franchising Authority may assess liquidated damages as specified in Section 10(b)(1) and demand the specified amounts from the Company or withdraw them from any Security Fund, subject to Company's right to regain such amounts, with

interest, pursuant to Section 10(b)(3)(C). The Franchising Authority shall give the Company written notice of any such assessment.

(B) If Company wishes to contest the imposition of liquidated damages pursuant to Section 10(b)(3)(A), Company shall so notify the Franchising Authority in writing within thirty days from the date of the written notice specified in Section 10(b)(3)(A). The Company shall have an opportunity to present its case to the Franchising Authority or its designee and to make a record. Within thirty (30) days after said notice, the Franchising Authority shall issue a written decision determining whether or not liquidated damages should be imposed. Company shall have the right to appeal such written decision to a court of competent jurisdiction within ninety (90) days of the decision.

(C) If liquidated damages are imposed pursuant to Section 10(b)(3)(A), and a later decision by the Franchising Authority or a court of competent jurisdiction holds that such damages should not have been imposed, then the Franchising Authority shall repay to the Company the damages collected, with interest at the rate specified in Section 7(e).

(D) Assessment of liquidated damages shall not constitute a waiver by the Franchising Authority of any other right or remedy it may have

under the Cable Franchise or under applicable law including, without limitation, its right to recover from Company such additional damages, losses, costs and expenses, including reasonable attorneys' fees, as may have been suffered or incurred by Franchising Authority by reason of or arising out of such breach of the Franchise. Nothing in this Section 10(b)(3)(D) is intended to waive, modify or otherwise affect Company's rights under the Ordinance, this Franchise, or any applicable law, except for the specific procedures expressly provided herein, including without limitation the right to judicial review of the legal rights and obligations of the parties with respect to each other, the Company's right to challenge the decision of the Franchising Authority under applicable legal standards, and any issue of performance or breach by either party to this Franchise Agreement.

11. MISCELLANEOUS.

- (a) *Controlling Authorities:* This Agreement is made with the understanding that its provisions are controlled by and subject to all applicable federal, state, and local laws, ordinances, and regulations.
- (b) *Nonexclusive Cable Franchise:* Nothing in this Agreement shall affect the right of the Franchising Authority to grant to any Person a cable franchise, consent, or right to occupy and use the Public Rights-of-Way, or any part thereof, for the construction,

operation, or maintenance of all or any part of a Cable System within the Cable Franchise Area or for any other purpose; provided that any such grant shall comply with the requirements of applicable law.

(c) *No Waiver; Cumulative Remedies:* Neither party shall be excused from complying with any of the terms or conditions of this Agreement because of the failure of the other party upon one or more occasions to insist upon or to seek compliance with any such terms or conditions, or because of any failure on the part of the Franchising Authority or the Company to exercise, or delay in exercising, any right or remedy hereunder, nor shall any single or partial exercise of any such right or remedy preclude any other right or remedy.

(d) *Notices:* Unless otherwise expressly stated herein, 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. Each party may change its designee by providing written notice to the other party, but each party may only designate one entity to receive notice.

FRANCHISING AUTHORITY: City of Las Vegas
City Manager's Office
400 East Stewart Avenue, 10th Floor
Las Vegas, NV 89101

With Copy to: City of Las Vegas
City Attorney's Office
400 East Stewart Avenue, 9th Floor
Las Vegas, NV 89101

With Copy to: Real Estate Management and Asset Division
314 Las Vegas Boulevard North
Las Vegas, NV 89101
Attn: Manager

COMPANY:

Cox Communications Las Vegas, Inc.
121 S. Martin Luther King Blvd.
Las Vegas, NV 89106
Attn: General Manager

With Copy to:

Cox Communications, Inc.
1400 Lake Hearn Drive
Atlanta, GA 30319
Attn: Legal Department

(e) Delays and Failure Beyond the Control of the Company: Notwithstanding any other provision of this Agreement, the Company shall not be liable for delay in performance of, or failure to perform, in whole or in part, its obligations pursuant to this Agreement where such delay or failure to perform was due to causes beyond the Company's control, including but not limited to strike, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, act of public enemy, accident, fire, flood or other act of God, technical failure by another party, or sabotage ("*force majeure*"). In the event that such delay in performance or failure to perform affects only part of the Company's capacity to perform, the Company shall perform to the maximum extent it is able to do so and shall take all such steps within its power to correct such cause(s). The Company agrees that in correcting such cause(s), it shall take reasonable steps to do so in as expeditious a manner as possible.

(f) Additional Representations and Warranties: In addition to the representations, warranties, and covenants of the Company to the Franchising Authority set forth elsewhere herein, the Company represents and warrants to the Franchising 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 Franchising Authority) that, as of the Effective Date:

(1) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly authorized to do business in the State of Nevada and in the Cable Franchise Area.

(2) The Company is in substantial compliance with all laws, ordinances, decrees and governmental rules and regulations applicable to the System and has obtained all government licenses, permits, and authorizations necessary for the operation and maintenance of the System.

(g) *Maintenance of System in Good Working Order:* Until the termination of this Agreement and the satisfaction in full by the Company of its obligations under this Agreement, the Company 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.

(h) *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 apply to the Company, its successors, and assigns.

(i) *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. In the event of a subsequent change in applicable law so that the provision which had been held invalid is no longer invalid, said provision shall thereupon return to full force and effect without further action by the Franchising Authority and shall thereafter be binding on the Company and the Franchising Authority. If the terms of this Agreement are materially altered due to changes in or rulings regarding governing law, then the parties agree to negotiate in good faith to amend this Agreement so as to restore the original intent of the Company and the Franchising Authority and preserve the benefits bargained for by each party.

(j) *No Agency:* The Company shall conduct the work to be performed pursuant to this Agreement as an independent contractor and not as an agent of the Franchising Authority.

(k) *Governing Law:* This Agreement shall be deemed to be executed in City of Las Vegas, Clark County, Nevada and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the State of Nevada, as applicable to contracts entered into and to be performed entirely within that State.

(l) *Claims Under Agreement:* The Franchising Authority and the Company agree that any and all claims asserted by or against the Franchising Authority arising under this Agreement or related thereto shall be heard and determined either in a court of the United States ("Federal Court") located in Nevada or in a court of the State of Nevada of appropriate jurisdiction. To effectuate this Agreement and intent, the Company agrees that if the Franchising Authority initiates any action against the Company in Federal Court or

in a Nevada court, service of process may be made on the Company either in person, wherever such Company may be found, or by registered mail addressed to the Company at its office in the Cable Franchise Area as required by this Agreement, or to such other address as the Company may provide to the Franchising Authority in writing. This provision shall not be construed to prevent the Company from seeking relief from the FCC.

(m) Compliance With Federal and State Laws: The Company and the Franchising Authority shall comply with all applicable federal, state, and local laws and regulations.

(n) Time of the Essence: In determining whether the Company has substantially complied with this Agreement, the parties agree that time is of the essence. As a result, the Company's failure to complete construction, to extend service, to seek approval of Transfers or to provide information in a timely manner may constitute material breaches.

...
...
...

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

AGREED TO THIS 25th DAY OF September 1998.

CITY OF LAS VEGAS

By:


JAN LAVERTY JONES, Mayor

"Franchising Authority"

ATTEST:


BARBARA JO RONEMUS, City Clerk


APPROVED AS TO FORM:

Lang B. Better 9-4-98
Date

COX COMMUNICATIONS LAS VEGAS, INC.

By:

Name:


James A. Hatcher

Title:

V. P.

"Company"

EXHIBIT A

ACCEPTANCE OF CABLE FRANCHISE BY THE COMPANY

COX COMMUNICATIONS LAS VEGAS, INC. ("Company") hereby accepts the cable franchise to own, construct, operate, maintain, upgrade, and repair a cable television system in the Public Rights-of-Way in the CITY OF LAS VEGAS ("Franchising Authority"). By this acceptance, Company agrees that, as set forth in the cable franchise, it shall be bound by the terms and conditions of the Agreement.

By accepting the cable franchise, the Company further: (1) acknowledges and accepts the Franchising Authority's legal right to issue and enforce the cable franchise; (2) agrees that it will not oppose the Franchising Authority's intervention in any proceeding affecting its Cable System; (3) accepts and agrees to comply with each and every provision of the cable franchise and applicable law; (4) agrees that the cable franchise and granting action shall not be effective until and unless all conditions precedent are satisfied; and (5) based on the Franchising Authority's representation that the cable franchise was granted pursuant to processes and procedures consistent with applicable law, the Company agrees that it will not raise any claim to the contrary.

The Company declares that it has carefully read all of the terms and conditions of the Franchise Documents, and accepts and agrees to abide by same.

Upon the Cable Franchise becoming effective, the Company shall be immediately bound to maintain and operate a Cable System under the terms, conditions and limitations set forth in the Franchise Documents and other applicable law, as of the time and date it files this written acceptance with the Franchising Authority.

AGREED TO THIS 1ST DAY OF OCTOBER, 1996.

COX COMMUNICATIONS LAS VEGAS,
INC.

By: James A. Hatcher

Its: V.P.

STATE OF NEVADA:

I HEREBY CERTIFY, that on this 1st day of October, 1998, before me, the subscriber, a Notary Public of the State of Nevada, in and for Clark County, Nevada, aforesaid personally appeared James R. Hatcher of Cox Communications LAS VEGAS, Inc. and acknowledged the foregoing Acceptance of Cable Franchise by Company in Clark County, Nevada, to be the act and deed of said company.

Clark County, Nevada

AS WITNESS my hand and Notary Seal

Debra A. Diaz
Notary Public

My Commission Expires: 9-17-2001

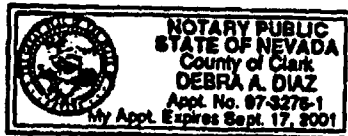


EXHIBIT B

LIST OF INSTITUTIONAL NETWORK SITES

Carlton Square - C-T
3300 Coleman Street

Stocker / C-T
1635 Stocker Street

Leavitt / C-T
3860 Losee Road

Leavitt / W
3860 Losee Road

Cheyenne / W
3901 West Cheyenne Avenue

Cheyenne / C-T
3901 West Cheyenne Avenue

P2A / P
7100 E Carey Avenue

Gowan II / C-T
3210 North Las Vegas Blvd.

Gowan I / C-T
3214 North Las Vegas Blvd.

Camino Al Norte / P
5434 Camino Al Norte Drive

Shadow Creek / C-T
5244 Losee Road

Carlton Square / P
3304 Coleman Street (X.1.11)

Robinson Booster
4201 Cartier Avenue (X.1.11)

Silver Mesa / W
4301 Alexander Road

Central Reservoir / P
80 East Brooks Ave.

Sum Valley / W
3532 Valley Drive

Robinson (Gas)
Tonopah & Smoke Ranch Rd.

North Las Vegas - Sites located in Clark County

P2/P
4600 East Carey Avenue

Gowan II/W
3210 North Las Vegas Blvd.

P2B / P
7220 E Carey Avenue

Sunrise Reservoir
7390 E. Carey

Gower #1 Well
3214 Las Vegas Blvd.

P2 / P (Gas)
Carey & Dolly

Elstner Estates / C-T
5311 West Gowan Road
Elstner Estates II / W
5200 W Gowan Road

Deer Springs / W
4700 Deer Springs Way

CLARK COUNTY FACILITY LIST

FACILITY NAME & ADDRESS:

CC Fire Department

County Courthouse

625 Shadow Lane

McCarran Airport

Gus Gufray

NLV Airport

City Hall

Casino Jail

310 S. 3rd Street

309 S. 3rd Street

301 E. Clark, RTC

Social Service

500 Grand Central Pkwy.

Water District

3401 Bonanza/Family Youth

5857 E. Flamingo

5853 E. Flamingo

200 S. Third St. - Data Center

CITY OF HENDERSON FACILITY LIST

FACILITY NAME & ADDRESS:

Galleria 1300 W. Sunset	Fire Station 94 400 Valle Verde Dr.
GV Town Ctr CPC 4410 E. Sunset	Paul R. Ruth Fire Training Center & Fire Station 92 401 Gibson Rd.
PD 6330 Eastern	Fire Station 92 401 Parkson
PD - CPC 1951 Silver Spgs.	Green Valley Neighborhood Office - Utility Payments 2600 N. Green Valley Pkwy.
Black Mtn. Rec. 599 GreenWay	Wastewater Treatment Plant 2400 Moser St.
William Robert Hampton Animal Control Facility 390 W. Athens Ave.	City Hall Complex 240 Water Street
PD - CPC 1100 Center St.	Robert A. Swadell Justice Facility 243 Water St.
City Shop & Street Maintenance 486 Gibson Rd.	Emergency Services Bldg. 223 Lead St.
Parks Maintenance Yard & Nursery (VanWag Shop) 405 Van Wagenen St.	Convention Center 200 Water St.
Fire Station 93 100 Burkholder Blvd.	Custodial & Bldg. Maintenance 134 Atlantic Ave.
Fire Station 95 2300 Pebble Rd.	Parks Maintenance Yard 315 E. Merlayne Dr.
Fire Station 91 600 College Dr.	Water Treatment Plant 414 Water St.
	Water Reclamation Facility 200 Athens Ave.

CITY OF LAS VEGAS FACILITY LIST

401 N. 4th St.	2480 Maverick
415 N. 7th St.	275 N. Mojave
416 N. 7th St.	633 N. Mojave Rd.
419 N. 7th St.	700 N. Mojave
340 N. 11th St.	961 N. Mojave Rd.
421 S. 15th St.	914 W. Owens
420 S. 16th St.	9151 Pinewood Hills Dr.
10101 Banburry Cross Dr.	4747 N. Rainbow
283 E. Bonanza	2900 Ronemus Dr.
430 E. Bonanza	2950 Ronemus Dr.
450 E. Bonanza Rd.	3001 Ronemus Dr
3100 E. Bonanza	7551 Sauer Dr.
3140 E. Bonanza	6150 W. Smoke Ranch Rd.
3415 E. Bonanza	1100 E. St. Louis Ave
300 W. Boston	400 Stewart St.
3000 W. Boston Ave	405 E. Stewart
800 S. Brush St.	2800 Stewart
7200 E. Carey Ave	3300 E. Stewart
1971 Carrara Dr.	190 Upland Blvd
300 N. Casino Center	300 S. Torrey Pines Dr.
500 N. Casino Center	720 Twin Lakes Dr.
2801 E. Charleston	4349 Vegas Dr.
7331 W. Cheyenne	4357 Vegas Dr.
7701 Ducharme Ave	6005 E. Vegas Valley Dr.
241 S. Durango Dr.	749 Veterans Memorial Dr.
900 S. Durango Blvd	2645 W. Washington
6200 Elton Ave	2917 W. Washington
202 E. Fremont St.	3333 W. Washington Ave.
4794 Harris	Modem hookup to Reno
1020 Hinson Rd	
1901 J St.	
1940 J. St.	
300 Las Vegas Blvd	
314 Las Vegas Blvd. No.	
400 Las Vegas Blvd. No.	
731 Las Vegas Blvd.	
821 Las Vegas Blvd.	
821 ½ Las Vegas Blvd.	
900 S. Las Vegas Blvd	
1500 Las Vegas Blvd. No.	
1501 Las Vegas Blvd No.	
6841 Lone Mountain	
2221 Maverick St.	

NORTH LAS VEGAS FACILITY LIST

FACILITY NAME & ADDRESS:

**Recreation Center
1638 North Bruce Street**

**North Las Vegas Police Department
1301 East Lake Mead Boulevard**

**City Hall
2200 Civic Center Drive**

**Detention Center
2222 Constitution Way**

**North Las Vegas Library
2300 Civic Center Drive**

**North Las Vegas Maintenance And
Operations Division
2829 Fort Sumpter Drive**

**North Las Vegas Streets And Traffic
Division
3120 Losee Road**

**Walker Pool
1604 June Avenue**

**Petitti Pool
2505 Bruce Street**

**City View Golf Course Club House
324 East Brooks Avenue**

**Quality Control / Survey / Streets
50 East Brooks Avenue**

**Parks Building And City View Park
316 East Brooks Avenue**

**Traffic Building
212 East Brooks Avenue**

**City Garage
100 East Brooks Avenue**

**Robinson Well
4201 Perimeter Road**

**Well
3044 California Avenue**

**Allen - Alexander Well
4103 West Alexander Road**

**Valley - Gowan Well
3532 Valley Drive**

**Well
4500 West San Miguel Avenue**

**Desert Aire / C-T
4500 San Miguel Avenue**

**Future Library
Alexander and Martin Luther King, Jr
Boulevard**

**Central Fire Station 51
2626 East Carey Avenue**

**Fire Station 52
2001 East Cheyenne Avenue**

**Fire Station 53
3001 North Martin Luther King, Jr
Boulevard**

**Fire Station 54
5438 Camino Al Norte**

**Proposed Fire Station 55
3905 West Washburn Road**