

EXHIBIT A
CABLE FRANCHISE AGREEMENT

Between

CITY OF LYNDEN, WASHINGTON

And

**COMCAST CABLE COMMUNICATIONS
MANAGEMENT, LLC**

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CABLE FRANCHISE AGREEMENT

This Franchise Agreement ("Franchise") is between the City of Lynden, a Washington municipal corporation hereinafter referred to as "Franchising Authority" and Comcast Cable Communications Management, LLC., also known as Comcast, and hereinafter referred to as "Grantee." The Franchising Authority and Grantee may be individually referred to herein as a "party" and may be collectively referred to herein as the "parties".

SECTION 1 Definition of Terms

1.1 Terms. For the purpose of this Franchise the following terms, phrases, words, and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is mandatory and the word "may" is permissive. Words not defined shall be given their common and ordinary meanings. If there is an inconsistency between the meanings given herein and meanings in the Cable Act, 47 U.S.C. §§ 521 et seq., as amended from time to time, the Cable Act shall control.

A. "Basic Cable" means basic cable service as defined in the Cable Act.

B. "Cable Act" means 47 U.S.C. §521-573, now or as hereinafter amended.

C. "Cable Services" shall mean (1) the one-way transmission to Subscribers of (a) video programming, or (b) 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.

D. "Cable System" shall mean the Grantee's facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple Subscribers within the Service Area.

E. "FCC" means Federal Communications Commission, or successor governmental entity thereto.

F. "Franchising Authority" means the City of Lynden or the lawful successor, transferee, or assignee thereof.

G. "Grantee" means Comcast Cable Communications Management, LLC.

H. "Gross Revenues" means all revenue derived directly or indirectly by Franchisee from the operation of Grantee's Cable System to provide Cable Services in the Service Area. Gross Revenues include, by way of illustration and not limitation, monthly fees charged to Subscribers for Cable Services including Basic Service and all other Tiers of Cable Service; Pay-Per-View Service; Cable Service installation, disconnection, change-in-service and reconnection fees, Leased Access Channel fees, late fees, payments received by Grantee from programmers for carriage of Cable Services on the Cable System and recognized as revenue under generally accepted accounting principles ("GAAP"), revenues from rental of Cable System equipment such as converters; and additional outlet fees. Gross Revenues shall not include (i) Bad Debt, provided, however that all or part of any such Bad Debt that is written off but subsequently shall be included in Gross Revenues in the period collected; or (ii) any taxes, fees, or assessments on services

furnished by Grantee which are imposed directly on any Subscriber or user by the State, City or other governmental unit and which are collected by Grantee on behalf of said governmental unit. Notwithstanding the forgoing, the following categories of revenue will not be included in Gross Revenues for purposes of calculating franchise fees paid under Section 5 hereto: Revenues from advertising, home shopping services and cable Internet service, to the extent this service is not considered a Cable Service pursuant to applicable law.

I. "Person" means an individual, partnership, association, joint stock company, trust, corporation, or governmental entity.

J. "Public, Education and Government (PEG) Access Channel" shall mean any Channel set aside for public use, educational use, or governmental use without a channel usage charge.

K. "Public Way" shall mean the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, parkway, way, lane, public way, drive, circle, or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or rights-of-way dedicated for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the Franchising Authority in the Service Area which shall entitle the Franchising Authority and the Grantee to the use thereof for the purpose of installing, operating, repairing, and maintaining the Cable System. Public Way shall also mean any easement now or hereafter held by the Franchising Authority within the Service Area for the purpose of public travel, or for utility or public service use dedicated for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle the Franchising Authority and the Grantee to the use thereof for the purposes of installing and operating the Grantee's Cable System over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to the Cable System.

L. "Service Area" means the present boundaries of the Franchising Authority, and shall include any additions thereto by annexation or other legal means, subject to the exceptions stated herein.

M. "Standard Installation" is defined as an aerial installation 125 feet from the nearest tap to the Subscriber's terminal.

N. "Subscriber" means a Person who lawfully receives Cable Service of the Cable System with the Grantee's express permission.

O. "Video Programming" shall mean programming provided by, or generally considered comparable to programming provided by, a television broadcast station

SECTION 2 Grant of Franchise

2.1 Grant. The Franchising Authority hereby grants to the Grantee a nonexclusive Franchise which authorizes the Grantee to construct and operate a Cable System in, along, among, upon, across, above, over, under, or in any manner connected with Public Ways within the Service Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in, on, over, under, upon, across, or along any Public Way such facilities and equipment as may be necessary or appurtenant to the Cable System.

2.2 Other Ordinances. The Grantee agrees to comply with the terms of any lawfully adopted generally applicable local ordinance, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations of the Grantee that are granted by this Franchise. Grantee reserves the right to challenge provisions of any ordinance that conflicts with its contractual rights, either now or in the future. In the event of a conflict between any ordinance and this Franchise, the Franchise shall control, provided however that the Grantee agrees that it is subject to the lawful exercise of the police power of the Franchising Authority.

2.3 Competitive Equity. The Grantee acknowledges and agrees that the Franchising Authority reserves the right to grant one or more additional franchises to provide Cable Service within the Franchise Area; provided the Franchising Authority agrees that it shall amend this Franchise to include any material terms or conditions that it makes available to the new entrant within ninety (90) days of the Grantee's request, so as to ensure that the regulatory and financial burdens on each entity are materially equivalent. "Material terms and conditions" include, but are not limited to: franchise fees; insurance; system build-out requirements; security instruments; Access Channel and support; free Cable Service connections to Franchising Authority facilities; customer service standards; required reports and related record keeping; and notice and opportunity to cure breaches. If any such additional or competitive franchise is granted by the Franchising Authority which, in the reasonable opinion of the Grantee, contains more favorable or less burdensome terms or conditions than this Franchise, the Franchising Authority agrees that it shall amend this Franchise to include any more favorable or less burdensome terms or conditions in a manner mutually agreed upon by the Franchising Authority and Grantee.

2.3.1 In the event an application for a new cable television franchise is filed with the Franchising Authority proposing to serve the Franchise Area, in whole or in part, the Franchising Authority shall serve or require to be served a copy of such application upon the Grantee by registered or certified mail or via nationally recognized overnight courier service.

2.3.2 In the event that a wireline multichannel video programming distributor provides cable service to the residents of the Franchising Authority under the authority granted by federal or State legislation or other regulatory entity (but without a Franchising Authority franchise), the Grantee shall have a right to request Franchise amendments that relieve the Grantee of regulatory burdens that create a competitive disadvantage to the Grantee. In requesting amendments, the Grantee shall file a petition seeking to amend the Franchise. Such petition shall: (1) indicate the presence of such wireline competitor; (2) identify the basis for Grantee's belief that certain provisions of the Franchise place Grantee at a competitive disadvantage; and (3) identify the regulatory burdens to be amended or repealed in order to eliminate the competitive disadvantage. The Franchising Authority shall not unreasonably withhold consent to the Grantee's petition.

2.4 Term. The Franchise granted hereunder shall be for a term of ten (10) years commencing on the effective date of the Franchise as set forth in Section 2.5, unless otherwise lawfully extended or terminated in accordance with the terms of this Franchise and the Cable Act.

2.5 Acceptance and Effective Date. Grantee shall accept the Franchise granted pursuant hereto by signing the ordinance granting the Franchise and filing same with the City Clerk or other appropriate official or agency of the Franchising Authority within sixty (60) days after the passage and final adoption of this ordinance. Subject to the acceptance by Grantee, the effective date of this ordinance shall be the fifth day after publication.

SECTION 3 Standards of Service

3.1 Conditions of Occupancy. The Cable System installed by the Grantee pursuant to the terms hereof shall be located so as to cause a minimum of interference with the proper use of Public Ways and with the rights and reasonable convenience of property owners who own property that adjoins any of said Public Ways.

3.2 Restoration of Public Ways. If during the course of the Grantee's construction, operation, or maintenance of the Cable System there occurs a disturbance of any Public Way by the Grantee, Grantee shall at its expense replace and restore such Public Way to a condition reasonably comparable to the condition of the Public Way existing immediately prior to such disturbance and shall pay generally applicable right-of-way disturbance fees. Grantee's restoration shall be guaranteed for one (1) year.

3.3 Relocation at Request of the Franchising Authority. Upon receipt of reasonable advance written notice, not to be less than thirty (30) days, the Grantee, at its own expense, shall protect, support, temporarily disconnect, relocate in or remove from the Public Way, any property of the Grantee when lawfully required by the Franchising Authority by reason of traffic conditions, public safety, street abandonment, freeway and street construction, change or establishment of street grade, installation of sewers, drains, gas or water pipes or any other type of structures or improvements by the Franchising Authority which are not used to compete with the Grantee's services. The Grantee and the Franchising Authority shall cooperate to the extent possible to assure continuity of service. If Grantee does not complete the relocation of its facilities within the time prescribed, then the Franchising Authority may cause such work to be done and the Grantee shall reimburse the Franchising Authority for the cost of the work, including all costs and expenses incurred by the Franchising Authority due to Grantee's delay. The Grantee shall in all cases have the right of abandonment of its property. If public funds are available to any Person using such Public Way for the purpose of defraying the cost of any of the foregoing, the Franchising Authority shall make application for such funds on behalf of the Grantee.

3.4 Relocation at Request of Third Party. The Grantee shall, on the request of any Person holding a building moving permit issued by the Franchising Authority, temporarily raise or lower its Cable System to permit the moving of such building, provided: (A) the expense of such temporary raising or lowering of the Cable System is paid by said Person, including, if required by the Grantee, making such payment in advance; and (B) the Grantee is given not less than thirty (30) days advance written notice to arrange for such temporary wire changes.

3.5 Trimming of Trees and Shrubbery. Except for cases of emergency, Grantee shall notify the Franchising Authority of its intent to trim trees or other natural growth necessary to access and maintain the Cable System.

3.6 General Standards. All work authorized and required hereunder shall be done in a safe, thorough and workmanlike manner. All installations of equipment shall be durable and installed in accordance with sound engineering practices. Grantee will take prompt corrective action if it finds that any facilities or equipment on the Cable System are not operating as expected, or if it finds that facilities and equipment do not comply with the requirements of this Franchise or applicable law.

3.7 Permits Required for Construction. Prior to doing any work in the Right-of Way or other public property, Grantee shall apply for, and obtain, appropriate permits from the Franchising Authority. As part

of the permitting process, the Franchising Authority may impose such conditions and regulations as are necessary for the purpose of protecting any Rights-of-Way, the proper restoration of Rights-of-Way and structures, the protection of the public, and the continuity of pedestrian or vehicular traffic. Such conditions may also include requiring the provision of a construction schedule and maps showing the location of the facilities to be installed in the right-of-way. Grantee shall pay all applicable fees for the requisite Franchising Authority permits received by Grantee. In the event that emergency repairs are necessary, Grantee shall immediately notify the Franchising Authority of the need for such repairs. Grantee may initiate such emergency repairs, and shall apply for appropriate permits within two working days after discovery of the emergency. During emergencies, the Franchising Authority may move Grantee's facilities without prior notice.

3.8 Aerial and Underground Construction. If all of the transmission and distribution lines of all of the respective wireline service providers in any given area within the Franchise Area are underground, the Grantee shall place its Cable System distribution cables underground; provided that such underground locations are actually capable of accommodating the Grantee's cable and other equipment without technical degradation of the Cable System's signal quality. In any region(s) of the Franchise Area where the transmission or distribution lines of any of the respective wireline service providers are both aerial and underground, the Grantee shall have the discretion to construct, operate, and maintain all of its distribution cables, or any part thereof, aerially or underground. In areas where a wireline service provider's wiring is aerial, the Grantee may install aerial cable, except when a property owner or resident requests underground installation and agrees to bear the additional cost in excess of aerial installation. Nothing in this Section shall be construed to require the Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, fiber splices, nodes, pedestals, or other related equipment.

3.8.1 In the event of a Franchising Authority driven facilities relocations project that requires conversion of overhead facilities to underground, such as projects that may include, but not be limited to: road widening, surface grade changes, sidewalk installation, or beautification, Grantee agrees to bear the costs of converting Grantee's cable system from an overhead system to an underground system as follows:

A. Utility Trench Engineering. To ensure proper space and availability in the supplied joint trench, Grantee shall only pay for the work hours necessary to complete cable system related engineering coordination with the other utilities involved in the project.

B. Conduit and Vaults/Pedestals Placement. Grantee shall only pay for the direct cost of labor and materials it takes to place its conduits and vaults/pedestals in the supplied joint trench and/or solo cable trench as follows:

1. If the Franchising Authority contractor is completing this task, Grantee shall only pay the direct costs in accordance with Grantee's approved labor and materials exhibits at the time of the project.

2. If the direct costs of Grantee's approved labor and materials exhibits are not agreeable to the Franchising Authority or its contractor, Grantee shall have the option to hire its own contractor(s) to complete the work in accordance with Grantee's approved labor and materials exhibits at the time of the project.

3. If Grantee chooses option (2), the Franchising Authority and its contractor(s) are responsible to coordinate with Grantee's contractor(s) to provide reasonable notice and time to complete the placement of Grantee's conduits and vaults/pedestals in the supplied joint trench.

C. Within the conversion area, Grantee shall not be responsible for any on-site coordination and performance of traffic control, trenching, backfill, and restoration, unless it is work related to solo cable trench. In those areas, Grantee shall pay the direct cost of labor and materials in accordance with the provisions listed in item B above.

3.8.2 In the event of a Local Improvement District (LID) project that requires relocation of Grantee's facilities, Grantee shall be reimbursed by the LID for all expenses incurred as a result of the project.

3.8.3 The Grantee shall, upon reasonable prior written request of any Person, relocate its wires or cables underground; provided (i) the Grantee may impose a charge for all time and material costs associated with the project on any Person for the relocation of its facilities, and such charge may be required to be paid in advance of the relocation of its wires or cables, and (ii) Grantee is granted a permit for such work by the Franchising Authority.

3.8.4 In the event an underground conversion of cable facilities is required as part of the street improvement condition(s) of a new subdivision and/or planned development, the developer shall be responsible for all time and material costs associated with the underground conversion of cable facilities. Grantee and/or its authorized contractor is/are the only agent(s) allowed to complete the reconnection aspects of the conversion. Grantee shall be the responsible party for ensuring that developers pay Grantee for such time and materials.

3.8.5 The Grantee shall utilize existing poles and conduit wherever possible.

3.8.6 With respect to any portion of the Cable System which is located underground within any Public Way, nothing in this Franchise is intended (nor shall be construed) to relieve either party of their respective obligations arising under applicable law with respect to determining the location of the underground portions of the Cable System. Grantee shall identify, mark, and otherwise locate any and all underground Facilities located within the Franchise Area in accordance with and subject to Chapter 19.122 RCW (commonly known as the "call before you dig" law), and/or any other such subsequent and/or successor legislation. Grantee agrees to be liable and responsible for any and all costs, expenses, and/or damages suffered by the Franchising Authority arising from and/or directly related to any delay caused by Grantee's failure to locate its underground Facilities within the Franchise Area within the timeframes specified by Chapter 19.122 RCW (and/or any other subsequent and/or successor legislation), and/or otherwise pursuant to the terms of this Franchise.

3.9 Compliance with Applicable Codes.

3.9.1 Franchising Authority Construction Codes. Grantee shall comply with all applicable Franchising Authority construction codes, including, without limitation, all building codes, zoning codes and regulations.

3.9.2 Tower Specifications. Antenna supporting structures (towers) shall be designed for the proper loading as specified by the Electronics Industries Association (EIA), as those specifications may be

amended from time to time. Antenna supporting structures (towers) shall be painted, lighted, erected and maintained in accordance with all applicable rules and regulations of the Federal Aviation Administration and all other applicable federal, State, and local codes or regulations.

3.9.3 Safety Codes. Grantee shall comply with all federal, State and City safety requirements, rules, regulations, laws and practices, and employ all necessary devices as required by applicable law during the construction, operation, maintenance, upgrade, repair or removal of its Cable System. By way of illustration and not limitation, Grantee shall comply with the National Electric Code, National Electrical Safety Code and Occupational Safety and Health Administration (OSHA) Standards.

3.10 Minimal Interference. Work in the right-of-way, on other public property, near public property, or on or near private property shall be done in a manner that causes the least interference with the rights and reasonable convenience of property owners and residents. Grantee's Cable System shall be constructed and maintained in such a manner as not to interfere with sewers, water pipes, or any other property of the Franchising Authority, or with any other pipes, wires, conduits, pedestals, structures, or other facilities that may have been laid in the Rights-of-Way by, or under, the Franchising Authority's authority. The Grantee's Cable System shall be located, erected and maintained so as not to endanger or interfere with the lives of Persons, or to interfere with new improvements the Franchising Authority may deem proper to make or to unnecessarily hinder or obstruct the free use of the Rights-of-Way or other public property, and shall not interfere with the use of public places by the public during the construction, repair, operation, maintenance, upgrade or removal thereof, and shall not obstruct or impede traffic. In the event of such interference, the Franchising Authority may require the removal or relocation of Grantee's lines, cables, equipment and other appurtenances from the property in question at Grantee's expense.

3.11 Prevent Injury/Safety. Grantee shall provide and use any equipment and facilities necessary to control and carry Grantee's signals so as to prevent injury to the Franchising Authority's property or property belonging to any Person. Grantee, at its own expense, shall repair, renew, change and improve its facilities to keep them in good repair, and safe and presentable condition.

3.12 Access to Open Trenches. The Franchising Authority agrees to include the Grantee in the platting process for any new subdivision. At a minimum, the Franchising Authority agrees to require as a condition of issuing a permit for open trenching to any utility or developer that (A) the utility or developer give the Grantee at least ten (10) days advance written notice of the availability of the open trench, and (B) that the utility or developer provide the Grantee with reasonable access to the open trench.

3.13 Subscriber Charges for Extensions of the Cable System. No Subscriber shall be refused service arbitrarily. However, if an area does not meet the density requirements of Section 4.1 below, the Grantee shall only be required to extend the Cable System to Subscribers in that area if the Subscribers are willing to share the capital costs of extending the Cable System. For underground facilities, the Grantee shall contribute a capital amount equal to the construction cost per one-quarter strand mile, multiplied by a fraction whose numerator equals the actual number of residences per 1,320 cable-bearing strand feet from Grantee's trunk or distribution cable, and whose denominator equals 15. For overhead facilities, the Grantee shall contribute a capital amount equal to the construction cost per one-half strand mile, multiplied by a fraction whose numerator equals the actual number of residences per 2,640 cable-bearing strand feet from Grantee's trunk or distribution cable, and whose denominator equals 15. Subscribers who request service hereunder shall bear the remaining cost to extend the Cable System on a *pro rata*

basis. The Grantee may require that payment of the capital contribution in aid of construction borne by such potential Subscribers be paid in advance. Subscribers shall also be responsible for any Standard/non-Standard Installation charges to extend the Cable System from the tap to the residence.

3.14 Emergency Use. If the Grantee provides an Emergency Alert System ("EAS"), then the Franchising Authority shall permit only appropriately trained and authorized Persons to operate the EAS equipment and shall take reasonable precautions to prevent any use of the Grantee's Cable System in any manner that results in inappropriate use thereof, or any loss or damage to the Cable System. Except to the extent expressly prohibited by law, the Franchising Authority shall hold the Grantee, its employees, officers and assigns harmless from any claims arising out of use of the EAS, including, but not limited to, reasonable attorneys' fees and costs.

3.15 Public, Education and Government (PEG) Access Channels. The Grantee shall provide, upon one-hundred twenty (120) days prior written notice from the Franchising Authority, one (1) PEG channel for non-commercial local government programming and one (1) PEG channel for non-commercial education programming pursuant to the provisions of the Cable Act, Section 611 (47 USC §531), to be promoted and administered by the Franchising Authority or its designee.

3.16 Capital Contribution. In support of PEG Access, Grantee shall, upon ninety (90) days written request from the Franchising Authority, begin to collect and pay to the Franchising Authority an amount equal to \$.31 per month per Residential Subscriber for Access capital (the "Capital Contribution") for a period of three (3) years. Subsequent to the three year Capital Contribution period, the Franchising Authority shall evaluate the use of its PEG channels and determine whether additional Capital Contributions are necessary to support the PEG channels. If the Franchising Authority determines that additional Capital Contributions are required to support PEG needs, the Franchising Authority shall submit its written request to Grantee. Such request shall include supporting documentation relative to the need of the additional Capital Contributions. If necessary to meet community needs, the Franchising Authority may request the collection and payment of Capital Contributions in any amount up to a maximum of \$.50 per month per Residential Subscriber for any period of time not to exceed the term of the Franchise. Each payment shall be due and payable on the same schedule as Franchise Fees and shall be itemized on Subscriber's monthly bills in accordance with applicable law. Grantee shall not be responsible for paying Capital Contributions with respect to gratis or bad debt accounts. The Franchising Authority shall have discretion to allocate the Capital Contribution for Access equipment and facilities in accordance with applicable law. The Franchising Authority shall provide a report annually to the Grantee on the use of the Capital Contribution, submitted within one hundred twenty (120) days of the close of the Franchising Authority's fiscal year. Grantee may review records of the Franchising Authority regarding the use of funds described in such report.

SECTION 4 Service Obligations

4.1 General Service Obligation. The Grantee shall make Cable Service available to every residential dwelling unit within the Franchise Area when the following minimum densities are met: in areas served by overhead facilities, an average of one dwelling unit per one hundred seventy-six (176) strand feet (fifteen (15) dwelling units per one-half strand mile); and in areas served by underground facilities, an average of one dwelling unit per eighty-eight (88) strand feet (fifteen (15) dwelling units per one-quarter strand mile). Subject to the density requirement, Grantee shall offer Cable Service at its standard

installation rates to all new homes or previously unserved homes located within one hundred twenty-five (125) aerial feet of the Grantee's aerial distribution cable or within sixty (60) underground trench feet of either aerial or underground distribution facilities.

The Grantee may elect to provide Cable Service to areas not meeting the above density and distance standards. The Grantee may impose an additional charge in excess of its regular installation charge for any service installation requiring a drop line extension in excess of the above standards. Any such additional charge shall be the fully allocated cost of the installation that exceeds the standards set forth above.

4.2 Programming. The Grantee shall offer to all Subscribers a diversity of video programming services.

4.3 No Discrimination. Neither the Grantee nor any of its employees, agents, representatives, contractors, subcontractors, or consultants, nor any other Person, shall discriminate or permit discrimination between or among any Persons in the availability of Cable Services provided in connection with the Cable System in the Franchise Area. It shall be the right of all Persons to receive all available services provided on the Cable System so long as such Person's financial, and other business obligations to the Grantee are satisfied. Grantee shall not however be required to continue service to a customer who is verbally or physically abusive, harassing, or threatening to Grantee or any of its employees, agents, representatives, contractors, subcontractors, or consultants. Nothing contained herein shall prohibit the Grantee from offering bulk discounts, promotional discounts, package discounts, or other such pricing strategies as part of its business practice.

4.4 Customer Service in New Developments. In the event that a developer refuses to allow Grantee reasonable access to open trenches in a developer's new development for purposes of allowing Grantee to install cable facilities within such trenches (prior to the transfer of or dedication of any right[s]-of-way to the Franchising Authority at the completion of any such new development), then the Grantee shall not be required to provide cable service(s) to customers located within any such portion of the Franchise Area from which Grantee has been denied reasonable access to open trenches by a developer (and Grantee shall not be in default of the terms of this Franchise for any such refusal or failure to provide cable services to customers located within such area[s]).

4.5 Prohibition Against Reselling Service. No Person shall resell, without the express prior written consent of the Grantee, any Cable Service, program or signal transmitted over the Cable System by the Grantee.

SECTION 5 Regulation by the Franchising Authority

5.1 Franchise Fee.

A. The Grantee shall pay to the Franchising Authority a franchise fee equal to five percent (5%) of annual Gross Revenues (as defined in Section 1.1 of this Franchise). In accordance with the Cable Act, the 12-month period applicable under the Franchise for the computation of the franchise fee shall be a calendar year. The franchise fee payment shall be due quarterly and payable within forty-five (45) days after the close of the preceding calendar quarter. Each payment shall be accompanied by a brief report prepared by a representative of the Grantee showing the basis for the computation.

B. In the event the franchise fee payment is not received within forty-five (45) days from the end of the preceding quarter, the Grantee shall pay interest on the amount due at the prime rate as listed in the Wall Street Journal on the date the payment was due, compounded daily, until the date the Franchising Authority receives the payment.

C. Limitation on Franchise Fee Actions. The period of limitation for recovery of any franchise fee payable hereunder shall be six (6) years from the date on which payment by the Grantee is due.

D. Nothing stated herein shall limit Grantee's obligation to pay lawful and applicable local, state or federal taxes. Payment of the franchise fees under this Franchise shall not exempt Grantee from the payment of any other license fee, permit fee or tax on the business, occupation, property or income of Grantee that may be lawfully imposed by the Franchising Authority, County, State or the United States.

5.2 Franchise Fee Audit.

5.2.1 Upon reasonable prior written notice, during normal business hours, at Grantee's principal business office in the Seattle area, the Franchising Authority shall have the right to inspect the Grantee's financial records used to calculate the franchise fees; provided, however, that any such inspection shall take place within three (3) years from the date the Franchising Authority receives such payment, after which period any such payment shall be considered final.

5.2.2 Upon the completion of any such audit by the Franchising Authority, the Franchising Authority shall provide to the Grantee a final report setting forth the Franchising Authority's findings in detail, including any and all substantiating documentation. In the event of an alleged underpayment, the Grantee shall have thirty (30) days from the receipt of the report to provide the Franchising Authority with a written response agreeing to or refuting the results of the audit, including any substantiating documentation. Based on these reports and responses, the parties shall agree upon a "Finally Settled Amount." For purposes of this Section (5.2), the term "Finally Settled Amount(s)" shall mean the agreed upon underpayment, if any, to the Franchising Authority by the Grantee as a result of any such audit. If the parties cannot agree on a "Finally Settled Amount," either party may bring an action to have the disputed amount determined by a court of law.

5.2.3 Any "Finally Settled Amount(s)" due to the Franchising Authority as a result of such audit shall be paid to the Franchising Authority by the Grantee within forty-five (45) days from the date the parties agree upon the "Finally Settled Amount" plus interest at one percent (1%) above the prime rate (as the prime rate is listed in The Wall Street Journal) from the date the payment was originally due. Once the parties agree upon a "Finally Settled Amount" and such amount plus interest is paid by the Grantee, the Franchising Authority shall have no further rights to audit or challenge the payment for that period. The Franchising Authority shall bear the expense of its audit of the Grantee's books and records unless there is an underpayment exceeding ten percent (10%) in a calendar year, in which case Grantee shall pay for the cost of the audit up to a maximum of \$10,000.

In the event of the "Finally Settled Amount(s)" being an overpayment by Grantee, the Franchising Authority shall have the option of reimbursing Grantee within forty-five (45) days or of requesting in writing within forty-five (45) days that Grantee withhold fifty percent (50%) of each future Franchise Fee payment until such time as said overpayment is recovered and thereafter remitting the full amounts to the Franchising Authority.

5.3 Additional Commitments Not Franchise Fees. No term or condition in this Franchise shall in any way modify or affect Grantee's obligation to pay in full the Franchise Fee percentage listed in this Franchise. Any security fund, performance bond or letter of credit required shall not be offset against Franchise Fees. Furthermore, the Franchising Authority and Grantee agree that any utility tax, business and occupation tax or similar local tax of general applicability shall be in addition to any Franchise Fees required herein and there shall be no offset against Franchise Fees subject to applicable law. Should Grantee elect to offset certain non-cash commitments or initiatives against the Franchise Fee in accordance with applicable law, Grantee shall provide the Franchising Authority ninety (90) days advance written notice.

5.4 Inspection. In accordance with applicable law, the Franchising Authority shall have the right to oversee, regulate and, on reasonable prior written notice and in the presence of Grantee's employee, periodically inspect the construction, operation and maintenance of the Cable System in the Public Ways, as necessary to monitor Grantee's compliance with the provisions of this Franchise.

5.5 Technical Standards. The Grantee shall comply with all applicable technical standards as published in Subpart K of 47 CFR Part 76. To the extent those standards are altered, modified, or amended during the term of this Franchise, the Grantee shall comply with such altered, modified or amended standards within a reasonable period after such standards become effective. The Franchising Authority shall have, upon written request, the right to review tests and records required to be performed pursuant to the FCC's rules.

5.6 Rates and Charges. The Franchising Authority may regulate rates for the provision of Basic Cable and equipment as expressly permitted by federal or state law.

5.7 Customer Service. The Grantee shall meet or exceed Federal Communication Commission ("FCC") customer service standards (47 CFR §76.309) as such standards exist on the effective date of the Franchise.

5.8 Low Income Senior/Disabled Subscriber Discount. As a voluntary initiative, the Grantee may offer a discount of thirty percent (30%) from its published rate-card rate to Subscribers for Basic Cable service who are aged sixty-five (65) or older, and/or disabled, provided that such person(s) are the legal owner or lessee/tenant of their residence and that their combined disposable income from all sources does not exceed the Housing and Urban Development standards for the Seattle-Everett area for the current and preceding calendar year. The Franchising Authority shall be responsible for certifying to the Grantee that discount applicants conform to the specified criteria.

The Franchising Authority acknowledges that discounted services reflect a voluntary initiative on the part of Grantee and is not a requirement of this Franchise. Should Grantee elect to discontinue the low income discount, Grantee shall first provide the County with ninety (90) days' prior notice.

5.9 Obscenity. The Grantee shall not transmit, or permit to be transmitted over any Channel subject to its editorial control, any programming which is obscene under, or violates any provision of, applicable law relating to obscenity, and which is not protected by the Constitution of the United States. Grantee shall be deemed to have transmitted or permitted a transmission of obscene programming only if a court of competent jurisdiction has found that any of Grantee's officers or employees or agents have permitted programming which is obscene under, or violates, any provision of applicable law relating to obscenity, and which is otherwise not protected by the Constitution of the United States, to be transmitted over any

Channel subject to Grantee's editorial control. Grantee shall comply with all relevant provisions of federal law relating to obscenity.

5.10 Parental Control Device. Upon request by any Subscriber, Grantee shall make available a parental control or lockout device, traps or filters to enable a Subscriber to control access to both the audio and video portions of any or all Channels. Grantee shall inform its Subscribers of the availability of the lockout device at the time of their initial subscription and periodically thereafter. Any device offered shall be at a rate, if any, in compliance with applicable law.

5.11 Cable Bill Inserts. The Grantee shall use reasonable efforts to accommodate the Franchising Authority's requests for the placement of messages on billing statements, at no cost to the Franchising Authority.

5.12 Renewal of Franchise.

A. The Franchising Authority and the Grantee agree that any proceedings undertaken by the Franchising Authority that relate to the renewal of the Grantee's Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act unless the procedures and substantive protections set forth therein shall be deemed to be preempted and superseded by the provisions of any subsequent provision of federal or state law.

B. In addition to the procedures set forth in said Section 626(a), the Franchising Authority agrees to notify the Grantee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of the Grantee under the then current Franchise term. The Franchising Authority further agrees that such assessments shall be provided to the Grantee promptly so that the Grantee has adequate time to submit a proposal under Section 626(b) of the Cable Act and complete renewal of the Franchise prior to expiration of its term.

C. Notwithstanding anything to the contrary set forth in this Section, the Grantee and the Franchising Authority agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the Franchising Authority and the Grantee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the Franchising Authority may grant a renewal thereof.

D. The Grantee and the Franchising Authority consider the terms set forth in this Section to be consistent with the express provisions of Section 626 of the Cable Act.

5.13 Conditions of Sale. If a renewal or extension of the Grantee's Franchise is denied or the Franchise is lawfully terminated, and the Franchising Authority either lawfully acquires ownership of the Cable System or by its actions lawfully effects a transfer of ownership of the Cable System to another party, any such acquisition or transfer shall be at the price determined pursuant to the provisions set forth in Section 627 of the Cable Act.

The Grantee and the Franchising Authority agree that in the case of a final determination of a lawful revocation of the Franchise, the Grantee shall be given at least twelve {12} months to effectuate a transfer of its Cable System to a qualified third party.

Furthermore, the Grantee shall be authorized to continue to operate pursuant to the terms of its prior Franchise during this period. If, at the end of that time, the Grantee is unsuccessful in procuring a

qualified transferee or assignee of its Cable System which is reasonably acceptable to the Franchising Authority, the Grantee and the Franchising Authority may avail themselves of any rights they may have pursuant to federal or state law. It is further agreed that the Grantee's continued operation of the Cable System during the twelve (12) month period shall not be deemed to be a waiver, nor an extinguishment of, any rights of either the Franchising Authority or the Grantee.

5.14 Transfer of Franchise. Neither the Grantee nor any other Person may transfer the Cable System or the Franchise without the prior written consent of the Franchising Authority, which consent shall not be unreasonably withheld or delayed. No change in control of the Grantee, defined herein as actual working control in whatever manner exercised, shall take place without the prior written consent of the Franchising Authority, which consent shall not be unreasonably withheld or delayed. No consent shall be required, however, for (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or in the Cable System in order to secure indebtedness, or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation. Within thirty (30) days of receiving a request for consent, the Franchising Authority shall, in accordance with federal rules and regulations, notify the Grantee, and the proposed transferee or new controlling party in writing of the additional information, if any, it requires to determine the legal, financial and technical qualifications of the transferee or new controlling party. If the Franchising Authority has not taken action on the Grantee's request for consent within one hundred twenty (120) days after receiving such request, consent shall be deemed given.

5.15 Cable System Architecture and Franchise Review. Prior to the effective date of this Franchise, Grantee completed a voluntary upgrade of its Cable System to a fiber-to-the-node system architecture, with fiber-optic cable deployed from the headend to the node and tying into the hybrid fiber-coaxial system already serving Subscribers. The Cable System is capable of delivering high quality signals that meet or exceed FCC technical quality standards.

In the event that there are new developments in cable technology, cable law or cable regulation, the Franchising Authority may elect to conduct a review of the Franchise within six (6) months of the fifth anniversary of the Franchise effective date. The Franchising Authority shall provide Grantee thirty (30) days advance written notice of its intent to conduct such a review, and it may request that Grantee participate in and jointly fund a statistically valid telephone survey of Subscribers by a third party. Survey topics may include: [1] cable-related community needs and interests taking into account the cost of meeting them, [2] satisfaction with Cable Services offered, and [3] customer service.

Survey questions shall be jointly determined. If, after completion of the review and survey, the Franchising Authority and Grantee agree that the public interest will be served by modifying certain Franchise obligations and extending the term of the Franchise, the Franchising Authority, with the express agreement of the Grantee, shall modify the obligations and extend the term of the Franchise accordingly. The Franchising Authority and the Grantee agree to make a full and good faith effort to participate in the review.

SECTION 6 Books and Records

The Grantee agrees that the Franchising Authority, upon thirty (30) days written notice to the Grantee, may review its books and records at the Grantee's business office, during normal business hours and on a nondisruptive basis, as is reasonably necessary to ensure compliance with the terms of this

Franchise. Such notice shall specifically reference the Section of the Franchise that is under review, so that the Grantee may organize the necessary books and records for easy access by the Franchising Authority. Alternatively, if the books and records are not easily accessible at the local office of the Grantee, Grantee may, at its sole option, choose to pay the reasonable travel costs of the Franchising Authority's representative to view the books and records at the appropriate location. The Grantee shall not be required to maintain any books and records for Franchise compliance purposes longer than three (3) years. Notwithstanding anything to the contrary set forth herein, the Grantee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. If the Franchising Authority believes that it must release any confidential books and records in the course of enforcing this Franchise, or if the Franchising Authority receives a request for disclosure of any information designated by Grantee as confidential, the Franchising Authority shall, so far as consistent with applicable law, use its best efforts to advise Grantee and provide Grantee with a copy of any written request by the party requesting access to such information within a reasonable period of time. The Grantee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act.

SECTION 7 Insurance, Indemnification and Surety

7.1 Insurance.

7.1.1 Throughout the term of this Franchise, the Grantee shall, at its own cost and expense, maintain and provide evidence of self-insurance and/or an insurance certificate, that names the Franchising Authority, its officers, elected officials, agents, employees, representatives, engineers, consultants and volunteers as additional insureds, to the Franchising Authority prior to the commencement of any further work or further installation of any Facilities pursuant to this Franchise. Such self-insurance and/or insurance certificate shall evidence the following minimum coverages: (A.) Comprehensive general/excess liability insurance including coverage for premises - operations, explosions and collapse hazard, underground hazard and products completed hazard, with limits not less than: \$1,000,000 (One Million dollars) per occurrence (and also in the aggregate for bodily injury or death to each person), and for property damage resulting from any one accident, and for general liability; (B.) Automobile liability for owned, non-owned and hired vehicles with a limit of \$1,000,000 (One Million dollars) for each person (and for each accident); and (C.) Worker's compensation within statutory limits and employer's liability insurance with limits of not less than \$5,000,000 (Five Million dollars);

7.1.2 If coverage is purchased on a "claims made" basis, then Grantee shall warrant continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three years from the date of termination of this Franchise, and/or conversion from a "claims made" form to an "occurrence" coverage form. The required liability limits may be met under a primary or an excess policy, or any combination thereof. Any deductibles or self-insured retentions must be declared to the Franchising Authority, if requested by the Franchising Authority. Payment of deductibles and self-insured retentions shall be the sole responsibility of Grantee. The insurance certificate required by this Section shall contain a clause stating that coverage shall apply separately to each insured against whom a claim is made, or suit is brought, except with respect to the limits of the insurer's liability.

7.1.3 Grantee's insurance shall be primary insurance with respect to the Franchising Authority, its officers, officials, employees, agents, consultants, and volunteers. Any insurance maintained by the

Franchising Authority, its officers, officials, employees, consultants, agents, and volunteers shall be in excess of Grantee's insurance and shall not contribute to it. In addition to the coverage requirements set forth in this Section, the certificate of insurance shall provide that: "The above described policies will not be canceled before the expiration date thereof, without the issuing company giving thirty (30) days written notice to the certificate holder." In the event of said cancellation or intent not to renew, Grantee shall obtain and furnish to the Franchising Authority evidence of replacement insurance policies meeting the requirements of this Section by the cancellation date.

7.2 Indemnification

7.2.1 The Grantee shall indemnify, defend and hold harmless the Franchising Authority, its appointed and elected officials, agents, officers, employees and volunteers from and against any and all claims, demands, liability, loss, cost, damage or expense of any nature whatsoever including all costs and attorneys' fees, on account of injury, harm, death or damage to persons or property which is caused, in whole, or in part, by the acts or omissions of Grantee or its agents, employees, contractors, or subcontractors in the exercise of the rights granted to Grantee by this Franchise.

7.2.2 The Grantee shall indemnify, defend and hold harmless the Franchising Authority from any workers compensation claims to which the Grantee may become subject during the term of this Franchise. It is further specifically and expressly understood that, solely to the extent required to enforce the indemnification provided per this Franchise, Grantee waives its immunity under RCW Title 51; provided, however, the foregoing waiver shall not in any way preclude Grantee from raising such immunity as a defense against any claim brought against Grantee by any of its employees or other third party. This waiver has been mutually negotiated by the parties.

7.2.3 In the event any matter (for which the Franchising Authority intends to assert its rights under this Subsection 7.2) is presented to or filed with the Franchising Authority, the Franchising Authority shall promptly notify Grantee thereof, and Grantee shall have the exclusive right, at its election and at its sole cost and expense, to settle and compromise such matter as it pertains to Grantee's responsibility to indemnify, defend and hold harmless the Franchising Authority, its agents, officials, officers, employees, and volunteers. In the event any suit or action is started against the Franchising Authority based upon any such matter, the Franchising Authority shall likewise promptly notify Grantee thereof, and Grantee shall have the exclusive right, at its election and at its sole cost and expense, to settle and compromise such suit or action, or defend the same at its sole cost and expense, by attorneys of its own election, as it pertains to Grantee's responsibility to indemnify, defend and hold harmless the Franchising Authority, its agents, officials, officers, employees, and volunteers.

7.3 Surety. Except as expressly provided herein, the Grantee shall not be required to obtain or maintain bonds or other surety as a condition of being awarded the Franchise or continuing its existence. The Franchising Authority acknowledges that the legal, financial, and technical qualifications of the Grantee are sufficient for compliance with the terms of the Franchise and the enforcement thereof. The Grantee and the Franchising Authority recognize that the costs associated with bonds and other surety may ultimately be borne by the Subscribers in the form of increased rates for Cable Service. In order to minimize such costs, the Franchising Authority agrees to require bonds and other surety only in such amounts and during such times as there is a reasonably demonstrated need therefor. The Franchising Authority agrees that in no event, however, shall it require a bond or other related surety in an aggregate amount greater than one-hundred thousand dollars (\$100,000), conditioned upon the substantial

performance of the material terms, covenants, and conditions of the Franchise. Initially, no bond or other surety will be required. In the event that a bond or other surety is required in the future, the Franchising Authority agrees to give the Grantee at least sixty (60) days prior written notice thereof stating the exact reason for the requirement. Such reason must demonstrate a change in the Grantee's legal, financial or technical qualifications that would materially prohibit or impair its ability to comply with the terms of the Franchise or afford compliance therewith.

SECTION 8 System Description and Complimentary Service

8.1 System Capacity. During the term of this Franchise the Grantee's Cable System shall be capable of providing a minimum of 85 channels of video programming to its Subscribers in the Franchise Area.

8.2 Service to Franchising Authority Governmental Facilities. As a voluntary initiative, the Grantee upon request may provide free "Basic" Cable Service and free installation (within the installation guidelines described in Section 3 of this Franchise) at one outlet to each Franchising Authority municipal building located in the Franchise Area. The Franchising Authority acknowledges that such complimentary services reflect a voluntary initiative on the part of the Grantee. Grantee does not waive any rights that it may have regarding the provision of complimentary Cable Service under future federal laws and/or regulations. Subject to applicable law, should Grantee be authorized (per future federal laws and/or regulations) and elects to offset the actual cost of Franchising Authority complimentary Cable Services provided to the Franchising Authority (against franchise fees to be paid to the Franchising Authority by Grantee per the terms of this Agreement), Grantee shall first provide the Franchising Authority with ninety (90) days' prior written notice (as provided per Section 10.3 herein). Additional outlets or services will be installed by Grantee at the normal non-discriminatory commercial rate and billed for on a monthly basis at the normal commercial rate as determined by the Grantee's commercial accounts guidelines. "Municipal buildings" are those buildings owned or leased and occupied by the Franchising Authority for government administrative purposes. The Cable Service provided shall not be used for commercial purposes. The intent of the preceding provisions is to ensure availability of local news, weather, and government programming for the benefit of the Franchising Authority administrative staff. For new hookups, the Grantee shall not provide an outlet to such buildings where a non-standard installation (as described in Section 3 above) is required, unless the Franchising Authority agrees to pay the fully allocated cost of any necessary Cable System extension and/or non-standard installation. If additional outlets of Cable Service or additional services are provided to such buildings beyond those defined herein, the building owner/occupant shall pay the fully allocated costs associated with installation and the service fees, if any, associated therewith. In the event that there is another wireline service provider (or providers) providing Cable Service within the Franchising Authority, the decision of which service provider will provide the complimentary Cable Service shall be decided on a case by case basis in an effort to maintain equitable burdens on each provider.

SECTION 9 Enforcement and Termination of Franchise

9.1 Notice of Violation. In the event that the Franchising Authority believes that the Grantee has not complied with the terms of the Franchise, the Franchising Authority shall informally discuss the matter with Grantee. If these discussions do not lead to resolution of the problem, the Franchising Authority shall notify the Grantee in writing of the exact nature of the alleged noncompliance.

9.2 The Grantee's Right to Cure or Respond. The Grantee shall have thirty (30) days from receipt of the notice described in Section 9.1: (A) to respond to the Franchising Authority, contesting the assertion of noncompliance, or (B) to cure such default, or (C) in the event that, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed.

9.3 Public Hearing. In the event that the Grantee fails to respond to the notice described in Section 9.1 pursuant to the procedures set forth in Section 9.2, or in the event that the alleged default is not remedied within thirty (30) days or the date projected pursuant to 9.2(C) above, then the Franchising Authority may schedule a public hearing to continue its investigation of the alleged violation. The Franchising Authority shall provide the Grantee at least ten (10) days prior written notice of such hearing, including the time, place and purpose of such hearing, and shall provide Grantee the opportunity to be heard.

9.4 Enforcement. Subject to applicable federal and state law, in the event the Franchising Authority, after the hearing set forth in Section 9.3, determines that the Grantee is in default of any provision of the Franchise, the Franchising Authority may:

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

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

C. In the case of a substantial default of a material provision of the Franchise, seek to revoke the Franchise in accordance with Section 9.5.

9.5 Revocation. Should the Franchising Authority seek to revoke the Franchise after following the procedures set forth in Sections 9.1-9.4 above, the Franchising Authority shall give written notice to the Grantee of its intent to pursue revocation and shall set forth the exact nature of the alleged noncompliance. The Grantee shall have ninety (90) days from such notice to object in writing and to state its reasons for such objection. In the event the Franchising Authority has not received a satisfactory response from the Grantee, it may then seek termination of the Franchise at a public hearing. The Franchising Authority shall cause to be served upon the Grantee, at least thirty (30) days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

At the designated hearing, the Franchising Authority shall give the Grantee an opportunity to state its position on the matter, after which it shall determine whether or not the Franchise shall be revoked. The Grantee may appeal such determination to an appropriate court, which shall have the power to review the decision of the Franchising Authority *de novo*. Such appeal to the appropriate court must be taken within sixty (60) days of the issuance of the determination of the Franchising Authority. The Franchising Authority may, at its sole discretion, take any lawful action that it deems necessary to enforce the Franchising Authority's rights under the Franchise in lieu of revocation of the Franchise.

9.6 Force Majeure. The Grantee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by circumstances reasonably beyond the ability of the Grantee to anticipate and control. This provision includes work delays caused by

waiting for utility providers to service or monitor *their* utility poles to which the Grantee's Cable System is attached, as well as unavailability of materials and/or qualified labor to perform the work necessary.

Furthermore, the parties hereby agree that it is not the Franchising Authority's intention to subject the Grantee to penalties, fines, forfeitures or revocation of the Franchise for violations of the Franchise where the violation was a good faith error that resulted in no or minimal negative impact on the Subscribers within the Service Area, or where strict performance would result in practical difficulties and hardship to the Grantee which outweigh the benefit to be derived by the Franchising Authority and/or Subscribers.

SECTION 10 Miscellaneous Provisions

10.1 Actions of Parties. In any action by the Franchising Authority or the Grantee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld.

10.2 Entire Agreement. This Franchise constitutes the entire agreement between the Grantee and the Franchising Authority. Amendments to this Franchise shall be mutually agreed to, in writing, by both parties.

10.3 Notice. Unless expressly otherwise agreed between the parties, every notice or response required by this Franchise to be served upon the Franchising Authority or the Grantee shall be in writing, and shall be deemed to have been duly given to the required party when placed in a properly sealed and correctly addressed envelope: a) upon receipt when hand delivered with receipt/acknowledgment, b) upon receipt when sent certified, registered mail, or c) within five (5) business days after having been posted in the regular mail.

The notices or responses to the Franchising Authority shall be addressed as follows:

City of Lynden
300 4th Street
Lynden, WA 98264
Attention: -City Administrator

And, to the Grantee as follows:

Government Affairs Dept
Comcast Cable Communications Management, LLC
15815 25th Ave W
Lynnwood, WA 98087

With a copy to:

Government Affairs Manager
Comcast Cable Communications Management, LLC
400 Sequoia Dr STE 100
Bellingham, WA 98264

The Franchising Authority and the Grantee may designate such other address or addresses from time to time by giving notice to the other in the manner provided for in this Section.

10.4 Descriptive Headings. The captions to Sections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

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

10.6 Publication. The Grantee shall reimburse the Franchising Authority for the cost of publication of this Franchise as required by the Lynden Municipal Code.

10.7 Intergovernmental Administrative Agency. The Franchising Authority reserves the right to join with one or more local area cities or counties in the formation and operation of an intergovernmental administration of cable franchises of the various members of the joint authority. The Franchising Authority reserves the right to assign the administration of the provisions of the Franchise to such a duly established joint authority; provided that no association or assignment by the Franchising Authority shall interfere with, or derogate from the rights of, or increase the obligations of Grantee under this Franchise. Notwithstanding the above, only the Franchising Authority has the right to enforce the provisions of this Franchise, conduct formal performance and Franchise reviews and shall not delegate this right to any third party whatsoever.

SECTION 11 Validity and Constitutionality

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The Council hereby declares that it would have passed this code and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional, and if for any reason, this ordinance should be declared invalid or unconstitutional, then the original ordinance or ordinances shall be in full force and effect.

SECTION 12 Conflicting Ordinances

Any ordinance or parts of ordinances in conflict herewith are hereby repealed.

IN WITNESS WHEREOF, this Franchise has been executed by the duly authorized representatives of the parties as set forth below, as of the dates set forth below:

DATED this ____ day of _____, 2020.

CITY OF LYNDEN, WASHINGTON

Scott Korthuis, Mayor

ATTEST:

Pam Brown, City Clerk

APPROVED AS TO FORM:

Mike Martin, City Administrator

This acceptance of the Franchise is unconditionally made without reservation. Grantee (Comcast Cable Communications Management, LLC) accepts all of the rights and privileges of the Franchise subject to all of the terms, conditions, duties, and obligations of the Franchise.

Accepted and approved this ____ day of _____, 2020.

ATTEST:

Comcast Cable Communications Management, LLC

Name: _____

Title: _____