

CHAPTER 12

MUNICIPAL RATES AND FEES

ARTICLE 2. FRANCHISES, TELEVISION

12-201 FRANCHISES; CCI & CATV CONSOLIDATED COMPANIES. An ordinance providing for and approving the transfer of The Brady Community Antenna Television Franchise Ordinance in the Village of Brady, Nebraska (the "Village") granted pursuant to Ordinance 106, dated December 12, 1984, as thereafter amended by ordinance 178, dated November 8, 2000 (the "Franchise Ordinance"), to CONSOLIDATED CABLE, INC., a Nebraska corporation ("CCI"), its successors and assigns; providing the effective date of the transfer; and amending the Franchise Ordinance in certain respects;

WHEREAS, by the Franchise Ordinance, the Village has granted to Home Acquisition Co., Inc. ("Grantee") the authority to operate a cable television system within the boundaries of the Village of Brady; and;

WHEREAS, Grantee and CCI are wholly-owned subsidiaries of CONSOLIDATED COMPANIES, INC., a Nebraska corporation ("Consolidated");

WHEREAS, substantially all of Consolidated's cable television operations, including the operation of the CATV System in the Village, have been and are managed by CCI; and

WHEREAS, Grantee has requested that the Village approve the proposed transfer and assignment of the Franchise Ordinance by Grantee to CCI, and the Village is willing to consent to such transfer and assignment.

NOW THEREFORE, BE IT ORDAINED BY THE FRANCHISING AUTHORITY OF THE VILLAGE:

Section 1. Transfer of Franchise Ordinance. Pursuant to the Franchise Ordinance, consent and approval is hereby granted by the Village for the transfer and assignment of the Franchise Ordinance by Grantee to CCI. The Mayor, Village Board President or Presiding Officer of the Village, or any person designated by the Mayor, Village Board President, or Presiding Officer are hereby authorized to execute the Consent to Assignment attached hereto as Annex 1.

Section 2. Effective Date and Term. The transfer of the Franchise Ordinance shall be effective on the later of: (a) the date on which final passage of this Ordinance is completed, including satisfaction of and compliance with all publication and notice requirements imposed by law; or (b) September 1, 2002 (the "Effective Date"). Pursuant to the option to extend the franchise provided for in Section 22 (b) of the Franchise Ordinance, the exercise of which by Grantee was acknowledged in Section 2 of Ordinance 178, the franchise granted to CCI hereunder shall remain in effect through December 12, 2014.

Section 3. Amendments to Franchise Ordinance. In order to provide for the more effective and efficient operation and maintenance of CATV System in the Village, the Franchised Ordinance is hereby amended in the following respects:

(i) SUBPARAGRAPH (f) OF SECTION 8 OF ORDINANCE NO. 106 is hereby deleted in its entirety and the following is substituted in its place:

(f) The Grantee shall construct, own and operate its own Head End Equipment, consisting of a community antenna and tower and satellite receiving station, within the Village limits of the Village of Brady or within two (2) miles there from; provided, however, Grantee shall not be obligated to construct, own operate and maintain such Head End Equipment aforesaid in the event Grantee determines the CATV System services to be provided to the Village by Grantee under the Franchise Ordinance can be provided with the same or better quality and in a more cost effective and efficient manner by obtaining Head End services from some other location, source or system or other means which do not require the maintenance of such Head End Equipment by Grantee.

(ii) THE SECOND SENTENCE OF SECTION 9 OF ORDINANCE NO. 106 AND EXHIBIT “B” REFERENCED THEREIN AND MADE A PART OF ORDINANCE NO. 106 are hereby deleted in there entirety and the following (together with the ANNEX 2 attached hereto and incorporated herein) are substituted in their place:

The Grantee shall provide the programming and services set forth on ANNEX 2 attached hereto and made a part hereof; provided, however, that Grantee may from time to time eliminate or alter the tier packages (channel numbers) associated with such programming and services, substitute programming and services of equal or better quality therefore, and add additional programming and services, without first obtaining the consent of the Village: provided, further, Grantee shall not make any material deletion of programming and services without first obtaining the consent of the Village.

(iii) SUBPARAGRAPH (a) OF SECTION 18 OF ORDINANCE NO. 106 is hereby deleted in its entirety and the following is substituted in its place:

(a) The Village shall have the right, upon two (2) days prior notice to Grantee, to inspect the maps, plans, facilities and other materials and operations of Grantee at any time during normal business hours.

(iv) SUBPARAGRAPH (b) OF SECTION 19 OF ORDINANCE NO. 106 is hereby deleted in its entirety and the following is substituted in its place:

(b) The Grantee shall file annually with the Village Clerk, not later than ninety (90) days after the end of the Grantee’s fiscal year, a report of the Gross Subscriber Revenue of Grantee for the preceding fiscal year and stating the amount of the franchise fee payable to the Village resulting there from. Upon request of the Village, the Grantee shall cause its independent Certified Public Accountant to verify such report.

(v) SECTION 20 OF ORDINANCE NO. 106 is hereby deleted in its entirety and the following is substituted in its place.

Payment to the Village. The Grantee shall pay to the Village annually an amount equal to three percent (3%) of the gross revenues derived from the Grantee's operation of its CATV system within the Village during the year ("franchise fee"). Grantee may pass the cost of the franchise fee through to subscribers of the CATV system by including, as a separate line item on each regular bill of each subscriber, the amount or percentage of the total charges assessed in order to recover the cost of the franchise fee, and Grantee may identify the Village as the franchising authority to which the fee is paid.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN OR AMENDED HEREBY, ALL TERMS AND PROVISIONS OF THE FRANCHISE ORDINANCE SHALL REMAIN IN FULL FORCE AND EFFECT.

Section 4. Rates The rates reflected on ANNEX 2 attached hereto and incorporated herein to be charged by CCI for the programming and services to be provided to subscribers of the Village CATV System are hereby approved and shall be effective as of the Effective Date.

Section 5. Inconsistency. In the event any of the terms and provisions of any other ordinance or regulation of the Village are inconsistent with the terms and provisions of this Ordinance, the terms and provisions of this Ordinance shall govern and control.

Section 6. Publication. The Village Secretary/Clerk is hereby directed to publish the caption of this Ordinance in an official newspaper in the Village and to comply otherwise with all applicable notice requirements of law.

CONSENT TO ASSIGNMENT ANNEX 1

The Village of Brady, Nebraska (the "Village") hereby consents to the ASSIGNMENT AND ASSUMPTION OF FRANCHISE between HOME ACQUISITION CO., INC., a Nebraska corporation ("Home"), and CONSOLIDATED CABLE, INC., a Nebraska corporation ("CCI"), attached hereto as Exhibit 1 (the "Assignment and Assumption"), which provides for the transfer and assignment by Home to CCI of the cable television franchise of the Village of Brady, Nebraska, granted by Ordinance No. 106, dated December 12, 1984, as thereafter amended by ordinance 178, dated November 8, 2000 (the "Franchise") in the manner and form set forth therein.

The Village hereby confirms that said cable television Franchise is valid and binding and in full force and effect, that Home is the present franchisee there under and, to the best knowledge of the Village, Home is in compliance in all material respects with the terms of the Franchise, and there are not impediments to future renewals.

12-202 FRANCHISES; NOTICE OF INTENTION TO OTHERS. Whenever it shall become necessary for any person, firm or corporation to move along, across and over any of the streets, alleys or public grounds of said Village, any vehicles or structures of such height or size as may tend to interfere

with any of the poles, wires or other structures of said company system, or, in the event excavating is to be done in, upon or across said streets, alleys and public grounds of said Village that might interfere or damage any underground cable of said company, such person, firm or corporation before commencement of any of the acts above set forth shall at least forty-eight (48) hours before commencement give written notice of said intention and shall make a deposit of at least twenty- five dollars (\$25.00) with said company and said company shall, within twenty –four (24) hours after said forty-eight (48) hours notice has elapsed, temporarily remove such poles, wire, underground cables or other structures as may intend to interfere with the movement or operations herein before indicated. Said company shall make no charge in excess of the cost of the labor and materials involved for its services and shall refund any amount deposited in excess of said costs; provided, however, that the Village of Brady, by its agents and servants but not its contractors, shall not be required to make said deposit and company shall file its claim for the cost of labor and materials as a result of the operations of the Village with the Municipal Clerk/Treasurer.

12-203 FRANCHISES; PENAL PROVISIONS. Any person, firm or corporation who shall willfully interfere with, cut, injure, remove, break or destroy any part or portion of the equipment of said system owned and operated by said company, its successors or assigns shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not less than twenty-five dollars (\$25.00) nor more than one hundred dollars (\$100.00) and any person who shall paste, tack or fasten in any manner on the poles or other equipment of said company any signs, posters, advertisements, notice or banner shall be deemed guilty of a misdemeanor and on conviction thereof shall be fined in the sum of not less than five dollars (\$5.00) nor more than fifty dollars (\$50.00).