Ordinance Number 2003 - 02

AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO ALLIANCE COMMUNICATIONS PARTNERS, L.P. TO CONSTRUCT, MAINTAIN AND OPERATE A CABLE SYSTEM, AND PROVIDING FOR THE REGULATION OF THE FRANCHISE AND ACTIVITIES UNDERTAKEN THEREUNDER.

WHEREAS, Alliance Communications Partners, L.P. (the "Company") has requested the right and privilege to utilize public rights-of-way to construct, maintain and operate a Cable System.

WHEREAS, the County of Martin, Indiana desires that the Company be granted that non-exclusive right and has determined that such a right would be beneficial to the public welfare.

WHEREAS, the County of Martin, Indiana has authorized certain regulations in connection with the construction, maintenance and operation of the Cable System.

NOW, THEREFORE, be it enacted by the County and it is hereby enacted and ordained as follows:

Section I
Granting of Authority

The County grants to the Company a non-exclusive right, privilege and franchise to construct, maintain, and operate antennas, cables, wires, lines and other facilities in, under, over, along, across and upon the streets, lanes, avenues, sidewalks, alleys, and any easement or right-of-way now or hereafter held or dedicated for use by the County or the general public for the purpose of constructing, maintaining and operating a Cable System.

The County grants to the Company the further right, privilege and authority to lease, rent or obtain, in any lawful manner, the use of towers, poles, lines, cables, underground conduits and other equipment and facilities from any holder of public licenses or franchises within the County. The poles used by the Company shall be those erected and maintained by local utility companies when practical, if mutually satisfactory rental agreements can be obtained.

Section II

Non-Exclusive Franchise

The right, privilege and franchise granted hereby is not exclusive, and the County retains the right to grant to others rights similar to those granted herein, on such terms as the County may determine, and as may be permitted by applicable law, with due consideration of the interests of the public and the Company, but in no event on terms which are more favorable to the other operator than the terms hereof.

To induce the Company to construct, own and operate the Cable System, the County agrees that it will not, directly or indirectly, construct, own or operate a Cable System, except and only to the extent that the County has any express right to acquire this franchise and the Company's Cable System under applicable law; in the absence of any such express right, the County shall have no right, directly or indirectly, to construct, own or operate a Cable System.

Section III

Definitions

"Cable System" means a community antenna television system designed to receive, transmit, amplify and distribute Television, radio and satellite signals, and electronic communications, and/or designed for such other uses (the "Ancillary Uses") which are compatible therewith, as determined from time-to time by the Company, including, but not limited to, the transmission of voice and data.

"Basic Subscriber Service" means Television service including, but not limited to, mandatory carriage signals and such other Television service as the Federal Communications Commission ("FCC") may mandate or the Company may include, but excluding Ancillary Uses and optional premium services which are sold separately from basic service.

"Subscriber" means any person who pays the applicable rates to receive Basic Subscriber Service from the Company.

"Television" means transmissions of impulses for the creation of picture and sound on a television set, whether by digital or electrical signals or other transmission.

"Annual Gross Revenues" means any and all gross revenues received by the Company from subscription on a monthly basis in connection with the receipt of Basic Cable Service, Cablevision Tier, Pay-Per-View, bulk accounts, internet, installation, disconnection and reinstallation charges and additional outlets pursuant to this Franchise, but shall not include any amount of: (i) tax, fee, assessment, or charge of any kind collected by the Company on behalf of any governmental authority; or (ii) any amount assessed to satisfy any requirement imposed upon the Company to support public, educational, or governmental channels or the use of such channels.

Section IV

Conditions of Street/Public Way Occupancy

1. All of the Company's equipment and facilities shall be located, installed and maintained so as to cause minimal interference with the use of streets, and to assure that the functioning and appearance of the property, and the convenience and safety of the public shall not be adversely affected thereby. The Cable System shall be constructed, operated, and maintained in accordance with applicable governmental regulations and good engineering practices.

2. In case of disturbance by the Company of any street, sidewalk or paved area, the Company shall, at its expense, in a manner reasonably approved by the County, restore such area to a condition reasonably similar to the condition existing prior to the disturbance.

3. In case of fire, earthquake, flood or other similar event, the County may temporarily remove any of the Cable System, with advance notice being given to the Company as promptly as possible; the Company shall not be entitled to payment for damage caused thereby, unless the County acted with gross negligence or willful misconduct.

4. If the County alters, changes, or makes any improvements on or about any street, sidewalk, alley or other public way, the County shall give the Company reasonable advance notice, and the Company shall, at its expense, relocate its facilities and equipment, or take such other action as may be reasonably necessary to accommodate the public improvements.

5. The Company shall temporarily remove, reroute or move its equipment and facilities to accommodate public or private works, construction, movement of buildings, extra large truckloads, etc., but the Company shall be entitled to reasonable notice prior to such event and reasonable costs from any party causing such relocation other than the County.

6. Before beginning any construction or installation of equipment or facilities which would materially disrupt the use of public ways, the Company shall provide the County with reasonable prior notice of the work to be performed, and the location of and

period of time involved in the undertaking. The County shall have the right to inspect such work.

7. The Company shall compensate property owners for, or restore, all damages caused by the construction, operation or maintenance of the Cable System. The company shall be primarily responsible for all such damages even though it may have an agreement with a construction company.

8. Upon request, the Company shall provide a diagram showing the location of the Cable System.

Section V
Indemnification and Insurance

1. The Company shall indemnify, protect and hold the County harmless from all claims, suits, liability, loss, expense, or damage of every kind and description (including court costs and reasonable attorney's fees), which accrue, are suffered or claimed by reason of or relating to the Company's construction, operation and maintenance for the Cable System.

2. In order for the County to be indemnified, defended and held harmless, it shall provide:

a. Prompt notice to the Company of any claim or proceeding giving rise to such rights; and

b. Full cooperation with respect to the Company's participation in, defense, settlement, resolution or other disposition of such claim or proceeding.

3. The Company shall, at its expense, maintain insurance as follows: property damage -- $500,000.00 per occurrence, $1,000,000.00 aggregate; bodily injury - $500,000.00 per occurrence, $2,000,000.00 aggregate; such insurance shall name the County as additional insured and shall require thirty (30) days notice to the County of cancellation. The Company also shall carry insurance coverage for all claims under applicable workers' compensation laws. On request, the Company shall deliver certificates of insurance for the above coverage.

Section VI
Franchise Fee

1. The Company shall pay, within sixty (60) days of the end of each annual period, a franchise fee equal to three percent (3%) of all Annual Gross Revenue collected during the period. In the event that any payment is not made on or before the applicable

date fixed herein, the Company shall be subject to a penalty of one and one-half percent (1-1/2%) per month.

2. The Company shall submit with each payment a computation of the fee, and shall provide to the County additional information as may be requested and required to review and determine this fee obligation.

3. Nothing herein shall waive, limit or otherwise affect the right of the County to adopt ordinances, enforce existing ordinances or to collect other fees and taxes permitted by law.

4. Upon thirty (30) days notice to the Company, the County shall have the right to inspect the Company's records on an annual basis showing the Annual Gross Revenues from which its franchise payments are computed. The cost of said audit shall be borne by the County at its sole expense, unless it is determined that the Company's annual payment to the County for the preceding year is increased by more than five percent (5%), at which time such costs shall be borne by the Company. Such costs shall include all reasonable and customary travel expenses incurred by the County or its designee.

Section VII
Expenses and Fees

The Company shall reimburse the County for costs, fees and expenses reasonably incurred for the following:

1. Protection, removal or relocation of the Cable System, if the Company has failed to perform its obligations hereunder.

2. Restoring any damage or condition resulting from construction, maintenance or other work performed by the Company.

3. Awarding or renewing this franchise provided that the County will give the Company advance notice of any anticipated extraordinary charges.

4. Enforcing this Ordinance.

Section VIII
Term

The initial term of this franchise shall be ten (10) years from the effective date hereof. The Company may renew the term of this franchise upon such terms as the County and the Company may agree upon. Consent of the County to renew shall not be withheld unreasonably after public notice and hearing. In deciding whether to consent to a renewal, the County shall consider those factors prescribed by applicable law, and (1) whether the Company has complied substantially with the material terms hereof; (2) the extent and quality of the Company's service; (3) whether the Company remains financially, legally and technically qualified; and (4) whether the Company's renewal would reasonably meet the future Television needs and interests of the County.

Section IX

Service Standards

1. Technical and Operational Standards. The Company shall:

a. Provide continuous, reliable and good quality Television reception and service.

b. Make repairs promptly. Service interruptions shall be for the shortest time possible, and shall, to the extent practicable, be preceded by notice to Subscribers and occur during periods of minimal viewership.

c. Maintain and test the Cable System in compliance with the technical standards of the FCC.

d. Maintain replacement equipment and supplies and personnel trained to perform repairs. In the event of major damage to the Cable System, the Company shall make reasonable efforts to supply alternative means of providing service to as many Subscribers as possible while making repairs.

2. Subscriber Service Standards.

a. The Company shall maintain and notify subscribers of a toll-free telephone number to receive complaints. The Company may provide separate telephone numbers for complaints made after normal business hours, but must be capable of handling complaints twenty-four (24) hours a day.

b. The Company shall respond to interrupted service not later than twenty-four hours after being notified by a Subscriber that service has been interrupted.

c. The Company shall maintain records concerning complaints and disrupted services, including the date and nature of the complaint or disruptions, the action taken to resolve the same, date of resolution, and reasons for any delay in investigating and resolving the same. The Company shall make these records available to the County upon request.

d. If there is an interruption, caused directly by failure of the Company's equipment, of any premium channel or not less than four (4) channels of Basic Subscriber Service, for forty-eight (48) consecutive hours or more, an affected

Subscriber shall receive, upon request, a pro-rata reduction of charges, if the Subscriber has notified the Company immediately of the interruption and made a claim for credit within ninety (90) days of its occurrence. No credit will be given if the interruption is caused by the Subscriber's equipment or any action taken with respect to the Cable System by someone other than the Company's employees.

e. The Company is not responsible for damage to, or the operation, maintenance, service or repair of any Subscriber's television, VCR, receiver or other equipment.

f. Notwithstanding any provision herein, the Company will not be liable for any failure or interruption of service directly or indirectly caused by, or resulting from, any circumstance beyond its control, and any such circumstance, during its existence, also shall toll the Company's obligations to perform hereunder.

3. Services to be Provided. The Company shall:

a. Make Basic Subscriber Service available to all Subscribers.

b. Provide upon request and without charge, Basic Subscriber Service to each governmental building, fire station, police station, and public school building located in the area served by the Cable System.

c. Make available without charge, in case of any emergency or disaster and upon the request of the County a facility for transmitting information concerning the emergency or disaster by authorized County personnel.

Section X
Report Requirements

The Company shall, upon request, provide copies of reports submitted to the FCC relating to the Cable System. The County may, on reasonable notice, inspect at the Company's office and during reasonable hours, the FCC, public and technical files maintained by the Company with respect to the Cable System.

Section XI
Assignment or Transfer

This Ordinance shall not be assigned or transferred without the express prior approval of the County, which approval shall not be withheld unreasonably. An assignment or a transfer of this Ordinance shall not be deemed to include any: (i) transfer to an entity affiliated with the Company through common control, ownership or otherwise, (ii) transfer of a portion or all of the control of the Company or any of its affiliates, (iii) restructuring or reorganization of the Company or any of its affiliates, and (iv) granting of security interests in, liens or encumbrances on, or collateral assignment of, the Cable System or the Company's right hereunder to secure repayment of indebtedness.

Section XII

Franchise Subject to Police Power

The Company shall be subject to all lawful exercise of police power by the County.

Section XIII

Other Permits Required

This franchise does not relieve the Company from compliance with any ordinance or regulation which may require the Company to obtain other permits or licenses, such as building permits and utility pole agreements.

Section XIV

Modifications of Ordinance

This Ordinance may be amended or modified only as expressly agreed upon by the County and the Company.

Section XV

Franchise Violations and Enforcement

1. If the Company violates any material provision of the Ordinance, the County

a. Shall comply with subsection 2 hereafter; and

b. If the procedures set forth in subsection 2 have not resolved the dispute, the County may proceed to compel compliance with the provisions hereof, to collect any sums due hereunder, or to terminate the franchise granted hereby. Except as expressly provided herein, the Company shall not otherwise be liable to the County. The Company shall not be liable for any incidental or consequential damages.

2. If the County believes that the Company has violated a material provision hereof, it shall notify the Company in writing (the "Violation Notice") of the alleged violations and the proposed remedy which is acceptable to the County, and the Company shall have sixty (60) days after its actual receipt of the Violation Notice to cure such violations.

If the Company disputes the proposed remedy or the existence of the Violation, or if such default is not cured within such sixty (60) day period, then the matter shall be referred to a public hearing to be held after public notice and written notice to the Company at least ten (10) days in advance. At the hearing, the County shall list the alleged violations and proposed remedies set forth in the Violation Notice, and shall give the Company and all other interested parties an opportunity to be heard with respect thereto.

Within a reasonable time after the hearing, the County shall determine whether the Company has violated the Ordinance, and shall issue written findings and conclusions with respect thereto, and the Company shall have a reasonable opportunity of not less than sixty (60) days after the issuance of said findings and conclusions to remedy the matter. Any such determination shall be subject to judicial review and a de novo hearing before any court of competent jurisdictions, and/or to judicial review under any applicable state or federal law.

3. Prevention or delay of any performance due to unforeseen circumstances, acts of God, or other circumstances beyond the reasonable control of Company shall not be deemed a violation by the Company of this franchise.

4. In the event of revocation of this Franchise as provided for herein or in the event this Franchise is not renewed as provided for in Section VIII herein, the County shall have the option of either requiring the Company to remove from the public streets where its properties are located all or any part of its equipment and facilities so located within one hundred eighty (180) days of the effective date of such revocation or non-renewal, or of requiring the Company to leave all its equipment and facilities in place within the Franchise area. In the event the Company has not removed its facilities within one hundred eighty (180) days as described herein, or in the event the County elects not to require the Company to remove its facilities, the Company shall be obligated to sell its facilities in place within the Franchise area to either the County or to any new franchise operator. Any sale of facilities by this subsection shall be pursuant to the valuation requirements of Section 627 of the Cable Act.

Section XVII
Severability

The provisions hereof are severable, and if any provision hereof is held to be unconstitutional, invalid or illegal, such decision shall not affect the validity of any other provision hereof. It is declared as legislative intent that this Ordinance would have been enacted had such unconstitutional, invalid or illegal provision not been included herein, and that the court or agency making such determination should reform such provision to the minimum extent necessary to make such provision valid, legal and constitutional.

Section XVIII

Effective Date

This Ordinance shall become effective on March 4, 2003, ORDAINED AND ENACTED AS AN ORDINANCE OF THE COUNTY OF MARTIN, INDIANA, PASSED THIS 4th DAY OF March, 2003.

By: Gilbert J. Howell

Witness: Frances K. Taylor

Title: Commissioner

Date: Mar 4, 2003

Date: MAR. 4-03

ALLIANCE COMMUNICATIONS PARTNERS, L.P.

By: Alliance Communications, LLC, its General Partner

By: Alliance Communications Holdings, LLC, its Managing Member

By: Rifkin, Co., its Managing Member

By: Dale R. Wagner

Title: Vice President

Date: 3/11/03