

CABLE FRANCHISE AGREEMENT

This Franchise Agreement ("Franchise") is executed as of the ____ day of _____, 2026 ("Effective Date") by and between the Town of South Bethany, a municipality located in Sussex County, Delaware (hereinafter referred to as the "Franchising Authority") and Mediacom Delaware LLC (hereinafter referred to as "Grantee").

WHEREAS, pursuant to the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, and the Telecommunications Act of 1996 ("Cable Act"), the regulations of the Federal Communications Commission ("FCC") and Delaware law, the Franchising Authority is authorized to grant and renew a Franchise to construct, operate and maintain a Cable System utilizing public rights-of-way and properties within the Franchising Authority's Service Area; and

WHEREAS, Grantee currently holds a Franchise from the Franchising Authority originally granting a cable franchise to Grantee or to a predecessor to Grantee; and

WHEREAS, Grantee has requested that the Franchising Authority renew Grantee's Franchise to maintain, construct, operate, and upgrade its Cable System over, under and along the aforesaid rights-of-ways for use by the Franchising Authority's residents; and

WHEREAS, the aforesaid rights-of-way used by Grantee are public properties acquired and maintained by the Franchising Authority held in trust on behalf of citizens, and the right to use said rights-of-way is a valuable property right; and

WHEREAS, the Franchising Authority desires to protect and manage the aforesaid rights-of-way, require high standards of customer service, encourage future technical improvements to maintain a technologically-advanced Cable System, establish annual reporting requirements to the PSC by March 31 of each year, obtain certain complimentary services, preserve the right to obtain the use of educational and governmental channels, receive franchise fees for Grantee's use of the Franchising Authority's rights-of-ways as provided by federal law, and provide for the current and future cable-related needs of its residents; and

WHEREAS, the Franchising Authority held a public hearing about cable franchise renewal, including reviewing the cable operator's past performance and identifying the Franchising Authority's future cable-related community needs; and

WHEREAS, the Franchising Authority has determined that Grantee has the financial, legal and technical ability to provide Cable Services to Subscribers located in the Franchising Authority's Service Area; and

WHEREAS, the Franchising Authority, after affording the public notice and opportunity for comment, has determined that the public interest would be served by renewing Grantee's Franchise according to the terms and conditions contained herein;

NOW THEREFORE, in consideration of the mutual promises contained herein and intending to be legally bound hereby, the Franchising Authority and Grantee agree as follows:

FRANCHISE AGREEMENT

This Franchise Agreement ("Franchise") is between the Town of South Bethany, DE, hereinafter referred to as "the Franchising Authority," and Mediacom Delaware LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware, hereinafter referred to as "the Grantee."

The Franchising Authority hereby acknowledges that the Grantee has substantially complied with the material terms of the current Franchise under applicable law, and that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide services, facilities, and equipment necessary to meet the future cable-related needs of the community, and having afforded the public adequate notice and opportunity for comment, desires to enter into this Franchise with the Grantee for the construction and operation of a cable system on the terms set forth herein.

SECTION 1 Definition of Terms

1.1 Terms. For the purpose of this Franchise, the following terms, phrases, words, and abbreviations shall have the meanings ascribed to them below. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number:

- A. "Basic Cable Service" is the lowest-priced tier of Cable Service that includes the retransmission of local broadcast television signals.
- B. "Cable Act" means Title VI of the [Communications Act](#) of 1934, as 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 Town of South Bethany, DE.
- H. "Grantee" means Mediacom Delaware LLC, or the lawful successor, transferee, or assignee thereof.
- I. "Gross Revenues" means revenues derived from Basic Cable Services received by Grantee from Subscribers in the Service Area; provided, however, that Gross Revenues shall not include franchise fee, the FCC User Fee or any tax, fee or assessment of general applicability collected by the Grantee from Subscribers for pass-through to a government agency.

J. "Headend" means the control center of a cable television system, where incoming signals are amplified, converted, processed and combined into a common cable along with any original cable casting, for transmission to subscribers. The system usually includes antennas, preamplifiers, frequency converters, demodulators, modulators, processors and other related equipment. Or the central location on the cable network that is responsible for injecting broadcast video and other signals in the downstream direction.

K. "Quarter" means every third month of the calendar year.

Example: Quarter 1= January through March
Quarter 2= April through June
Quarter 3= July through September
Quarter 4= October through December

L. "Open Video Services or OVS" means any video programming Services provided to any person by a Franchisee certified by the FCC to operate an Open Video System pursuant to Section 47 U.S.C. 573, as may be amended, regardless of the Facilities used.

M. "PSC" means Delaware Public Service Commission, an independent state agency responsible for ensuring Delaware residents and businesses receive safe, reliable, and reasonably priced utility services within the State of Delaware.

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

NO. "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 now or hereafter held by the Franchising Authority in the Service Area which shall entitle the Grantee to the use thereof for the purpose of installing, operating, repairing, and maintaining the Cable System.

P. "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 in subsection 3.89.

PQ. "Service Interruption Standard" (26 Del. C. §604(6)) means the Franchise must require that the Grantee interrupt service only for good cause and make repairs promptly.

QR. "Standard Installation" is defined as 125 feet from the nearest tap to the Subscriber's terminal.

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

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 for the transmission and distribution of Cable Services, data services, information and other communications services or for any other lawful purposes.

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. Neither party may unilaterally alter the material rights and obligations set forth in this Franchise. In the event of a conflict between any ordinance and this Franchise, the Franchise shall control.

2.3 Other Authorizations. The Franchising Authority shall not permit any person to provide services similar to those provided by the Grantee in the Service Area without first having secured a non-exclusive franchise from the Franchising Authority. The Franchising Authority agrees that any grant of additional franchises or other authorizations including OVS authorizations by the Franchising Authority to provide services similar to those provided by the Grantee pursuant to this Agreement to any other entity shall cover the entire Service Area and shall not be on terms and conditions more favorable or less burdensome to the grantee of any such additional franchise or other authorization than those which are set forth herein. In any renewal of this Franchise, the Franchising Authority, should it seek to impose increased obligations upon the Grantee, must take into account any additional franchise(s) or authorizations previously granted and find that the proposed increased obligations in the renewal, are not more burdensome and/or less favorable than those contained in any such additional franchise(s) or authorizations.

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 such 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 replace and restore such Public Way to a condition ~~reasonably~~ comparable to the condition of the Public Way existing immediately prior to such disturbance.

3.3 Relocation. The Grantee shall, on the request of the Franchise Authority or any Person holding a lawful permit issued by the Franchising Authority, protect, support, raise, lower, temporarily disconnect, relocate in or remove from the Public Way as necessary any property of the Grantee, provided: (A) the expense of such is paid by Franchise Authority or Person benefiting from the relocation, including, if required by the Grantee, making such payment in advance; and (B) the Grantee is given reasonable advance written notice to prepare for such changes. For purposes of this subsection, "reasonable advance written

notice" shall be no less than thirty (30) business days in the event of a temporary relocation, and no less than one hundred twenty (120) days for a permanent relocation.

3.4 Trimming of Trees and Shrubbery. The Grantee shall have the authority to trim trees or other natural growth in order to access and maintain the Cable System.

3.5 Safety Requirements. Construction, operation, and maintenance of the Cable System shall be performed in an orderly and workmanlike manner. All such work shall be performed in substantial accordance with generally applicable federal, state, and local regulations and the National Electric Safety Code.

3.6 Underground Construction. In those areas of the Service Area where all of the transmission or distribution facilities of the respective public utilities providing telephone communications and electric services are underground, the Grantee likewise shall construct, operate, and maintain its Cable System underground. Nothing contained in this subsection shall require the Grantee to construct, operate, and maintain underground any ground-mounted appurtenances.

3.7 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. Notwithstanding the foregoing, the Grantee shall not be required to utilize any open trench.

Whenever Grantee or any agent, including any subcontractor, shall disturb any pavement, sidewalk or other public property in order to perform any underground activity, it shall utilize the Delaware One Call System "Miss Utility" prior to any such disturbance. Grantee also shall adhere to any additional requirements which the State and/or Franchising Authority may establish in the future. Grantee shall also adhere to all requirements of the Delaware Underground Utility Line Protection Act 26 Del.C. §801.

3.8 Required Extensions of the Cable System. Grantee agrees to provide Cable Service to all residences in the Service Area subject to the density requirements specified in this subsection. Whenever the Grantee receives a request for Cable Service from a potential Subscriber in an unserved area contiguous to Grantee's existing distribution facilities where there are at least 10 residences within 1320 cable-bearing strand feet (one-quarter cable mile) from the portion of the Grantee's trunk or distribution cable which is to be extended, it shall extend its Cable System to such Subscribers at no cost to said Subscribers for the Cable System extension, other than the published Standard/non-Standard Installation fees charged to all Subscribers. Notwithstanding the foregoing, the Grantee shall have the right, but not the obligation, to extend the Cable System into any portion of the Service Area where another operator is providing Cable Service, into any annexed area which is not contiguous to the present Service Area of the Grantee, or into any area which is financially or technically infeasible due to extraordinary circumstances, such as a runway or freeway crossing.

3.9 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 subsection 3.89 above, the Grantee shall only be required to extend the Cable System to Subscriber(s) in that area if the Subscriber(s) are willing to share the capital costs of extending the Cable System. Specifically, the Grantee shall contribute a capital amount equal to the construction cost per mile, multiplied by a fraction whose numerator equals the actual number of residences per 1320 cable-bearing strand feet from the Grantee's trunk or distribution cable, and whose denominator equals 10. 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.

3.10 Cable Service to Public Buildings (26 Del. C. §604(9)). Upon request by the Franchising Authority, the Grantee shall provide, without separate charge, one (1) Standard Installation and one (1) outlet of Basic Cable Service to each administrative building owned and occupied by the Franchising Authority, each fire station, each police station, and each K-12 public school that is passed by the Grantee's Cable System. The Cable Service provided under this subsection shall not be distributed beyond the originally installed outlet without the Grantee's authorization, shall not be used for commercial purposes, and shall not be provided at outlets located in areas open to the public. The Franchising Authority shall take reasonable precautions to prevent any inappropriate use of, or any loss or damage to, the Grantee's Cable System, and shall hold the Grantee, its officers, employees, agents, and assigns harmless from any and all liability, damages, or claims arising out of the provision or use of Cable Service furnished under this subsection. The Grantee shall not be required to provide an outlet to any such building where a non-Standard Installation is required, unless the Franchising Authority or the building owner/occupant agrees to pay, in advance if requested by the Grantee, the incremental cost of any necessary Cable System extension and/or non-Standard Installation. If additional outlets of Basic Cable Service are provided to any such building, the building owner/occupant shall pay the Grantee's usual installation and service fees associated therewith.

The Franchising Authority and the Grantee agree that the Cable Service furnished under this subsection is a "franchise fee" within the meaning of 47 U.S.C. § 542, and that the value of such service shall be credited against, and shall reduce dollar-for-dollar, the franchise fees otherwise payable by the Grantee under Section 4.1. For this purpose, the parties agree that such service shall be valued at the Grantee's published retail rate for the equivalent Basic Cable Service and installation. In no event shall the sum of the cash franchise fees and the credited value of Cable Service and any other noncash, cable-related exactions required under this Franchise exceed five percent (5%) of the Grantee's Gross Revenues in any twelve-month period.

The Grantee, upon request, must provide without charge, a Standard Installation and one outlet of Basic Cable Service to those administrative buildings owned and occupied by the Franchising Authority, fire station(s), and police station(s), and K-12 public school(s) that are passed by its Cable System. The Cable Service provided shall not be distributed beyond the originally installed outlet without authorization from the Grantee. The Cable Service provided shall not be used for commercial purposes, and such outlets shall not be located in areas open to the public. The Franchising Authority shall take reasonable precautions to prevent any inappropriate use of the Grantee's Cable System or any loss or damage to Grantee's Cable System. The Franchising Authority shall hold the Grantee harmless from any and all liability or claims arising out of the provision and use of Cable Service required by this subsection. The Grantee shall not be required to provide an outlet to such buildings where a non-Standard Installation is required, unless the Franchising Authority or building owner/occupant agrees to pay the incremental cost of any necessary Cable System extension and/or non-Standard Installation. If additional outlets of Basic Cable Service are provided to such buildings, the building owner/occupant shall pay the usual installation and service fees associated therewith. To the extent Grantee ceases this voluntary program to provide service to public buildings at no charge, Grantee shall provide the Franchising Authority with at least one hundred twenty (120) days advance written notice of its intent to cease the program. Such notice shall include the rate Grantee proposes to charge for the service, and during the one hundred and twenty (120) day period, the Franchising Authority shall inform Grantee whether it intends to continue receiving service and pay the rate identified, or whether it will opt to cease receiving such service.

3.11 **Emergency Alert.** Any Emergency Alert System ("EAS") provided by Grantee shall be operated in accordance with FCC regulations. Any use of such EAS by the Franchising Authority will be only in accordance with the applicable state and local plans as approved in accordance with such FCC regulations. Except to the extent expressly prohibited by law, the Franchising Authority will 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.

3.12 **Reimbursement of Costs.** If funds are available to any Person using the Public Way for the purpose of defraying the cost of any of the foregoing, the Franchising Authority shall reimburse the Grantee in the same manner in which other Persons affected by the requirement are reimbursed. If the funds are controlled by another governmental entity, the Franchising Authority shall make application for such funds on behalf of the Grantee.

3.13 **Technical Standards.** Grantee shall operate, maintain, construct and extend the Cable System so as to offer high quality signals and reliable delivery of one-way and two-way Cable Services for all programming services throughout all parts of the Franchising Authority's Service Area. The video signals provided by the Cable System shall be delivered in high quality resolution in accordance with FCC standards. Grantee shall take necessary steps to assure the audio level is relatively equal between channels and/or between programming and advertising originated. Audio levels shall also comply with FCC standards. The Cable System shall meet any and all generally applicable technical performance standards of the FCC, the National Electrical Safety Code, the National Electric Code and any other applicable federal laws and the laws, ordinances and construction standards of the State of Delaware and the Franchising Authority. Upon issuance by the FCC a rule limiting the loudness of commercials in accordance with the Commercial Advertisement Loudness Mitigation Act ("CALM") enacted into law on December 15, 2010, Grantee shall take the necessary action to comply with such rules. Grantee shall take necessary steps to assure the synchronization between the audio and video programming on each channel. Stand-by power at the headend(s) shall be provided in the event of a national electrical code. Stand-by power must activate automatically upon the failure of commercial utility power. Battery backup shall be provided at the hub(s) serving the Service Area.

SECTION 4

Regulation by the Franchising Authority

4.1 Franchise Fee.

A. The Grantee shall pay to the Franchising Authority a franchise fee of five percent (5%) of annual Gross Revenues (as defined in subsection 1.1 of this Franchise). In accordance with the Cable Act, the twelve (12) month period applicable under the Franchise for the computation of the franchise fee shall be a calendar year. Grantee's responsibility for payment of Franchise Fee under this Agreement shall commence on the first day of the next Quarter after the Effective Date of this Agreement. Until that time, Grantee shall continue to pay the Franchise Fee under any pre-existing Franchise Agreement with the Local Franchising Authority. The franchise fee payment shall be due annually and payable within 90 days after the close of the preceding calendar year. Each payment shall be accompanied by a brief report prepared by a representative of the Grantee showing the basis for the computation.

B. **Limitation on Franchise Fee Actions.** The period of limitation for recovery by the Franchising Authority of any franchise fee payable hereunder shall be three (3) years from the date on which payment by the Grantee is due to the Franchising Authority.

4.2 Renewal of Franchise.

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 renewal provisions of federal law.

4.3 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.

4.4 Transfer of Franchise. The Grantee's right, title, or interest in the Franchise shall not be sold, transferred, assigned, or otherwise encumbered, other than to an entity controlling, controlled by, or under common control with the Grantee, without prior written notice to the Franchising Authority. No such notice shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or Cable System in order to secure indebtedness.

4.5 Five-Year Review Proceedings. ~~Under Delaware law, the PSC can grant franchises to cable operators, set service terms, and impose conditions to ensure fair rates, quality of service, and community benefits. It can also require public participation in the process, especially when franchise terms are being renegotiated or when there are significant changes to service.~~

SECTION 5

Books and Records

The Grantee agrees that the Franchising Authority, upon thirty (30) days' written notice to the Grantee and no more than once annually, may review such of 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 subsection 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, the 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 that it reasonably deems to be proprietary or confidential in nature, nor disclose books and records of any affiliate which is not providing Cable Service in the Service Area. The Franchising Authority agrees to treat any information disclosed by the Grantee as confidential and only to disclose it to employees, representatives, and agents thereof that have a need to know, or in order to enforce

the provisions hereof. The Grantee shall not be required to provide Subscriber information in violation of Section 631 of the Cable Act.

SECTION 6

Customer Service Standards

6.1 Office Hours and Availability. 26 Del. C. §604(7), Grantee shall maintain a business office that is located within twenty (20) miles from the Cable System serving the Franchising Authority and shall be open during Normal Business Hours as listed on Subscribers' bills. Grantee shall provide and maintain a local or toll-free telephone access line that will be available to Subscribers twenty-four (24) hours a day, seven (7) days a week. Trained representatives shall respond to customer telephone inquiries during Normal Business Hours, including scheduling service calls or arranging for pick up of equipment. If, in the sole discretion of Grantee, a customer inquiry requires the attention of a supervisor or above, Grantee shall use best efforts to contact the customer as promptly as possible though in no instance shall such time period exceed three (3) business days. If after this initial contact Grantee determines that more time is needed to resolve the issue, the customer will be informed of such need. After Normal Business Hours, the access line may be answered by a service or an automated response system. Inquiries received after Normal Business Hours must be responded to by a trained company representative on the next business day.

6.2 Customer Complaints Procedures. 26 Del. C. §604(8), Grantee shall establish clear written procedures for resolving all customer Complaints, which shall include at least the following:

- (a) Grantee shall address, by telephone contact or by any other method Grantee deems appropriate, Complaints within thirty (30) days of its receipt at the local business office. Should customer request a written response, Grantee shall provide such written response within 30 days of receipt of the Complaint.
- (b) If the Franchising Authority is contacted directly about a customer Complaint, it shall notify Grantee promptly in writing and/or electronically.
- (c) Subscribers must notify Grantee of any billing dispute within thirty (30) days of the date of the disputed bill. Failure to notify Grantee within the thirty (30) days will constitute a waiver of subscriber's right to a refund or credit. The subscriber must pay all undisputed charges and cooperate in determining the appropriateness of the charges in dispute. The disputed charges will remain on the account and if Grantee determines that a credit for the disputed charges is due, the credit (including any late fee assessed to the disputed amount) will appear on the next monthly bill. Grantee will not disconnect Service until an investigation of the dispute is completed and you are informed of the findings.
- (d) Grantee shall maintain customer Complaint records for inspection by the affected Subscriber, which shall contain the date each Complaint is received, the name and address of the affected Subscriber, a description of the Complaint, the date of resolution of the Complaint, and a description of the resolution.

6.3 Disconnection. Grantee may disconnect or terminate a Subscriber's service for cause:

- (a) If at least sixty (60) days have elapsed from the due date of the bill that Subscriber has failed to pay, except for that portion of the bill that customer has disputed pursuant to 6.2(c) above; and

- (b) If Grantee has provided at least ten (10) days written notice to the affected Subscriber prior to disconnection, specifying the effective date after which Cable Services are subject to disconnection; and
- (c) If there is no pending dispute with Grantee regarding the bill; or
- (d) If at any time and without notice, Grantee determines in good faith that Subscriber has tampered with or abused Grantee's equipment, service, subscriber agreement or other policies, or is engaged in theft of Cable Service.

SECTION 7

Notices and Community Services

7.1 Written Notice. 26 Del. C. §604(13), Grantee shall provide written notice to each Subscriber upon initial subscription, and once per calendar year thereafter to each Subscriber, and at any time upon request, regarding each of the following areas:

- (a) Products and services offered;
- (b) Prices and options for programming services and conditions of subscription to programming and other services; pricing shall include seasonal rates, advance payment discounts, and credits such as "on time guarantee" credits;
- (c) Channel positions of all programming (including analog, digital and HD channels whether receivable on analog TV's, digital TV's with QAM tuners or digital converters or tuners) carried on the Cable System;
- (d) Installation and service maintenance policies;
- (e) Instructions on how to use the Cable Service and any converters;
- (f) Billing and customer Complaint procedures; instructions such as when the customer may contact the Franchising Authority. If possible, these instructions and the Franchising Authority's address and phone number shall be at least the same size print as the rates and service information notice;
- (g) Grantee's address, telephone number and office hours;
- (h) A notice of Subscriber privacy rights required by federal law; and
- (i) Customer Service Standards (i.e. Picture and Sound Standards).

7.2 Rates and Services. Grantee shall notify Subscribers and the Franchising Authority, in writing, of any changes in rates, programming services or channel positions a minimum of thirty (30) days in advance of such changes, provided that such change is within the control of Grantee. Grantee shall not be required to provide prior notice to Subscribers of any rate change that is the result of a regulatory fee, franchise fee or any other fee, tax, assessment or charge of any kind imposed by any federal agency, the State of Delaware or the Franchising Authority on the transaction between Grantee and the Subscriber. In accordance with federal law, Grantee shall maintain a file available to the public containing all written notices provided to

Subscribers pursuant to the requirements contained herein by Grantee during the previous twelve (12) months.

7.3 Educational and Governmental (EG) Channels. Grantee shall provide to the Franchising Authority, within ninety (90) days of a written request as set forth herein, the use of one (1) dedicated educational and governmental ("EG") access channel in accordance with Section 611 of the Cable Act and this Section 7 for shared use by the participating municipalities of the Franchising Authority and/or its designee. Grantee shall provide the use of a second EG access channel as set forth in Section 7.3(a) 6.2(a). Such EG channel(s) shall be used for community programming related to educational and/or governmental activities. Their purpose is to contribute to an informed citizenry by, among other things, showing local government at work, responding to local needs, telecasting community programs, and bringing local education into the home. The Franchising Authority shall have complete control over the content, scheduling, administration and all other programming aspects of the EG channel(s) and may delegate such functions to an appropriate designee. If requested by any neighboring municipality served by Grantee from the same hub site as that providing service to the Franchising Authority, then the Franchising Authority agrees to cooperate with such municipality in the shared use of the EG channel(s), until such time as technology utilized by Grantee eliminates the need for the shared use. Grantee shall not exercise any editorial control over EG channel(s) programming. Whether operating on an analog or digital format, Grantee shall cablecast any activated EG channel(s) so that they may be received by all Grantee Subscribers in the Franchising Authority's Service Area.

(a) Upon activation of the initial EG channel, the Franchising Authority may request one (1) additional (EG) channel to be made available for shared use by the Franchising Authority or its designee in accordance with Section 611 of the Cable Act and this Section 7.3 (a) 6.2. Grantee shall activate such additional (EG) channel and programming shall occur as set forth herein within ninety (90) days of Grantee's receipt of the aforementioned notice in writing from the Franchising Authority.

(b) In the event the Franchising Authority or its designee does not program any EG channel, Grantee shall be entitled to use such channel after providing notice to the Franchising Authority. If the Franchising Authority requests the utilization of the EG channel being programmed by Grantee, Grantee shall relinquish such use no later than sixty (60) days after receipt of written notification from the Franchising Authority that it requires such channel for educational and/or government use.

(c) To enable distribution of the EG channel(s), Grantee shall install the appropriate wiring and encoder if necessary for an Internet-based or other type of capable technology enabling cablecast and distribution via the Cable System to Subscribers in the Franchising Authority's Service Area. No charge shall be made for the installation of the wiring and encoder if necessary; however, all recurring monthly costs for the Internet-based or other type of capable technology and/or the recurring costs of a third-party program support provider shall be at the expense of the Franchising Authority.

(d) If the Franchising Authority wishes to cablecast live programming, and such live programming cannot be accommodated through an Internet-based or other type of capable technology, then the Franchising Authority shall select up to two (2) locations within the municipal boundaries of their Service Area and Grantee shall provide and install, within one hundred eighty (180) days of a written notice from the Franchising Authority, the cables, wires, lines, and other signal distribution equipment for an alternative technology such that live programming can originate from the selected location(s) and be distributed via the Cable System to Subscribers in the Service Area. These cables, wires, lines and other signal distribution equipment shall be collectively known as the "Return Line(s)".

(e) Any expenditures made in connection with construction and maintenance of Return Lines

for live programming, not utilizing an Internet-based or other type of capable technology, shall be at the expense of the Franchising Authority. The Franchising Authority and Grantee further agree that any and all costs incurred by Grantee for supporting such EG channel(s), including any and all equipment, capital grants, and maintenance and repair, may be designated as "costs of franchise requirements" or "external costs" as defined by the FCC, except that it is mutually agreed that such costs shall not be itemized on Subscribers' bills.

(f) Grantee shall be responsible for maintaining the wiring to the video origination points, provided that the Franchising Authority provides Grantee with access to those locations and access to the EG equipment within these locations. Grantee shall provide, install and maintain in good working order the equipment and the fiber necessary for transmitting the signal to the channel aggregation site for further processing and distribution to Subscribers. Grantee shall deliver the EG channel signals at a level of technical quality that is comparable to the level of technical quality provided by Grantee for signals of commercial channels transmitted to Subscribers in the Franchising Authority's Service Area; provided, however, that Grantee shall have no responsibility to improve upon or modify the signal quality of any EG channel content provided to Grantee by any EG channel programmer.

(g) The Franchising Authority or its designee shall be responsible for providing any necessary production or playback equipment and shall be responsible for securing and supervising any trained/qualified personnel who conduct the operation of the EG channel(s). The Franchising Authority and Grantee agree to work cooperatively in implementing the EG channel(s) through such means and in such manner as shall be mutually satisfactory.

(h) For the purposes of EG Access, Grantee shall make a reasonable effort to allow connection by another cable operator(s) to the site location of any Educational and Governmental access programming studio or transmission source in a manner consistent with this Franchise. Such connection may be accomplished by return line or other reasonable method of connection, but shall be separate and independent from, and not technically reliant upon the Cable System.

SECTION 868

Insurance and Indemnification

8.1 Insurance Requirements. The Grantee shall maintain insurance in full force and effect, at its own cost and expense, during the term of the Franchise. The Franchising Authority shall be designated as an additional insured, and such insurance shall be noncancellable except upon thirty (30) days' prior written notice to the Franchising Authority. Upon written request, the Grantee shall provide a Certificate of Insurance showing evidence of the coverage required by this subsection. In accordance with 26 Del. C. §604(5), insurance will indemnify the Franchising Authority from and against any and all claims for injury or damage to persons or property, both real and personal, caused by the construction, installation, reconstruction, operation, maintenance or removal of the Cable System by Grantee or any of its contractors, subcontractors, agents or employees in the following amounts:

- (1) The amount of such insurance against liability for damage to property shall be no less than One Million Dollars (\$1,000,000) as to any one (1) occurrence.

- (2) The amount of such insurance against liability for injury or death to any person shall be no less than One Million Dollars (\$1,000,000) per person.
- (3) The amount of such insurance for excess liability shall be Three Million Dollars (\$3,000,000) in umbrella form.
- (4) The amount of such insurance against all claims arising out of the operation of motor vehicles and general tort or contract liability shall be One Million Dollars (\$1,000,000) per person.
- (b) All insurance coverage shall be maintained throughout the period of this Franchise. All insurance policies shall contain a provision that the Franchising Authority will receive thirty (30) days written notice prior to any changes or cancellation of the policy. All expenses incurred for said insurance shall be at no cost to the Franchising Authority.
- (c) A certificate evidencing the insurance coverage required herein shall be provided by Grantee to the Franchising Authority within thirty (30) days of the Effective Date and upon request and within thirty (30) days of obtaining new insurance coverage or renewal of such insurance coverage throughout the term of this Franchise.

8.2 Indemnification. The Grantee agrees to indemnify, save and hold harmless, and defend the Franchising Authority, its officers, boards and employees, from and against any liability for damages and for any liability or claims resulting from property damage or bodily injury (including accidental death), which arise out of the Grantee's construction, operation, or maintenance of its Cable System in the Service Area provided that the Franchising Authority shall give the Grantee written notice of its obligation to indemnify the Franchising Authority within ten (10) days of receipt of a claim or action pursuant to this subsection. Notwithstanding the foregoing, the Grantee shall not indemnify the Franchising Authority for any damages, liability or claims resulting from the willful misconduct or negligence of the Franchising Authority.

SECTION 9 **Performance Bond**

9.1 Performance Bond. Grantee shall obtain and maintain during the Franchise term, at its sole cost and expense, a performance bond running to the Franchising Authority with a surety company licensed to do business in the State of Delaware and satisfactory to the Franchising Authority to ensure Grantee's faithful performance of its obligations. The performance bond shall provide that the Franchising Authority may recover from the principal and surety any and all liquidated damages and/or compensatory damages incurred by the Franchising Authority for Grantee's violations of this Agreement, after notice and opportunity to cure. The performance bond shall be in the amount of One Hundred Thousand Dollars (\$100,000). Grantee shall not reduce, cancel or materially change said bond from the requirement contained herein without the express prior written permission of the Franchising Authority.

SECTION 10-7-10 **Enforcement and Termination of Franchise**

10.1 Notice of Violation. In the event that the Franchising Authority believes that the Grantee has not complied with any material term 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 such alleged noncompliance.

10.2 The Grantee's Right to Cure or Respond. The Grantee shall have thirty (30) days from receipt of the notice described in subsection 10.1: (A) to respond to the Franchising Authority, contesting the assertion of such noncompliance, or (B) to cure such default, or (C) in the event that, by the nature of such default, it 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.

10.3 Public Hearing. In the event that the Grantee fails to respond to the notice described in subsection 10.1 pursuant to the procedures set forth in subsection 10.2, or in the event that the alleged default is not remedied within thirty (30) days or the date projected pursuant to 10.2(C) above, if it intends to continue its investigation into the default, then the Franchising Authority shall schedule a public hearing. The Franchising Authority shall provide the Grantee at least ten (10) days prior written notice of such hearing, which specifies the time, place and purpose of such hearing, and provide the Grantee the opportunity to be heard.

10.4 Enforcement. Subject to applicable federal and state law, in the event the Franchising Authority, after the hearing set forth in subsection 10.3, determines that the Grantee is in material default of any provision of the Franchise, the Franchising Authority may:

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

B. In the case of repeated or ongoing substantial non-compliance with a material term or terms of the Franchise, seek to revoke the Franchise in accordance with subsection 10.5.

10.5 Revocation. Should the Franchising Authority seek to revoke the Franchise after following the procedures set forth in subsections 10.1-10.4 above, the Franchising Authority shall give written notice to the Grantee of its intent. The notice shall set forth the exact nature of the repeated or ongoing substantial noncompliance with a material term or terms of the franchise. 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, Grantee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the relevant testimony of the officials, agents, employees or consultants of the Franchising Authority, to compel the testimony of other persons as permitted by law, and to question witnesses. A complete verbatim record and transcript shall be made of such hearing.

Following the hearing, the Franchising Authority shall determine whether or not the Franchise shall be revoked. If the Franchising Authority determines that the Franchise shall be revoked, the Franchising Authority shall promptly provide Grantee with its decision in writing. The Grantee may appeal such determination of the Franchising Authority to an appropriate court which shall have the power to review the decision of the Franchising Authority *de novo*. Grantee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within sixty (60) days of Grantee's receipt of the determination of the Franchising Authority.

The Franchising Authority may, at its sole discretion, take any lawful action which it deems appropriate to enforce the Franchising Authority's rights under the Franchise in lieu of revocation of the Franchise.

10.6 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 8-11 **Miscellaneous Provisions**

11.1 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.

11.2 Entire Agreement. This Franchise constitutes the entire agreement between the Grantee and the Franchising Authority and supersedes all other prior understandings and agreements oral or written. Any amendments to this Franchise shall be mutually agreed to in writing by the parties.

11.3 Reservation of Rights. Acceptance of the terms and conditions of this franchise will not constitute, or be deemed to constitute, a waiver, either expressly or impliedly, by Grantee of any constitutional or legal right which it may have or may be determined to have, either by subsequent legislation or court decisions. The Franchising Authority acknowledges that Grantee reserves all of its rights under applicable Federal and State Constitutions and laws.

11.4 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, c) within five (5) business days after having been posted in the regular mail or d) on the next business day if sent by express mail or overnight air courier.

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

Town of South Bethany
402 Evergreen Road
South Bethany, DE 19930
Attn: Town Manager

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

Mediacom Delaware LLC
Attn: Legal Department
1 Mediacom Way
Mediacom Park, NY 10918

With a copy to:

Mediacom Delaware LLC
Government Relations Manager
1613 Nantahala Beach Blvd
Gulf Breeze, FL 32563

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 subsection.

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

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

11.7 Term and Effective Date. The Effective Date of this Franchise is **January 1, 2027**. The parties agree that, during the time between final execution of this Franchise and the Effective Date, the terms and conditions of the previous franchise agreement will govern. This Franchise shall be for a term of fifteen (15) years from such Effective Date and shall expire on **January 1, 2042**.

Considered and approved this _____ day of _____, 2026.

Town of South Bethany, DE

Mediacom Delaware LLC

Printed Name _____

Printed Name _____

Title _____

Title _____

Date _____

Date _____