

AN ORDINANCE GRANTING TO
MERLIN COMMUNICATIONS GROUP, INC.
A PERMIT AND LICENSE TO DO BUSINESS
IN THE TOWN OF ADDISON, STATE OF MAINE

WHEREAS, Merlin Communications Group, Inc., a Maine corporation, desires to conduct the business of a Cable television system, including all types of services which are usually, or can be, furnished by such a system in Washington County, Maine, by the media of distribution and transmission through cable and/or wires, and/or microwave commonly called a Cable television system or otherwise; and

WHEREAS, such Cable system to a large extent would be attached to poles, cables, wires and other appurtenances which would cross over the streets, highways, alleys, sidewalks and other public lands and places in the Town of Addison, Maine;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Addison, Maine:

SECTION 1. There is hereby granted by the Town of Addison, Maine, to Merlin Communications Group, Inc., its successors and assigns, hereinafter called the Grantee, a permit and license for a period of fifteen (15) years from and after the effective date of this ordinance granting the rights and privileges to locate, construct, reconstruct, inspect, protect, maintain, repair, replace, renew, operate, modify, add to the number of, relocate and remove over, upon, and from the streets, highways, alleys, sidewalks, and other public lands and places, which are now presently in existence and which may exist in the future in said Town, all necessary towers, poles, wires, lines, cables, amplifiers, conduits, manholes, apparatus, fixtures, and other necessary equipment and facilities for the purpose of reception, interception, transformation, transposition, amplification, transmission, and distribution of all electronic communications and signals including, among other things, microwave, television signals, radio signals, and other related signals, to and within said Town and to the inhabitants thereof.

SECTION 2. Such towers, poles, wires, lines, cables, amplifiers, apparatus, fixtures, equipment and facilities shall be so erected and installed as not to interfere with traffic and the normal operation and use of said streets, highways, alleys, sidewalks, and other public lands and places. Provided, further, that such locations shall not be vested interests, and the same shall be removed, or the location thereof changed, by the Grantee whenever the same restricts or obstructs the reasonable use and operation, present or future, of said streets, highways, alleys, sidewalks and other public land and places.

SECTION 3. A permit and license is hereby granted to said Grantee,

its successors and assigns, to attach or otherwise affix cable, wires, equipment and other attachments to the poles and facilities of any public utility even though the same may be in, upon or over the streets, highways, alleys, sidewalks and other public lands and places of said Town. Provided, however, that the said Grantee, its successors and assigns, shall secure the permission and consent of said public utility to make such attachments prior to so doing.

SECTION 4. All streets, highways, alleys, sidewalks, and other public lands and places disturbed or damaged by the Grantee, its successors and assigns, in the exercise of any of the rights and privileges herein granted, shall be repaired by the Grantee, its successors and assigns, at its own expense.

SECTION 5. The Grantee shall establish an office in the general area with a regular schedule of working hours. Calls for service or repairs will be taken during working hours and outside of those hours shall be recorded on an answering machine, to be monitored by the service technician on a regular basis.

SECTION 6. In the event of interruption or discontinuance of service without fault or neglect of the subscriber for a period in excess of seventy-two (72) hours, the licensee shall refund or give credit to the subscriber for the period of discontinuance or interruption in excess of seventy-two (72) hours. Whenever it is necessary to shut off or interrupt service to make repairs, adjustments, installations or for any other purpose, the licensee shall do so at such time as will cause the least amount of inconvenience to its subscribers and, unless such interruption is unforeseen and immediately necessary, it shall give reasonable notice thereof to its customers.

SECTION 7. The Grantee shall procure, furnish and file with the Town Clerk a policy of insurance covering liability hereunder as follows:

THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) for any one single personal injury to any one person;

FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) personal injury in any one single accident;

THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) property damage for any one single accident.

SECTION 8. The Grantee shall, at all times during the duration of this franchise, be subject to all lawful exercise of the police power by the Community.

SECTION 9. The Town of Addison shall have the right to rescind or revoke the rights herein granted upon any substantial violation by the Grantee of any of the obligations and requirements contained herein after written notice by the Town of Addison to Grantee in continuation

of such violation, failure or default.

(a) Such written notice to the Grantee shall specify the manner in which the Grantee is in violation, failure or default with respect to the franchise.

(b) The notice given by the Franchising Authority shall give the Grantee a specified, reasonable amount of time within which to correct the violation, failure or default, but in no event shall the time period be less than thirty (30) days from the date of receipt of the notice to the Grantee, except in the case of an emergency, in which event immediate steps shall be taken to correct the violation.

SECTION 10. If any section, subsection, sentence, clause, phrase, or portion of this Franchise is for any reason held invalid or unconstitutional by any court of competent jurisdiction, or any state or federal agency having jurisdiction over such matter, such portion shall be deemed a separate, distinct, and independent provision and such holdings shall not affect the validity of the remaining portions thereof.

SECTION 11. The performance by the Grantee hereunder is subject to limitations, restrictions, or requirements now existing or which may henceforth be imposed by law, rules, or order of the Federal Communications Commission, or any other government, board, commission, or authority of any kind. The Grantee shall not be deemed in breach of any of the requirements of the Franchise to the extent it refrains from doing anything prohibited by such law, rules or order.

SECTION 12. The Company shall make service available to all areas indicated in the original franchise proposal submitted to the Town. The Company shall extend the system to any future areas that meet a density average of 18 year-round homes per mile. The Company shall extend the system to areas with a lesser density if the subscribers agree to pay the costs of materials and labor necessary for construction to their areas.

SECTION 13. This Franchise shall be automatically renewed on the same terms and conditions for a second fifteen (15) year period unless previously terminated for violations of the terms and conditions of this Agreement; or unless notified in writing of its intention not to renew by either party at least sixty (60) days in advance of the expiration of the term of this Franchise.

SECTION 14. The Grantee shall have the authority to trim trees upon and overhanging streets, alleys, sidewalks, and public places of the Town of Addison so as to prevent the branches of such trees from coming in contact with the wires and cables of the company, provided prior written approval of the Town Manager and property owner is obtained. Said written approval shall not be unreasonably withheld.

SECTION 15. Merlin Communications Group, Inc., guarantees the basic monthly rate to remain unchanged for a period of two (2) years

cable service is activated -47 amm

from date of ~~this Franchise Agreement~~. Grantee shall notify the Board of Selectmen, orally or in writing, prior to any rate increase, any permanent deletion or addition in channels, or any substantial change in service, *30 day notice required amm*.

Passed in Council this 16th day of May, 1988.

Michael Murphy

President, Board of Selectmen

ATTEST:

Blenda C. Emerson

Clerk

Approved this 16th day of May, 1988.

Town Manager

David Merlin, President

Merlin Communications Group, Inc.

Service Area - Addison, Maine

<u>Street</u>	<u>From</u>	<u>To</u>	<u>Homes</u>	<u>Miles</u>
Addison Road.	Town line	Columbia Rd.	12	.9
Addison Road	Columbia Road	Addison Pt. Rd.	22	.35
Columbia Road	Addison Road	Pole #32	5	.1
Road off Addison	Addison Road	dead end	11	.35
Addison Ridge Rd.	Ripley Neck Rd.	Town line	31	1.4
Old Addison Rd.	Addison Ridge Rd.	Marshville Rd.	9	1.2
Ripley Neck Rd.	Addison Ridge Rd.	Cross Road	14	.4
Ripley Neck Rd.	Cross Road	Pole #923/9	9	.3
Addison Pt. Rd.	Addison Rd.	Wescogus Rd.	18	.65
East Side Road	Wescogus Rd.	Pole #3/74	63	2.8
East Side Road	Pole #3/74 <i>St. Mary's</i> Basin Rd.	South Addison (dead end)	52	3.0 <i>3.0</i>
Cape Split Rd.	So. Addison Rd.	dead end	30	2.3
Harborview Sub.	So. Addison Rd.	dead end	6	.3
Basin Road	So. Addison Rd.	Rt. 187	68	5.3
Rt. 187	Jonesport town line	Indian River <i>Merritt School</i> Variety Store	54	4.3 <i>4.3</i>
Rockmaple Rd.	Rt. 187	dead end	7	.3
Wescogus Road	East Side Road	Rt. 187	12	1.3
Rt. 187	D.W. Merritt School	Col. Falls town line	26	1.7

Totals: 449 homes
27 miles

Service Area as part of franchise contract.
DM

CONSENT OF
FRANCHISOR

A resolution authorizing the granting of a security interest in the assets of the cable television system (the "System") owned and operated pursuant to a franchise (the "Franchise") created by Ordinance _____ dated May 16, 1988 of the ~~City~~ of Addison (the "Franchisor").
Town

RECITALS:

WHEREAS, the holder of the Franchise, Merlin Communications/Merlin Cable Partners ("Franchisee"), intends to borrow funds from Phoenix Leasing Incorporated ("Phoenix") to help finance the cost of the construction and operation of the System; and

WHEREAS, Phoenix has required that Franchisee grant it a security interest in the System to secure such borrowings;

IT IS THEREFORE RESOLVED as follows:

A. The Franchise held by Franchisee is hereby certified to be valid and in full force and effect and Franchisee is not in default under any of the terms and provisions of the Franchise.

B. Franchisee is hereby authorized to grant to Phoenix a security interest in or lien on its cable, wires and equipment, the Franchise referred to herein and its other tangible and intangible assets both real and personal used in connection with the operation of the System, to secure the borrowing from time to time by Franchisee from Phoenix, and Phoenix shall have the rights and remedies of a secured party under the applicable Uniform Commercial Code and as otherwise available at law, including the right to foreclose, realize upon and dispose of the right, title

and interest of Buyer in its assets, all in accordance with applicable law.

PASSED AND APPROVED BY THE Board of Selectmen OF THE
Town of Addison, _____, 1988.

[AUTHORIZED SIGNATURE OF MUNICIPALITY]

Michael Ryzby

Attest: Glenda Emessa

Title: Sawn Clerk