

EXHIBIT A
TO WHITEFORD TOWNSHIP ORDINANCE 46

**TOWNSHIP OF WHITEFORD
MONROE COUNTY, MICHIGAN
PERMIT TO OPERATE
A TELECOMMUNICATION SYSTEM**

Buckeye Cablevision, Inc.
5566 Southwyck Blvd.
Toledo, OH 43615

Effective Date:
3-26-02

Whiteford Township ("Township") does hereby grant to Buckeye Cablevision, Inc. ("Permittee") a nonexclusive Permit to Operate a telecommunication system in the manner described in this permit.

SECTION 1. TERM.

The franchise granted Buckeye herein shall terminate on March 21, 2019.

SECTION 2. APPLICABLE LAW.

Buckeye shall remain in full compliance with the terms, provisions and obligations of all applicable state and federal laws, rules and regulations as they may be amended from time to time and all applicable Township ordinances, as they may be revised from time to time upon mutual agreement of the parties.

SECTION 3. TELECOMMUNICATIONS SYSTEM CONSTRUCTION, MAINTENANCE AND PROCEDURES.

Prior to the construction, reconstruction, installation, deinstallation, maintenance or modification of the telecommunications system authorized in this Permit, Buckeye shall obtain and/or maintain all necessary approvals, permits or permissions from any Township, County, State or Federal agencies required for the proper construction, installation, maintenance or modification of the telecommunications system.

SECTION 4. SERVICES.

- (a) Buckeye shall be entitled to construct, maintain, use and operate in, along, across, on, over, through, above, and under the public rights of way in the Township a

telecommunications system limited to a multichannel video programming distribution network. Buckeye shall apply for additional permits to operate and provide additional services not authorized in this Permit.

- (b) If during the term of this Permit, any federal, state or local statutory, administrative or judicial law, decision or regulation is changed to require, permit or prohibit either party from performing or receiving any service or obligation, the Township and Buckeye shall negotiate in good faith to modify this Permit to comply with the changes. But neither party has an obligation to agree to any modification or modifications that would materially and adversely affect the economics or operations of that party.

SECTION 5. SERVICE AREA.

Buckeye is granted a franchise for the entire area of the Township of Whiteford, or its successors, as it exists and as its border may from time to time be changed.

SECTION 6. INSPECTION.

The Township may, but shall not be required, to monitor and inspect the work of Buckeye during construction at any reasonable time for the purpose of conducting tests or examining records or reports pertaining to the construction and compliance with applicable construction standards.

SECTION 7. COMPENSATION.

- (a) In addition to fees set forth hereinafter, Buckeye shall pay any other applicable fees of general application including but not limited to fees for inspection, road opening and rights of way permits from the Monroe County Road Commission and/or building permit and construction fees. For the franchise granted hereunder, Buckeye shall pay to the Township four percent (4%) of Buckeye's annual gross revenues (defined hereinafter) generated by the services authorized by this Permit as a fee (the "Franchise Fee") for the use of the rights of way in the Township; provided, that said fee shall not apply to any service which is specifically exempted by federal or state law. All contracts between Buckeye and any third party for the use of Buckeye's facilities shall prohibit the resale or subleasing of Buckeye's facilities or capacity therein by the third party unless and until the third party obtains an appropriate franchise or such other permits as may be required by the Township for such resale or subleasing of Buckeye's facilities and conducting business in the Township.

- (b) The Township reserves the right to change, to the extent permitted by federal law, the percentage of gross revenues Buckeye shall be obligated to pay as a fee for the rights granted by this Permit.
- (c) If by virtue of changes in federal law, Buckeye is not permitted to itemize franchise fees on its subscriber charges, the percentage of gross revenues Buckeye shall be obligated to pay as a Franchise Fee for the rights granted by this Permit shall still be deemed to be four percent (4%) of Buckeye's annual gross revenues (defined hereinafter) for the duration of the term of this Permit. This subsection is subject to the terms of Section 5(b) of this Permit.
- (d) If four percent (4%) of Buckeye's gross revenues is less than one thousand dollars (\$1,000.00) in any calendar year, Buckeye shall pay to the Township a total of one thousand dollars (\$1,000.00) for that calendar year for the right to use the public places in the Township for Buckeye's telecommunications system. If, during the term of this Permit, any federal, state or local statutory, administrative or judicial law, decision or regulation is changed which prevents Buckeye from paying or the Township from collecting the gross receipts charge authorized by this Permit, Buckeye shall pay the fees specified in this Permit, as it may be amended from time to time, provided, however, that said fees shall be capped at an amount equal to four percent (4%) of Buckeye's annual gross revenues as defined in this Section. This subsection is subject to the terms of Section 5(b) of this Permit.
- (e) Payments shall be made on a quarterly basis within forth-five (45) days after the end of each quarter to the Treasurer of the Township of Whiteford. Each payment to the Township shall be accompanied by a report certified by an officer of Buckeye detailing how the gross revenues were determined and the calculation of the payment. If Buckeye fails to make proper payment of the Franchise Fee on or before the date it is due, interest on the delinquent amount shall be assessed at the rate of one percent (1%) per month.
- (f) "Gross revenues" means all cash, credits, or property of any kind or nature reported as revenue items to Buckeye's audited income statements arising from the provision or resale of multichannel video programming services within the Township, including but not limited to installation charges, maintenance charges, rental of equipment, video service, information service and all other services which use Buckeye's video telecommunication facilities within the Township and any interconnections between its video programming system in the Township and any other system whatsoever. Gross revenues shall not include any: advertising income, lease, rental (except

equipment rental defined above), production, and non-facility based income; income from contracts other than subscriber contracts; administrative income, such as fines, late charges, and other revenues derived from administrative programs; bad debts; deposits; promotional or vendor discounts or credits; or sales, service, occupation or other excise tax go the extent such taxes are charged separately from normal service charges and are remitted by Buckeye directly to the taxing authority.

- (g) The Franchise Fee called for in this Section compensates the Township for the Buckeye's use of the rights of way and other public places in the Township for Buckeye's telecommunication system. During the term of this Permit, Buckeye shall not be obligated to pay any other fee imposed by the Township for use of the rights of way or other public places in the Township.
- (h) The Township and Buckeye understand, acknowledge and agree that Bedford Public Schools, Bedford Township and Buckeye each contribute and will continue to contribute to the annual operating budget of the Bedford Township and Bedford Public Schools local origination broadcasting studios (the "Studios") which are presently located on the School's property. Whiteford Township and Whiteford Public Schools may negotiate with Bedford Township and Bedford Public Schools any agreement satisfactory to the parties for Whiteford Township's and/or Whiteford Schools' participation in and payment for support of those channels. Whiteford recognizes that up to one quarter (1/4) of the 4 (four) per cent Franchise Fee Buckeye pays Bedford shall be dedicated to and shall be allocated directly to the Studios' budget, provided, however, in no event shall such dedication and allocation exceed one-third (1/3rd) of the Studios' annual budget funding. Whiteford Township may, at its option and with the agreement of Bedford Township, adopt a similar plan to support the Studios' budget. Payment of and receipt by Whiteford Township of Buckeye's Franchise Fee paid hereunder shall satisfy Buckeye's obligation to otherwise contribute to the operating expenses of the Studios.

SECTION 8. PUBLIC, EDUCATIONAL AND GOVERNMENTAL ACCESS PROGRAMMING.

Buckeye provides Bedford Township with two channels on the portion of its system delivered to Whiteford Township residents. One of those channels will carry the local origination programming and alpha-numeric information generated from Bedford High School; and the other channel will carry alpha- numeric information generated by Bedford Township. Whiteford Township and Whiteford Public Schools may negotiate

with Bedford Township and Bedford Public Schools any agreement satisfactory to the parties for Whiteford Township's and/or or Whiteford Schools' participation in programming for those channels.

SECTION 9. INSURANCE.

Buckeye shall maintain public liability and property damage insurance in an amount of not less than \$1,000,000 for personal injury to each person, \$1,000,000 for each occurrence involving property damages, plus the costs of defense; or a combined single limit policy of not less than \$5,000,000 covering all claims plus the costs of defense. The policy shall name the Township as an additional insured and shall provide that the insurance shall not be canceled or materially altered without thirty (30) days written notice first being given the Township. A copy of the policy shall be deposited with and kept on file in the office of the Township Clerk.

SECTION 10. ASSIGNMENT.

- (a) Buckeye shall not sell, assign or transfer the rights, privileges or obligations granted under this Permit, in whole or in part, to any other person, firm or entity without the prior written consent of the Township by ordinance or resolution. If the Township finds that the buyer, assignee or transferee has the legal, technical and financial qualifications to carry out the terms of this Permit, the Township's approval shall not be unreasonably withheld. However, the Township may condition the sale, assignment or transfer upon such amendments to the terms and conditions of this Permit as it deems reasonably necessary to ensure compliance with the terms of this Permit and protect the public interest.
- (b) No sale, assignment or transfer shall be effective until the Township has received an executed instrument from the buyer, assignee or transferee accepting the terms of this Permit. Should Buckeye sell, assign or transfer any rights, privileges and obligations granted under this Permit without the Township's prior consent, the Township may immediately revoke Buckeye's franchise, by Township Board resolution, for default in which case all rights and privileges of Buckeye, its buyer, assignee or transferee shall cease.
- (c) Buckeye shall not assign, transfer, lease or sublease its assets located in the right-of-way or the capacity of such assets used to provide video or other programming to its subscribers to any other person, firm or entity without the

prior written consent of the Township, excluding leased access programming as defined by federal law.

- (d) Notwithstanding anything to the contrary, no prior consent shall be required for any sale, transfer or assignment as defined in subsections (a) and (c) above to any entity controlled by Buckeye or a parent, subsidiary or affiliate of such transfer does not effectively change the ultimate ownership of Buckeye. For the purpose of this paragraph, "controlled by" means the power or authority to direct or cause the direction of the management and policies of the transferee or assignee.

SECTION 11. INDEMNIFICATION.

Buckeye shall indemnify, protect and hold harmless the Township, its officers, agents, boards, and elected officials from any claim, loss or damage in any way arising from the construction, operation or maintenance of the telecommunication system authorized by this Permit or from any negligent or wrongful act or omission committed by Buckeye.

SECTION 12. DISCONTINUED OPERATION OF THE TELECOMMUNICATIONS SYSTEMS.

If Buckeye intends to discontinue the use of any part of its telecommunications system within all or a part of the Township, Buckeye shall submit a notice to the Township describing the portion of the telecommunication system to be discontinued and the date of discontinuance. Buckeye may remove or secure the facility or request the Township permit it to remain in place. Upon providing the Township with said notice of abandonment, ownership of such abandoned part of the system shall, at the Township's option, pass to the Township without the need to pay compensation to Buckeye.

SECTION 13. REVOCATION.

- (a) In addition to any other rights set out in this Permit, the Township reserves the right to revoke the franchise granted by this Permit if Buckeye violates any material provision of this Permit.
- (b) The Township shall give Buckeye at least thirty (30) days prior written notice of its intent to revoke the franchise under this Section stating the reasons for such action. If Buckeye cures the violation within the thirty (30) day notice period, or if Buckeye initiates efforts satisfactory to the Township to remedy the stated violation, the Township shall not revoke the franchise. The Township may require Buckeye to undertake a remedial plan that will correct

the violation within a reasonable time. Such remedial plan may include graduated penalties for further noncompliance, including, ultimately, revocation of the franchise.

- (c) If Buckeye does not cure the stated violation or fails to undertake efforts satisfactory to the Township to remedy the stated violation, then the Township may revoke the franchise. If the telecommunication system franchise is revoked, the telecommunication system shall, at the option of the Township, be removed from the streets and public places of the Township at the sole expense of Buckeye.

SECTION 14. MODIFICATION.

Notwithstanding any other provision of this Permit, the express terms of this Permit cannot be changed without the consent of both parties.

SECTION 15. REMEDIES UPON VIOLATION.

In addition to the Township's right and authority to revoke the franchise granted under this Permit, upon any breach of any terms and provisions of this Permit or the failure of Buckeye to satisfy all of its obligations hereunder, the Township shall have the right to seek an order of specific performance of such obligation, and the right to invoke any remedy for action, damages and/or protection as allowed at law or in equity, as nonexclusive remedies. Any action to enforce any of the contractual terms and provisions of this Permit may be brought in any court of competent jurisdiction in the County of Monroe, Michigan and such court shall have personal jurisdiction over the parties.

SECTION 16. EFFECTIVE DATE.

This Permit shall be effective immediately after it or a summary of it has been published in a newspaper of general circulation in the Township of Whiteford.

SECTION 17. ACCEPTANCE

Upon the Permittee's written acceptance of this permit, the permit shall constitute a contract between the Township and the Permittee and shall be binding upon both parties and their successors and assigns.

PERMITTEE – BUCKEYE CABLEVISION, INC.

President

Date

TOWNSHIP OF WHITEFORD

BERNICE HEIDELBERG
Trustee Chairman

19 MARCH 2002
Date

LARRAINE DRESSEL
Trustee

19 MARCH 2002
Date

ROBERT DICKERSON
Treasurer

19 MARCH 2002
Date

LEROY BUNGE
Clerk

19 MARCH 2002
Date

PAMELA DRESSEL
Supervisor

19 MARCH 2002
Date

Authorized by Ordinance No. 46

ACCEPTANCE

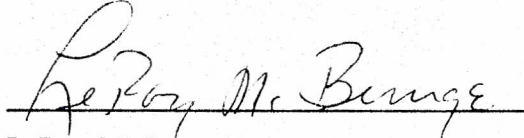
Buckeye Cablevision, Inc. accepts and hereby agrees to be bound by all the terms and conditions of this permit.

President

Date

I, LeRoy M. Bunge, do hereby certify that this Ordinance or a summary thereof, was published on the 26 th. day of March, 2002 in the Monroe Evening News, Monroe County, Michigan, a newspaper of general circulation in the Township of Whiteford, within thirty (30) days after adoption of the Ordinance.

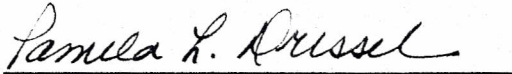
Dated: 1 April 2002



LeRoy M. Bunge

Whiteford Township Clerk

ATTEST:



Pamela Dressel

Whiteford Township Supervision

ADOPTED: 19 March 2002

PUBLISHED: 26 March 2002

EFFECTIVE: 26 March 2002

I, LeRoy M. Bunge, do hereby certify that I am the duly elected and acting clerk of the Township of Whiteford, and I do hereby certify that this Ordinance was adopted by the Township Board of the Township of Whiteford, Monroe County, Michigan, at a regular meeting of the Township Board held at the Whiteford Agricultural Middle School, Ottawa Lake, Michigan, on the 19th day of March, 2002.

The vote on said Ordinance, 5 members being present and 0 members absent, was as follows:

Members Last Name

Voting in Favor:

P. DRESSEL

HEIDELBERG

BUNGE

DICKERSON

L. DRESSEL

Voting Against:

0

Abstained:

0

Absent:

0