

**CABLE TELEVISION FRANCHISE AGREEMENT  
BY AND BETWEEN  
THE VILLAGE OF NORTHBROOK, ILLINOIS  
AND COMCAST OF ILLINOIS XI, LLC**

This Franchise Agreement (hereinafter, the "Agreement" or "Franchise Agreement") is made between the Village of Northbrook, Illinois, an Illinois home rule municipal corporation (hereinafter, the "Village") and Comcast of Illinois XI, LLC, (hereinafter, "Grantee") this **28 day of October 2020** (the "Effective Date").

The Grantee, having acknowledged and attested that the financial, legal, and technical abilities are reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, and the Village having considered these parameters, desires to enter into this Franchise Agreement with the Village for the construction, operation and maintenance of a Cable System on the terms and conditions set forth herein.

This Agreement is entered into by and between the parties under the authority of the Cable Act, the Illinois Constitution of 1970, including the Village's home rule powers, and the Illinois Municipal Code, as amended from time to time, and shall be governed by the Cable Act and the Illinois Municipal Code, as amended from time to time; provided that any provisions of the Illinois Municipal Code that are inconsistent with the Cable Act shall be deemed to be preempted and superseded.

**SECTION 1: Definition of Terms**

For the purpose of this Franchise Agreement, capitalized terms, phrases, words, and abbreviations have the meanings ascribed to them in the Cable Act, unless otherwise defined in this Agreement.

"Cable Act" or "Act" means the Cable Communications Policy Act of 1984, as amended by the Cable Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996, 47 U.S.C. §§ 521 et seq., as the same may be amended from time to time.

"Cable Operator" means any Person or group of Persons who provides Cable Service over a Cable System and directly or through one or more affiliates owns a significant interest in such Cable System; or who otherwise controls or is responsible for, through any arrangement, the management and operation of such a Cable System.

"Cable Service" or "Service" means the one-way transmission to Subscribers of Video Programming or Other Programming Service and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or Other Programming Service.

"Cable System" or "System," has the meaning set forth in Section 612 of the Cable Act, 47 U.S.C. § 522, and means the Grantee's facilities, 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 Franchise Area, but such term does not include (i) a facility that serves only to re-

transmit the television signals of one or more television broadcast stations, (ii) a facility that serves Subscribers without using any public right-of-way, (iii) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the Communications Act of 1934, as amended, except that such a facility shall be considered a Cable System (other than for purposes of Section 621(c) of the Cable Act) to the extent such facility is used in the transmission of Video Programming directly to Subscribers, unless the extent of such use is solely to provide Interactive On-Demand Services, (iv) an open video system that complies with Section 653 of the Cable Act, or (v) any facilities of any electric utility used solely for operating its electric utility systems.

“Channel” or “Cable Channel” means a portion of the electromagnetic frequency spectrum which is used in a Cable System and which is capable of delivering a television channel as a television channel is defined by the Federal Communications Commission by regulation.

“Customer” or “Subscriber” means a Person who lawfully receives and pays for Cable Service with the Grantee’s express permission.

“FCC” means the Federal Communications Commission or successor governmental entity thereto.

“Franchise” means the initial authorization, or renewal thereof, issued by the Village, whether such authorization is designated as a franchise, agreement, permit, license, resolution, contract, certificate, ordinance or otherwise, which authorizes the construction or operation of the Cable System.

“Franchise Agreement” or “Agreement” means this Agreement and any amendments or modifications hereto.

“Franchise Area” means the present legal boundaries of the Village as of the Effective Date, and shall also include any additions thereto, by annexation or other legal means as provided in this Agreement.

“Grantee” means Comcast of Illinois XI, LLC.

“Gross Revenue” means the Cable Service revenue received by the Grantee from the operation of the Cable System in the Franchise Area to provide Cable Services, calculated in accordance with generally accepted accounting principles. Cable Service revenue includes monthly fees for: Basic Cable Service, cable programming service regardless of Service Tier; and premium Channels. Cable Service revenue also includes pay-per-view video fees, advertising and home shopping revenue, installation fees and equipment rental fees. Gross Revenues also includes such other revenue sources from Cable Service delivered over the Cable System as may now exist or hereafter develop, provided that such revenues, fees, receipts, or charges may be lawfully included in the gross revenue base for purposes of computing the Village’s permissible Franchise Fee under the Cable Act, as amended from time to time. Gross Revenue does not include refundable deposits, bad debt, investment income, programming launch support payments, third party advertising sales commissions and agency fees, nor any taxes, fees or assessments imposed or assessed by any governmental authority. Gross Revenues includes amounts collected from Subscribers for Franchise Fees pursuant to *City of Dallas, Texas v. F.C.C.*, 118 F.3d 393 (5<sup>th</sup> Cir.

1997), and amounts collected from non-Subscriber revenues in accordance with the Court of Appeals decision resolving the case commonly known as the “Pasadena Decision,” *City of Pasadena, California et. al., Petitions for Declaratory Ruling on Franchise Fee Pass Through Issues, CSR 5282-R, Memorandum Opinion and Order, 16 FCC Rcd. 18192* (2001), and *In re: Texas Coalition of Cities for Utility Issues v. F.C.C.*, 324 F.3d 802 (5th Cir. 2003).

“Initial Franchise Service Area” means that portion of the Franchise Area served by the Grantee’s Cable System as of the Effective Date of this Franchise Agreement.

“Person” means any natural person or any association, firm, partnership, joint venture, corporation, limited liability company, or other legally recognized entity, whether for-profit or not-for profit, but does not mean the Village.

“Public, Educational and Governmental (PEG) Access Channel” means a video Channel designated for non-commercial use by the public, educational institutions such as public or private schools (but not “home schools”), community colleges, and universities, as well as the Village.

“Public, Educational and Government (PEG) Access Programming” means non-commercial programming produced by any Village residents or organizations, schools and government entities and the use of designated facilities, equipment and/or Channels of the Cable System in accordance with 47 U.S.C. §531 and this Agreement.

“Public Way” means, pursuant and in addition to the definition thereof in Chapter 9 of the Northbrook Municipal Code, titled “Construction of Utility Facilities In The Public Rights-of-Way” the surface of, and the space above and below, any street, alley, other land or waterway, dedicated or commonly used for pedestrian or vehicular traffic or other similar purposes, including, but not limited to, public utility easements and other easements dedicated for compatible uses, now or hereafter held by the Village in the Franchise Area, to the extent that the Village has the right and authority to authorize, regulate, or permit the location of facilities other than those of the Village. Public Way does not include any real or personal Village property that is not specifically described in this definition and does not include Village buildings, fixtures, and other structures and improvements, regardless of whether they are situated in the Public Way.

“Standard Installation” means those installations to Subscribers that are located up to 125 feet from the existing distribution system (Cable System).

“Village” means the Village of Northbrook, Illinois or the lawful successor, transferee, designee, or assignee thereof.

“Video Programming” or “Programming” means programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

## **SECTION 2: Grant of Authority**

2.1. **Grant of Franchise.** Pursuant to Section 621(a) of the Cable Act, 47 U.S.C. § 541(a), and Section 11-42-11(a) of the Illinois Municipal Code, 65 ILCS 5/11-42-11(a), the Illinois Constitution, and Ordinance No. 2020-40 approving and authorizing the execution of this

Agreement, the Village hereby grants to the Grantee a nonexclusive Franchise authorizing the Grantee to construct and operate a Cable System in the Public Ways within the Franchise Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in any Public Way such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System, and to provide such services over the Cable System as may be lawfully allowed.

2.2. Term of Franchise. The term of the Franchise granted hereunder is 10 years, starting on the Effective Date, unless the Franchise is renewed or is lawfully terminated in accordance with the terms of this Franchise Agreement and/or applicable law. From and after the Effective Date, the Parties acknowledge that this Franchise Agreement is intended to be the sole and exclusive Franchise Agreement between the Parties pertaining to the Grantee's Franchise for the provision of Cable Service.

2.3. Renewal. Any renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, as amended, and any applicable State law which may exist at the time of renewal and which is not superseded by the Cable Act.

2.4. Police Powers. Nothing in this Franchise Agreement shall be construed as an abrogation by the Village of any of its police powers to adopt and enforce generally applicable ordinances deemed necessary by the Village for the health, safety, and welfare of the public, and the Grantee shall comply with all generally applicable laws, codes, and ordinances enacted by the Village pursuant to such police power.

2.5. Reservation of Authority. Nothing in this Franchise Agreement shall (A) abrogate the right of the Village to perform any public works or public improvements of any description, (B) be construed as a waiver of any laws, codes or ordinances of general applicability promulgated or enforceable by the Village, or (C) be construed as a waiver or release of the rights of the Village in and to the Public Ways.

2.6. Competitive Equity.

2.6.1. In the event the Village grants an additional Franchise to use and occupy any Public Way for the purposes of operating a Cable System, the additional Franchise shall only be granted in accordance with the Illinois Level Playing Field Statute, 65 ILCS 5/11-42-11.

2.6.2. In the event an application for a new cable television franchise or other similar authorization is filed with the Village proposing to serve the Franchise Area, in whole or in part, the Village shall, to the extent permitted by law, promptly notify the Grantee of such filing, or require the Grantee to be notified, and include a copy of such application.

2.6.3. So long as (A) appropriate vehicle safety markings have been deployed by the Grantee, (B) the Grantee is working diligently, and (C) the Grantee has given notice to the Northbrook Police Patrol Supervisor, the Grantee's vehicles will be exempt from Village parking restrictions during any installation, repair, and maintenance work on the Cable System.

### **SECTION 3: Construction and Maintenance of the Cable System**

3.1. Except as may be otherwise provided in this Franchise Agreement, the Grantee shall comply with all generally applicable provisions of Chapter 9 of the Northbrook Municipal Code, titled "Construction of Utility Facilities in the Public Rights-of-Way," as they may be amended from time to time.

3.2. Aerial and Underground Construction. At the time of Cable System construction, if all of the transmission and distribution facilities of all of the respective public or municipal utilities in any area of the Franchise Area are underground, the Grantee shall place its Cable Systems' transmission and distribution facilities underground, provided that such underground locations are actually capable of accommodating the Grantee's cable and other equipment without technical degradation of the Cable System's signal quality. In any location within the Franchise Area where the transmission or distribution facilities of the respective public or municipal utilities are both aerial and underground, the Grantee shall have the discretion to construct, operate, and maintain all of its transmission and distribution facilities or any part thereof, aerially or underground. Nothing in this Section shall be construed to authorize any new aerial facilities without the express authorization of the Village. Nothing in this Section shall be construed to require the Grantee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

#### **3.3. Undergrounding and Beautification Projects.**

3.3.1. In the event the Village requires users of the Public Way who operate aerial facilities to relocate such aerial facilities underground, the Grantee shall participate in the planning for relocation of its aerial facilities, if any, contemporaneously with such users. The Grantee shall be reimbursed its relocation costs from public or private funds allocated for the project to the same extent as such funds are made available to other users of the Public Way, if any, provided that any utility's exercise of authority granted under its tariff to charge consumers for the said utility's cost of the project that are not reimbursed by the Village shall not be considered to be public or private funds.

3.3.2. The Grantee shall not be required to relocate its facilities unless it has been afforded at least 60 days notice of the necessity to relocate its facilities. Upon adequate notice, the Grantee shall provide a written estimate of the cost associated with the work necessary to relocate its facilities. In instances where a third party is seeking the relocation of the Grantee's facilities or where the Grantee is entitled to reimbursement pursuant to the preceding Section, the Grantee shall not be required to perform the relocation work until it has received payment for the relocation work.

### **SECTION 4: Service Obligations**

4.1. Initial Service Obligations. As of the Effective Date of this Agreement, the Grantee's Cable System has been providing Cable Service to residential Customers throughout the Initial Franchise Service Area. The Grantee shall continue to make Cable Service available in the

Initial Service Area throughout the term of this Agreement and the Grantee shall extend its Cable System and provide service consistent with the provisions of this Franchise Agreement.

4.2. General Service Obligation. The Grantee shall make Cable Service available beyond the Initial Franchise Service Area to every residential dwelling unit within the Franchise Area where the minimum density is at least 30 dwelling units per linear Cable System network mile as measured from the existing Cable System's technically feasible connection point. Subject to the density requirement, the Grantee will offer Cable Service to all new homes or previously unserved homes located within 125 feet of the Grantee's distribution cable (e.g., a Standard Installation).

4.2.1. Grantee Election. The Grantee may elect to provide Cable Service to areas not meeting the above density and distance standards. The Grantee may impose an additional charge in excess of its regular installation charge for any service installation requiring a drop or line extension in excess of a Standard Installation. Any such additional charge will be computed on a time plus materials basis plus a reasonable rate of return.

4.3. Programming. The Grantee agrees to provide cable-programming services in the following broad categories:

Children	General Entertainment	Family Oriented
Ethnic/Minority	Sports	Weather
Educational	Arts, Culture & Performing Arts	News & Information

Pursuant and subject to federal law, all Video Programming decisions, excluding PEG Access Programming, are at the sole discretion of the Grantee.

4.4. Technical Standards. The Grantee shall comply with all applicable technical standards of the FCC as published in 47 C.F.R., Part 76, Subpart K, as amended from time to time. The Grantee shall cooperate with the Village in conducting inspections related to these standards upon reasonable prior written request from the Village based on a significant number of Subscriber complaints.

4.5. Annexations and New/Planned Developments. In cases of annexation the Village shall provide the Grantee written notice of such annexation. In cases of new construction, planned developments or property development where undergrounding or extension of the Cable System is required, the Village shall provide or require the developer or property owner to provide the Grantee with notice of the same. Such notices shall be provided at the time of notice to all utilities or other like occupants of the Village's Public Way. If advance notice of such annexation, new construction, planned development or property development is not provided, the Grantee shall be allowed an adequate time to prepare, plan and provide a detailed report as to the timeframe for it to construct its facilities and provide the services required under this Franchise Agreement.

4.6. Service to School Buildings and Governmental Facilities.

4.6.1. The Village and the Grantee acknowledge the provisions of 220 ILCS 5/22-501(f), and the Grantee shall provide Basic Cable Service and a Standard Installation at one outlet,

all without any cost or charge, to all “eligible building” as defined in state statute. Eligible buildings shall not include buildings leased to non-governmental third parties or buildings such as storage facilities at which government employees are not regularly stationed.

4.6.2. Long Drops. The Grantee may impose an additional charge in excess of its regular installation charge for any service installation requiring a drop or line extension in excess of a Standard Installation. Any such additional charge shall be computed on a time plus materials basis to be calculated on that portion of the installation that exceeds a Standard Installation.

4.7. Emergency Alerts. At all times during the term of this Franchise Agreement, the Grantee shall maintain an emergency alert system compatible the FEMA Integrated Public Alert Warning System (known as “IPAWS”), the nation’s official alert and warning infrastructure to alert the public of serious emergencies.

4.8. Customer Service Obligations. The Village and the Grantee acknowledge that the customer service standards and customer privacy protections are set forth in the Cable and Video Customer Protection Law, 220 ILCS 5/22-501 *et seq.* (“*CVCPL*”), and have been adopted in Chapter 10, titled “Cable and Video Customer Protection Law,” of the Northbrook Municipal Code, including Section 10-50, titled “Customer Care Standards,” and Article XXI, titled “Cable and Video Customer Protection Law,” along with enforcement provisions therefor. Enforcement of such requirements and standards and the penalties for non-compliance with such standards shall be consistent with the CVCPL. The Village and the Grantee acknowledge and agree that in the event that the standards and protections contained in the CVCPL and/or Chapter 10 are repealed or invalidated or otherwise no longer enforceable, the Village may adopt or re-adopt such standards and protections by ordinance as permitted by law.

## SECTION 5: Oversight and Regulation by Village

5.1. Franchise Fees. The Grantee shall pay to the Village a Franchise Fee in an amount equal to five percent of annual Gross Revenues received from the operation of the Cable System to provide Cable Service in the Franchise Area; provided, however, that the Grantee shall not be compelled to pay any higher percentage rate of Franchise Fees than the rate paid by any other Person paying a video service provider fee or similar fee, under state authorization or otherwise, providing service in the Franchise Area. The payment of Franchise Fees shall be made on a quarterly basis and shall be due 45 days after the close of each calendar quarter. The Franchise Fee shall be considered paid on: (i) if mailed, the date it is postmarked and (ii) if by electronic funds transfer, on the date deposited in the Village’s designated account. With each Franchise Fee payment, the Grantee shall submit a report prepared by a representative of the Grantee showing the basis for the computation of the Franchise Fees paid during that period, including the Gross Revenues of the Cable System in the Franchise Area. Any undisputed Franchise Fee payment, which remains unpaid in whole or in part, after the date specified herein shall be delinquent. For any delinquent Franchise Fee payments, the Grantee shall make such payments including interest at the prime lending rate as quoted by J.P. Morgan Chase & Co. or its successor, computed daily from the time due until paid. Any undisputed overpayments made by the Grantee to the Village shall be credited upon discovery of such overpayment until such time when the full value of such credit has been applied to the Franchise Fee liability otherwise accruing under this Section.

5.1.1. The parties acknowledge that, at present, the Cable Act limits the Village to collection of a maximum permissible Franchise Fee of five percent of Gross Revenues. In the event that a change in the Cable Act would allow the Village to increase the Franchise Fee above five percent, and the Village actually proposes to increase the Franchise Fee in exercise of such authority, the Village may amend the Franchise Fee percentage. Following the determination to increase the Franchise Fee and enactment of an ordinance enabling the same, the Village shall notify the Grantee of its intent to collect the increased Franchise Fee, and the Grantee shall have a reasonable time (not to be less than 90 days after receipt of notice from the Village) to effectuate any changes necessary to begin the collection of such increased Franchise Fee. In the event that the Village increases said Franchise Fee, the Grantee shall notify its Subscribers of the Village's decision to increase said fee prior to the implementation of the collection of said fee from Subscribers as required by law.

5.1.2. In the event a change in state or federal law requires the Village to reduce the franchise fee percentage that may be collected, the parties agree the Grantee shall reduce the percentage of franchise fees collected to the lower of: i) the maximum permissible franchise fee percentage; or ii) the lowest franchise fee percentage paid by any other Cable Operator granted a cable franchise by the Village pursuant to the Cable Act, and Section 11-42-11 of the Illinois Municipal Code, 65 ILCS 5/11-42-11; provided that: (a) such amendment is in compliance with the change in state or federal law; (b) the Village approves the amendment by ordinance; and (c) the Village notifies the Grantee at least 90 days prior to the effective date of such an amendment.

5.1.3. Taxes Not Included. The Grantee acknowledges and agrees that the term "Franchise Fee" does not include any tax, fee, or assessment of general applicability (including any such tax, fee, or assessment imposed on both utilities and Cable Operators on their services but not including a tax, fee, or assessment, which is unduly discriminatory against Cable Operators or Cable Subscribers).

5.2. Franchise Fees Subject to Audit. The Village and the Grantee acknowledge that the audit standards for Franchise Fees are set forth in the Illinois Municipal Code at 65 ILCS 5/11-42-11.05 (Municipal Franchise Fee Review; Requests For Information). The Village and the Grantee agree that the audit procedures set forth in the Illinois Municipal Code at 65 ILCS 5/11-42-11.05 shall be applicable to any audit of PEG Capital payments as provided for in Section 8.5 of this Agreement. Any audit shall be conducted in accordance with generally applicable auditing standards.

5.2.1. In accordance with 65 ILCS 5/11-42-11.05(k), the Village shall provide on an annual basis, a complete list of addresses within the corporate limits of the Village. If an address is not included in the list or if no list is provided, the Grantee shall be held harmless for any franchise fee underpayments (including penalty and interest) from situsing errors.

5.3. Proprietary Information. Notwithstanding anything to the contrary set forth in this Agreement, the Grantee shall not be required to disclose information, which it reasonably deems to be proprietary or confidential in nature, with the exception of the information directly related to an audit of fees as set forth in Sections 5.2 and 8.5. The Village agrees to treat any information disclosed by the Grantee as confidential and only to disclose it to those employees, representatives, and agents of the Village that have a need to know in order to enforce this Franchise Agreement

and who agree to maintain the confidentiality of all such information. For purposes of this Section, the terms "proprietary or confidential" include, but are not limited to, information relating to the Cable System design, customer lists, marketing plans, financial information unrelated to the calculation of Franchise Fees or rates pursuant to FCC rules, or other information that is reasonably determined by the Grantee to be competitively sensitive. The Grantee may make proprietary or confidential information available for inspection but not copying or removal by the Franchise Authority's representative. In the event that the Village has in its possession and receives a request under the Illinois Freedom of Information Act (5 ILCS 140/1 *et seq.*), or similar law for the disclosure of information the Grantee has designated as confidential, trade secret or proprietary, the Village shall notify the Grantee of such request and cooperate with the Grantee in opposing such request. The Grantee shall indemnify and defend the Village from and against any claims arising from the Village's opposition to disclosure of any information the Grantee designates as proprietary or confidential. Compliance by the Village with an opinion or directive from the Illinois Public Access Counselor or the Illinois Attorney General under the Illinois Freedom of Information Act, 5 ILCS 140/1 *et seq.*, or with a decision or order of a court with jurisdiction over the Village, shall not be a violation of this Section.

## **SECTION 6: Transfer of Cable System or Franchise or Control of Grantee**

6.1. Neither the Grantee nor any other Person may transfer the Cable System or the Franchise, or this Franchise Agreement, without the prior written consent of the Village, which consent shall not be unreasonably withheld or delayed.

6.2. No transfer of control of the Grantee, defined as an acquisition of 51 percent or greater ownership interest in the Grantee, shall take place without the prior written consent of the Village, which consent shall not be unreasonably withheld or delayed.

6.3. No consent shall be required, however, for (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Grantee in the Franchise or in the Cable System in order to secure indebtedness or (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation.

6.4. The Grantee, and any proposed transferee under this Section 6, shall submit a written application to the Village containing or accompanied by such information as is required in accordance with applicable law and FCC regulations, specifically including a completed Form 394 or its successor, and in compliance with the processes established for transfers under FCC rules and regulations, including Section 617 of the Cable Act, 47 U.S.C. §537. Within 30 days after receiving a request for consent, the Village shall, in accordance with FCC rules and regulations, notify the Grantee in writing of the additional information, if any, it requires to determine the legal, financial and technical qualifications of the transferee or new controlling party. If the Village has not taken final action on the Grantee's request for consent within 120 days after receiving such request, consent shall be deemed granted. As a condition to granting of any consent, the Village may require the transferee to agree in writing to assume the obligations of the Grantee under this Franchise Agreement.

6.5. Any transfer of control resulting from or after the appointment of a receiver or receivers or trustee or trustees, however denominated, designated to take over and conduct the

business of the Grantee, whether in a receivership, reorganization, bankruptcy or other action or proceeding, unless such receivership or trusteeship shall have been vacated prior to the expiration of a 120-day period, shall be treated as a transfer of control pursuant to 47 U.S.C. §537 and require the Village's consent thereto in the manner described in Section 6 above.

## **SECTION 7: Insurance and Indemnity**

7.1. **Insurance.** Throughout the term of this Franchise Agreement, the Grantee shall, at its own cost and expense, maintain such insurance and provide the Village certificates of insurance in accordance with Chapter 9 of the Northbrook Municipal Code, as amended from time to time.

7.2. **Indemnification.** The Grantee shall indemnify, defend, and hold harmless the Village, its officers, employees, and agents (the "Indemnitees") from and against any injuries, claims, demands, judgments, damages, losses and expenses, including reasonable attorney's fees and costs of suit or defense (the "Indemnification Events"), arising in the course of the Grantee constructing and operating its Cable System within the Village. The Grantee's obligation with respect to the Indemnitees shall apply to Indemnification Events which may occur during the term of this Agreement, provided that the claim or action is initiated within the applicable statute of limitations, notwithstanding that the claim may be made or action filed subsequent to the termination or expiration of this Agreement. The Village shall give the Grantee timely written notice of its obligation to indemnify and defend the Village after the Village's receipt of a claim or action pursuant to this Section. For purposes of this Section, the word "timely" means within a time period that does not cause prejudice to the respective positions of the Grantee and/or the Village. If the Village elects in its own discretion to employ additional counsel, the costs for such additional counsel for the Village shall be the responsibility of the Village.

7.2.1. The Grantee shall not indemnify the Village for any liabilities, damages, costs or expense resulting from any conduct for which the Village, its officers, employees and agents may be liable under the laws of the State of Illinois.

7.2.2. Nothing herein shall be construed to limit the Grantee's duty to indemnify the Village by reference to the limits of insurance coverage described in this Agreement.

7.3. **Effect of Renewal on Indemnification.** The Grantee and the Village acknowledge that this Franchise Agreement is a renewal of a prior franchise agreement between the Village and the Grantee, and agree that the Grantee's obligations to defend, indemnify and hold harmless under the prior agreement are unaffected with respect to any Indemnification Event which may have occurred during the period covered by the prior agreement and for which a claim is made within the period of the applicable statute of limitations.

## **SECTION 8: Public, Educational and Governmental (PEG) Access**

8.1 **PEG Capacity.** Throughout the term of this Franchise Agreement, the Grantee shall provide capacity at no charge to the Village for the Village's non-commercial PEG access programming through the Grantee's Cable System consistent with the requirements set forth herein. As of the Effective Date of this Agreement, the Grantee provides three channels (the "Initial Channels") for use by the Village. As provided for in paragraphs 8.2A-B below, the

Grantee may provide one additional channel (the “Additional Channel”) for the Village’s non-commercial PEG access programming. Unless otherwise agreed to by the Village and the Grantee to the extent required by applicable law, said Initial Channels, and if applicable the Additional Channel, shall be carried on the most basic service tier offered by the Grantee.

8.2 Threshold Use Requirement.

8.2.1. Additional Channels. The Village may request an Additional Channel; provided, however, the Village must demonstrate that the Threshold Use Requirement is satisfied. For the purposes of this Agreement, the term “Threshold Use Requirement” means that the Initial Channels shall be programmed by the Village at least eight hours per day with non-repetitive, locally-produced video programming, Monday through Saturday, for a minimum of six consecutive weeks. The Village shall provide the Grantee with written documentation evidencing that the Threshold Use Requirement is being satisfied. The Grantee shall have 120 days after receipt of the Village’s request to provide the Additional Channel. Consistent with applicable law and regulation, the Additional Channel may be located on a digital service tier offered by the Grantee.

8.2.2. Status of Channels. Once provided pursuant to paragraph A above, the Additional Channel may not be removed or withdrawn by the Grantee for the first 12 months following the provision of such Additional Channel. After the 12-month period expires, the Grantee may remove or withdraw the Additional Channel if the Threshold Use Requirement is not being met. Any such removal or withdrawal shall not occur until after the Grantee has given the Village written notice that the Threshold Use Requirement for the Initial Channels provided as of the Effective Date of this Agreement is not being satisfied. The Village shall have 30 days to respond to the Grantee’s written notice indicating it has cured such condition, or state a plan showing it is taking diligent steps towards curing such condition, for which it shall be granted not less than 120 days to implement, in order to establish that the Threshold Use Requirement on the Initial Channels is or shall be satisfied.

8.2.3. Comcast Access Facility Usage. To the extent the Grantee operates and maintains public access studio facilities and equipment in the metropolitan Chicago area, the Grantee agrees that these facilities and equipment will be available to residents of the Village on a first-come, non-discriminatory basis for the production of public access programming consistent with the Grantee’s public access rules and procedures. Nothing herein shall be construed to require the Grantee to operate or maintain any public access studios or equipment.

8.2.4. Enhancing PEG Access. The Grantee and the Village further agree to work in cooperation to explore other economically and technically feasible means by which PEG access utilization and programming can be delivered.

8.2.5. Channel Assignments. As of the effective date of this Agreement, the PEG channels described in Section 8.1 above have been assigned by the Grantee to channel numbers 15, 16, and 17 on the basic service tier on the Grantee’s Cable System.

8.2.6. Relocation. During the term of this Franchise Agreement, if the Grantee desires to change the location of a PEG channel from that listed in paragraph E above, the Grantee

shall exercise good faith efforts to give the Village at least 90 days' prior notice of such relocation. The Grantee shall cooperate with the Village to notify subscribers of the change in channel number. The foregoing shall not apply to changes that are beyond the Grantee's control, such as a television station under the "must-carry" provisions of federal law requiring carriage on a channel currently used by a PEG channel.

8.2.7. Rules and Procedures for Use of PEG Access Channels. The Village shall be responsible for establishing and enforcing rules for the non-commercial use of public, educational and governmental access channels and to promote the use and viewership of the channels.

8.2.8. Editorial Control. The Grantee shall not exercise any editorial control over any use of PEG channels except to the extent permitted in 47 U.S.C. §531(e).

8.3 Allocation and Use of PEG Channels.

8.3.1. By Village. The Grantee does not relinquish ownership of a Channel by designating it for PEG use. However, the PEG channels are, and shall be, operated by the Village, and the Village may at any time allocate or reallocate the usage of the PEG channels among and between different uses and Users.

8.3.2. By Grantee.. In the event the Grantee wishes to use an Initial Channel (as defined in Section 8.1), the Grantee shall give 30-days notice to the Village stating the request and stating the duration, time, and other elements of the proposed use. The Village shall review the request and, if the Village grants the request, the Village shall adopt rules and procedures under which the Grantee may use the requested channel.

8.4 PEG Signal Quality.

8.4.1. Quality. Provided PEG signal feeds are delivered by the Village to the designated signal input point without material degradation, the PEG channel delivery system from the designated signal input point shall meet the same technical standards as the remainder of the Cable System set forth in this Agreement.

8.4.2. Future Changes. Should the Village determine that it wants to change or upgrade a location in service as of the Effective Date, or establish another location from which public, educational and/or governmental Video Programming is originated, the Village will give the Grantee written notice detailing the change in point of origination. The Grantee agrees to submit a cost estimate to implement the Village's plan within a reasonable period of time, but not later than 60 days. After an agreement to reimburse the Grantee for its expenditure, including but not limited to the application of PEG Capital Fees (as defined below), the Grantee will implement any necessary System changes within a reasonable period of time, but not longer than 120 days.

8.5. PEG Capital Payments for Equipment and Facilities.

8.5.1. PEG Projects. At its sole discretion, the Village may designate PEG access capital projects to be funded by an external charge (the "PEG Capital Fee"). The Village shall send written notice of the Village's desire for the Grantee to collect a PEG Capital Fee of up to

\$0.35 per customer per month charge to be passed on to each Subscriber pursuant Section 622(g)(2)(C) of the Cable Act (47 U.S.C. §542(g)(2)(C)). The notice shall include a description of the intended utilization of the PEG Capital Fee for PEG Access Channel facilities and/or equipment (the “PEG Capital Plan”). The Grantee shall collect the external charge over a period of time sufficient to accumulate the sum required to finance the PEG Capital Plan, and shall make the PEG capital payments from such sums at the same time and in the same manner as Franchise Fee payments. The capital payments shall be expended for capital costs associated with PEG access. PEG capital payments will not impact subscribers. Consistent with the description of the intended utilization of the PEG Capital Fee, the Village shall be permitted to hold all or a portion of the PEG Capital Fee from year to year as a designated fund to permit the Village to make large capital expenditures, if necessary. Moreover, if the Village chooses to borrow from itself or a financial institution revenue for large PEG capital purchases or capital expenditures, the Village shall be permitted to make periodic repayments using the PEG Capital Fee. Said PEG Capital Fee shall be imposed within 120 days after the Village’s written request.

8.5.2. Grantee Payments. For any payments owed by the Grantee in accordance with this section, which are not made on or before the due dates, the Grantee shall make such payments including interest at the prime lending rates as quoted by Chase Bank U.S.A. or its successor, whichever is higher, computed daily from time due until paid. Any undisputed overpayments made by the Grantee to the Village shall be credited upon discovery of such overpayment until such time when the full value of such credit has been applied to the Franchise Fee liability otherwise accruing under this section.

8.5.3. Capital Obligations not Franchise Fees. The Grantee and the Village agree that the capital obligations set forth in this Section are not “Franchise Fees” within the meaning of 47 U.S.C. § 542.

8.6. Encouragement of PEG Access Cablecasting. The Grantee shall list all PEG channels on its print and cablecast electronic program guides in a form comparable to listings for PEG channels in other communities where the Grantee provides service.

## SECTION 9: Enforcement of Franchise

9.1. Notice of Violation or Default. In the event the Village believes that the Grantee has not complied with a material term of the Franchise, it shall notify the Grantee in writing with specific details regarding the exact nature of the alleged noncompliance or default.

9.2. Grantee’s Right to Cure or Respond. The Grantee shall have 30 days after the receipt of the Village’s written notice: (i) to respond to the Village, contesting the assertion of noncompliance or default, or (ii) to cure such default, or (iii) in the event that, by nature of the default, such default cannot be cured within the 30-day period, initiate reasonable steps to remedy such default and notify the Village of the steps being taken and the projected date that the cure will be completed.

9.3. Enforcement. Subject to applicable federal and state law, and following notice and an opportunity to cure and respond pursuant to the provisions of Section 9.2 above, in the event

the Village determines that the Grantee is in default of any material provision of the Franchise, the Village may:

9.3.1. Seek specific performance of any provision that reasonably lends itself to such remedy or seek other relief available at law, including declaratory or injunctive relief; or

9.3.2. In the case of a substantial or frequent default of a material provision of the Franchise, declare the Franchise Agreement to be revoked in accordance with the following:

(i) The Village shall give written notice to the Grantee of its intent to revoke the Franchise on the basis of a pattern of noncompliance by the Grantee. The notice shall set forth with specificity the exact nature of the noncompliance. The Grantee shall have 90 days after receipt of such notice to object in writing and to state its reasons for such objection. In the event the Village has not received a response from the Grantee or upon receipt of the response does not agree with the Grantee's proposed remedy or in the event that the Grantee has not taken action to cure the default, it may then seek termination of the Franchise at a public hearing. The Village shall cause to be served upon the Grantee, at least 10 days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to request termination of the Franchise.

(ii) At the designated hearing, the Village shall give the Grantee an opportunity to state its position on the matter, present evidence and question witnesses, after which the Village shall determine whether or not the Franchise shall be terminated. The public hearing shall be on the record. A copy of the transcript shall be made available to the Grantee at its sole expense. The decision of the Village shall be in writing and shall be delivered to the Grantee in a manner authorized by Section 10.2. The Grantee may appeal such determination to any court whose jurisdiction includes Cook County, Illinois within 30 days after receipt of the Village's decision.

9.4. Remedies Not Exclusive. In addition to the remedies set forth in this Section 9, the Grantee acknowledges the Village's ability pursuant to Section 4.8 of this Franchise Agreement to enforce the requirements and standards, and the penalties for non-compliance with such standards, consistent with the CVCPL enacted by the Village in Chapter 10, titled "Cable and Video Customer Protection Law," of the Northbrook Municipal Code, including Section 10-50, titled "Customer Care Standards," and Article XXI, titled "Cable and Video Customer Protection Law," and, pursuant to Section 3.1 of this Franchise Agreement and Chapter 9 of the Northbrook Municipal Code, to enforce the Grantee's compliance with the Village's requirements regarding "Construction Of Utility Facilities In The Public Rights-Of-Way." Notwithstanding the foregoing, nothing in this Agreement shall be interpreted to permit the Village to exercise such rights and remedies in a manner that permits duplicative recovery from, or payments by, the Grantee. Such remedies may be exercised from time to time and as often and in such order as may be deemed expedient by the Village.

## SECTION 10: Miscellaneous Provisions

10.1. 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 (including termination, cancellation or revocation of the Franchise), where such noncompliance or alleged defaults occurred or were caused by strike, riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond the Grantee's ability to anticipate or control. This provision also covers work delays caused by waiting for utility providers to service or monitor their own utility poles on which the Grantee's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary. This provision shall apply only if the Grantee has given written notice to the Village within 14 days after the occurrence of (a) the force majeure event or (b) the date on which the Grantee knew or should have known that the event would cause, or be likely to cause, the Grantee to not be in compliance with this Agreement. Non-compliance or default shall be corrected within a reasonable amount of time after force majeure has ceased.

10.2. Notice. Any notice or communication required or permitted to be given under this Agreement that (a) requires a response or action by a party to this Agreement, (b) may affect any fees paid pursuant to this Agreement, or (c) may affect any time period for performance by a party under this Agreement, shall be in writing and shall be delivered (i) by hand delivery, (ii) by a reputable overnight courier, or (iii) by certified or registered mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, to the parties at the address set forth below:

To the Village:

Village of Northbrook  
1225 Cedar Lane  
Northbrook, Illinois 60062  
ATTN: Village Manager

To the Grantee:

Comcast  
1500 McConnor Parkway  
Schaumburg, Illinois, 60173  
ATTN: Director of Government Affairs

Unless otherwise expressly provided in this Agreement, the aforesaid notices shall be deemed received upon the earlier of (a) actual receipt; (b) one business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (c) three business days following deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section, each party shall have the right to change the address or the addressee, or both, for all future notices and communications to such party, but no notice of a change of addressee or address shall be effective until actually received.

Other notices or communications relating to this Agreement may be given by one of the methods listed above or by electronic internet mail ("e-mail"). E-mail notices shall be deemed valid and received by the addressee thereof when (a) delivered by e-mail and (b) opened by the recipient on a business day at the address set forth above.

10.3. Entire Agreement. This Franchise Agreement embodies the entire understanding and agreement of the Village and the Grantee with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and communications, whether written or oral. Except for ordinances adopted pursuant to Sections 2.4, 2.5 and 4.8 of this Agreement, all ordinances or parts of ordinances related to the provision of Cable Service that are

in conflict with or otherwise impose obligations different from the provisions of this Franchise Agreement are superseded by this Franchise Agreement.

10.3.1. The Village may adopt a cable television/video service provider regulatory ordinance that complies with applicable law, provided the provisions of any such ordinance adopted subsequent to the Effective Date of this Franchise Agreement shall not apply to the Grantee during the term of this Franchise Agreement.

10.4. Severability. If any section, subsection, sentence, clause, phrase, or other portion of this Franchise Agreement is, for any reason, declared invalid, in whole or in part, by a final and binding decision of any court, agency, commission, legislative body, or other authority of competent jurisdiction over the parties, such portion shall be deemed a separate, distinct, and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect. If any material provision of this Agreement is made or found to be unenforceable by such a binding and final decision, either party may notify the other in writing that the Franchise has been materially altered by the change and of the election to begin negotiations to amend the Franchise in a manner consistent with said proceeding or enactment; provided, however, that any such negotiated modification shall be competitively neutral, and the parties shall be given sufficient time to implement any changes necessitated by the agreed-upon modification.

10.5. Governing Law. This Franchise Agreement shall be deemed to be executed in the State of Illinois, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the State of Illinois and/or Federal law, as applicable.

10.6. Venue. Except as to any matter within the jurisdiction of the federal courts or the FCC, all judicial actions relating to any interpretation, enforcement, dispute resolution or any other aspect of this Agreement shall be brought in the Circuit Court of the State of Illinois, Cook County, Illinois. Any matter brought pursuant to the jurisdiction of the federal court shall be brought in the United States District Court of the Northern District of Illinois.

10.7. Modification. Except as provided in Sections 5.1.1 and 5.1.2, no provision of this Franchise Agreement shall be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the Village and the Grantee, which amendment shall be authorized on behalf of the Village through the adoption of an appropriate ordinance or resolution by the Village, as required by applicable law.

10.8. No Third-Party Beneficiaries. Nothing in this Franchise Agreement is intended to confer third-party beneficiary status on any person, individual, corporation or member of the public to enforce the terms of this Franchise Agreement.

10.9. No Waiver of Rights. Nothing in this Franchise Agreement shall be construed as a waiver of any rights, substantive or procedural, that the Village or the Grantee may have under Federal or state law unless such waiver is expressly stated herein.

10.10. Validity of Franchise Agreement. The parties acknowledge and agree in good faith on the validity of the provisions, terms and conditions of this Franchise Agreement, in their

entirety, and that the Parties have the power and authority to enter into the provisions, terms, and conditions of this Agreement. The parties further agree that the parties shall not, at any time, challenge any provision, term, or condition of this Franchise Agreement on the basis that it is unreasonable, arbitrary, or void, or that the parties had no power or authority to make such provision, term, or condition as part of, or pursuant to this Agreement, except as to those matters which are hereafter preempted by new or amended federal or state law or judicial or administrative orders or decrees.

10.11. Authority to Sign Agreement. The Grantee warrants to the Village that it is authorized to execute, deliver and perform this Franchise Agreement. The individual signing this Franchise Agreement on behalf of the Grantee warrants to the Village that s/he is authorized to execute this Franchise Agreement in the name of the Grantee.

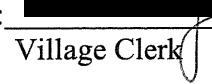
IN WITNESS WHEREOF, this Franchise Agreement has been executed by the duly authorized representatives of the parties as set forth below, as of the Effective Date:

For the Village of Northbrook:

Name: Richard Vahsstaedt  
Print 

Name:   
Signature

Title: Village Manager  


Attest:   
Village Clerk

For Comcast of Illinois XI, LLC:

Name: JOHN CROWLEY  
Print 

Name:   
Signature

Title: REGION SENIOR VICE PRESIDENT  


Attest: 