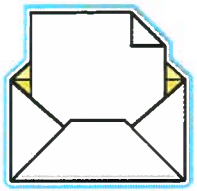
The Cable Franchise Renewal Process
(Informal)



The Town receives a letter from the current Franchisee advising they wish to commence the renewal process. This letter is forwarded to DTC, who then prepares an engagement letter to the Town, engaging us to act as your attorneys in this matter. The Town may form a Cable Committee to work with DTC.

DTC prepares two sets of audit questions regarding the current franchise agreement: one for the Town and one for the Franchisee. The answers to these questions help determine if the Franchisee has met all the conditions of the current franchise agreement.

Within six months of the date of the renewal letter, the Town holds an ascertainment hearing with concerned residents and municipal departments to determine if the terms of the current franchise agreement have been met and to discuss future needs—items the Town would like included in the new agreement. Minutes of the hearings (or a transcript) should be kept, as the more complete the ascertainment record, the more negotiating power the Town will have. The Town may hold as many ascertainment hearings as necessary, provided the initial hearing takes place within 6 months of the renewal letter.

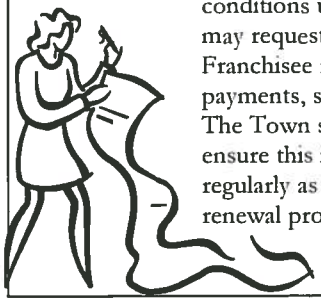
DTC analyzes the responses to the audit questions posed to the Town and to the Franchisee. This analysis is forwarded to the Town. If necessary, follow-up questions are sent to the Franchisee. A matrix of the current agreement and suggestions arising from the ascertainment hearing(s) is prepared.

The Governing Body or Cable Committee and DTC meet and discuss the upcoming negotiations.

Based on the input from the Town and the results of the ascertainment hearing(s), with the assistance of DTC, the Town presents a renewal proposal to the Franchisee. DTC updates the matrix to include a comparison of the renewal franchise proposal.

The Franchisee provides a counterproposal to the Town's initial renewal proposal. DTC confers with the Town about negotiating the new agreement with the Franchisee. During this back-and-forth process, the results of the ascertainment hearing(s) bear fruit.

The negotiation team recommends a franchise renewal to the Governing Body, who holds a public hearing on the proposed agreement. The final result is the best agreement that can be negotiated for the Town.



The final agreement may include conditions under which the Town may request annual reports from the Franchisee regarding subjects such as payments, services and upgrades. The Town should take steps to ensure this information is obtained regularly as it will make the next renewal process go smoothly!