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Ron Reihl

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Unit 104

Austin Texas

PROPOSAL

RONALDA. REIHL, d/b/a CALLAHAN CABLE TV COMPANY, hereinafter referred to as "CC", herein proposes to construct, operate and maintain a community antenna television system, hereinafter referred to as the "system", within the County of Nassau, Florida, and subsequent additions thereto hereinafter referred to as "County".

1.

CC will perform all of the labor and provide all of the materials necessary to construct, according to the schedule herein specified, in a good and workmanlike manner, and in accordance with and in conformity to all federal, state and local laws and regulations governing the construction, maintenance and operation of community antenna television systems.

2.

Although it will be necessary for CC to furnish the technical and skilled supervisory help, technicians and workmen to assure the satisfactory completion of the system, CC will hire, whenever appropriate, all other workmen and trainees required to construct the system from within the local area and CC intends to hire all personnel necessary to operate and maintain the system from within the local area.

3.

The County will make available to CC all street maps and any other information which might be necessary or convenient to the proper and timely construction of the system.

4.

CC proposes to perform the construction necessary to complete the system for customer service, within Nassau County, in accordance with the following schedule.

(a) Strand mapping - six (6) weeks after acceptance of this proposal;

(b) Tower and antenna erection - eight (8) weeks after securing property to erect same;

(c) System design - ten (10) weeks after acceptance of the proposal and receipt of street maps;

(d) Construction of all strand, cable and electronics, and construction of all trunk and feeder lines - nine (9) months after completion of the system design;

(e) First customer to be served six (6) months after commencement of construction.

5.

CC will charge its subscribers in accordance with the following schedule.

(a) Installation fee - Twenty Dollars (\$20.00). However, CC will afford those who wish to subscribe to its services a period at the time of initial construction during which no installation fee will be charged;

(b) Regular service of Eight Dollars (\$8.00) per month for the first outlet, additional outlets will be charged at the rate of \$2.00 per outlet per month;

(c) Pay Television Services - Nine Dollars (\$9.00) per month additional to the \$8.00 per month fee for regular service.

CC agrees that the rates established herein will not be increased without the prior approval of the County Commission, which approval will not be unreasonably withheld. Any increase which might be approved shall not be effective until at least thirty (30) days after the date of such approval.

The rates established herein apply to all subscribers wherein the installation is within one hundred fifty (150) feet from any street. Rates for installation which are to be made at a distance greater than one hundred fifty (150) feet from any street will be established in accordance to the distance from available service.

6.

CC initially will provide twelve (12) channels of television service with the capability of thirty (30) channels and a reverse capability of four (4) channels. CC guarantees a minimum of 1000 UV available to each television receiver which might be connected to the system.

7.

It is understood that the Franchise which might be granted at this time will be on a non-exclusive basis. The franchise given to Callahan Cable TV Company gives CC the right to operate and maintain a community antenna system for 15 years with an option to extend the franchise for an additional 15 years period upon approval of the county.

8.

CC agrees to pay as a franchise fee three (3) percent of annual gross revenues earned in the County of Nassau. Payment of these fees

shall be paid on or before February 1 of each succeeding year after the award of this franchise.

RONALD A. REIHL