

9. REPORTS AND RECORDS

(a) Books and Records.

(1) Subject to applicable law, the County shall have the right to inspect and copy at any time during normal business hours at the Grantee's office, or at another mutually agreed location, all books and records, including all documents in whatever form maintained, including electronic media ("books and records") to the extent that such books and records relate to Grantee's Cable System or to the Grantee's provision of Cable Service. The County shall take reasonable steps to protect the proprietary and confidential nature of any such documents to the extent they are designated as such by the Grantee. The County shall have the right to copy any such books and records, except to the extent that such books and records are proprietary and/or confidential pursuant to the Virginia Uniform Trade Secrets Act or other applicable law.

(2) The Grantee shall keep complete and accurate books of account and records of its business and operations under and in connection with this Franchise Agreement.

(3) Unless otherwise provided in this Section, all materials and information specified in this Section shall be maintained for a period of five years.

(4) The Grantee shall at all times maintain:

(A) Complete and accurate books of account and records of its business and operations under and in connection with this Franchise Agreement. At a minimum, the Grantee's financial books and records shall be maintained in accordance with generally accepted accounting principles, and shall identify:

- (i) gross revenues, by service category;
- (ii) operating expenses, at whatever operating level such

records are kept, categorized by general and administrative expenses, technical expenses, programming expenses, and overhead, if any;

(iii) capital expenditures, including capitalized interest and overhead, if any; and

(iv) depreciation expenses, by category, at whatever operating level records thereof are kept.

(B) Records of all written complaints received. The term “complaints” as used herein and throughout this Franchise Agreement refers to complaints about any aspect of the Cable system or the Grantee’s operations, including, without limitation, complaints about employee courtesy. Complaints recorded may not be limited to complaints requiring an employee service call.

(C) A full and complete set of plans, records, and “as built” maps showing the exact location of all system equipment installed or in use in the County, exclusive of Subscriber service drops.

(D) Records of outages, indicating date, estimated duration, estimated area, and the estimated number of Subscribers affected, type of outage, and cause.

(E) Records of service calls for repair and maintenance indicating the date and time service was requested, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was solved.

(F) Records of installation/reconnection and requests for service extension, indicating date of request, date of acknowledgment, and the date and time service was extended.

(G) A general plan and schedule for construction of its Cable system available to the public upon request.

(H) Copies of all promotional offers made in writing to potential or current Subscribers.

(5) The County may require additional information, records, and documents from time to time.

(6) The Grantee shall maintain a file of records open to public inspection in accordance with applicable FCC rules and regulations.

(7) The Grantee shall maintain accurate maps and improvement plans which show the location, size and a general description of all facilities installed in the public ways and any power supply sources, including voltages and connections. Maps shall be based on post-construction inspection to verify location.

(8) The Grantee shall take all reasonable steps required to ensure that it is able to provide the County with all information that must be provided or may be requested under this Franchise Agreement or applicable law, including the issuance of appropriate subscriber privacy notices. The Grantee shall be responsible for redacting any data that applicable law prevents it from providing to the County. Nothing in this Section shall be read to require the Grantee to violate federal or state law protecting subscriber privacy.

(9) If any books, records, maps, plans, or other requested documents are too voluminous, or for security reasons cannot be copied and moved, then the Grantee may request

that the inspection take place at a location mutually agreed to by the County and the Grantee, provided that (i) the Grantee must make necessary arrangements for copying documents selected by the County after its review; and (ii) the Grantee must pay all travel and additional copying expenses incurred by the County (above those that would have been incurred had the documents been produced in the County) in inspecting those documents or having those documents inspected by its designee.

(10) The County shall take reasonable steps to protect the proprietary and confidential nature of any books, records, maps, plans, or other County-requested documents that are provided pursuant to this Franchise Agreement to the extent they are designated as such by the Grantee.

(11) The Communications Administrator may, for good cause shown, waive the reporting provisions in this Section.

(b) Communication with Regulatory Agencies.

(1) The Grantee shall file with the County a copy of certain communications with regulatory agencies, as follows:

(A) Any document (other than routine, publicly available agency mailings or publications) the Grantee files with or receives from the FCC, the Securities and Exchange Commission, or the Virginia State Corporation Commission, or any successor agency of any of these agencies, that relates to its Cable System and/or the provision of Cable Services under Chapter 9.1 or this Agreement, within five working days of such filing or receipt;

(B) Any document the Grantee files with or receives from other agencies, upon the County's request;

(C) Any document that any parent of the Grantee files with or receives from any agency that directly and materially relates to the Grantee's Cable System and/or the provision of Cable Services under this Agreement, within five working days of such filing or receipt.

(2) For purposes of this subsection 9(b), documents filed by the Grantee or a parent shall include all documents filed by or on behalf of the Grantee or its parent, but shall not include documents filed by trade associations to which the Grantee or its parent may belong unless the Grantee or a parent has authorized the use of its name by such trade association among the filing parties and its name is used.

(3) To the extent that such documents contain, to the satisfaction of the Communications Administrator, the information required by other reports hereunder, the Communications Administrator may suspend the requirement to file such other reports with the County so as to avoid duplication and the administrative costs attendant thereto.

(c) *Annual Report.* Unless this requirement is waived in whole or in part by the County, no later than April 30th of each year during the term of this Agreement, the Grantee shall submit a written report to the County, in a form reasonably satisfactory to the County, which shall include:

(1) A summary of the previous calendar year's activities in development of Grantee's Cable System, including but not limited to descriptions of services begun or dropped;

(2) A summary of complaints, identifying both the number and nature of the complaints received and an explanation of their dispositions, as such records are kept by the Grantee. Where the Grantee has identified recurrent Cable System problems, the nature of any such problems and the corrective measures taken or to be taken shall be identified;

(3) A copy of the Grantee's rules, regulations and policies available to Subscribers of Grantee's Cable system, including but not limited to (i) all Subscriber rates, fees and charges; (ii) copies of the Grantee's contract or application forms for Cable Services; and (iii) a detailed summary of the Grantee's policies concerning the processing of Subscriber complaints; delinquent Subscriber disconnect and reconnect policies; Subscriber privacy and any other terms and conditions adopted by the Grantee in connection with the provision of Cable Service to Subscribers;

(4) A statement of Gross Revenues for the previous calendar or fiscal year, certified by the Grantee's chief financial officer, including a year-end balance sheet; an income statement showing Subscriber revenue and every material category of non-Subscriber revenue; operating expenses by category, at whatever operating level such records are kept; and taxes paid to the County;

(5) A list of Persons, including all entities controlling such Persons, holding five percent or more of the voting stock or interests of Grantee, or its parents, or Grantee's subsidiaries, if any;

(6) A list of officers and members of the Board of Directors of Grantee and its parents and Grantee's subsidiaries, if any, or similar officers if the Grantee is not a corporation;

(7) A copy of any annual reports issued by Grantee, its parents or partners and subsidiaries; and

(8) At least annually, a detailed copy of updated maps for the I-Net depicting the location of all I-Net plant, showing areas served and locations of all I-Net fiber lines, trunk lines and feeder lines in the County, and including changes in all such items for the period covered by the report.

(d) *Quarterly Report.* Unless this requirement is waived in whole or in part by the County, no later than thirty days after the end of each calendar quarter during the term of this Agreement, the Grantee shall submit a written report to the County, in a form reasonably satisfactory to the County, which shall include:

(1) A report showing the number of service calls received by type during that quarter, including any property damage to the extent such information is available to the Grantee, and any line extension requests received during that quarter;

(2) A report showing the number of outages for that quarter, and identifying separately each planned outage of one or more nodes for more than one hour at a time, the time it occurred, its duration, and the map area (using the most recent edition of the ADC map or its equivalent, as specified by the County) and, when available to the Grantee, number of homes affected; and, when the Grantee can reasonably determine that at least 500 homes were affected, each unplanned outage affecting more than 500 homes for more than one hour, the time it occurred, the reason for the disruption and its causes, its estimated duration and the tax map area and, when available to the Grantee, the number of homes affected; and

(3) A report showing the Grantee's performance with respect to all applicable customer service standards established in 47 C.F.R. §76.309(c) this Franchise Agreement, and the Communications Ordinance, signed by an officer or employee certifying its performance with these customer service standards. If the Grantee is unable to certify full compliance for any calendar quarter, it must indicate in its filing each standard with which it is in compliance and in noncompliance, the dates of noncompliance, the reason for the noncompliance and a remedial plan. The Grantee's failure to file a compliance certificate or noncompliance statement as required herein shall subject the Grantee to the liquidated damages established in this Agreement

or the penalty specified for violation of customer service standards in Chapter 9.1. The Grantee shall keep such records as are reasonably required to enable the County to determine whether the Grantee is substantially complying with all such customer service standards, and shall maintain adequate procedures to demonstrate substantial compliance.

(e) *Special Reports.* Unless this requirement is waived in whole or in part by the County, the Grantee shall deliver the following special reports to the County:

(1) During the course of any construction project undertaken during the term of this Agreement, including a rebuild or upgrade, that lasts longer than 30 days, the Grantee shall submit monthly construction reports and shall either submit weekly status reports or meet weekly with the County until such construction is complete. The Grantee shall provide the County, free of charge, twenty-four hour/seven day a week remote read-only access to the Grantee's as-built system design maps (which the County may print by section, but not in their entirety), including any physical connections and software necessary to provide such access, subject to the County's signing any requisite software license agreement;

(2) The Grantee must submit a copy and full explanation of any notice of deficiency, forfeiture, or other document relating to the Grantee issued by any state or federal agency if such notice or other document would require Securities and Exchange Commission Form 8(k) disclosure or would require footnote disclosure in the annual financial statements of the Grantee or a parent. This material shall be submitted in accordance with the deadlines specified by the Communications Administrator;

(3) The Grantee must submit a copy and brief explanation of any request for protection under bankruptcy laws, or any judgment related to a declaration of bankruptcy by the Grantee or by any partnership or corporation that owns or controls the Grantee directly or

indirectly. This material shall be submitted in accordance with the deadlines specified by the Communications Administrator;

(4) The Grantee shall summarize the results of any annual opinion surveys it conducts in its annual report, or, if the Grantee considers such results to be proprietary, shall make such results available at its offices for the County's review.

(f) *Additional Information.* The County may, upon reasonable written notice, require such additional information with respect to the reports to be submitted pursuant to this Franchise Agreement as may be reasonably necessary for the performance of any of the Communications Administrator's or any other County official's duties.