

Verizon New England, Inc. 185 Franklin Street Boston, MA 02110

Mayor Martin J. Walsh City of Boston City Hall One City Hall Square Boston, Massachusetts 02201

Dear Mayor Walsh,

This letter agreement (the "Letter Agreement") is entered into by and between the City of Boston (the "City") and Verizon New England, Inc. ("Licensee")(each, a "Party" and together, the "Parties") pursuant to Section 13.14 of the Cable Television License by and between the City and Licensee, dated December 5, 2016 (the "License"). The exclusive purpose and effect of this Letter Agreement is to memorialize certain automatic adjustments to enumerated requirements under the License, as contemplated under Section 13.14 thereof. This Letter Agreement is not intended by the Parties to constitute an amendment to the License and no term or condition of the License shall be affected by this Letter Agreement except to the extent expressly set forth in this Letter Agreement. Capitalized terms used herein, but not otherwise defined, shall be ascribed such meanings as set forth in the License.

By separate instrument from this Letter Agreement, and pursuant to Section 3.1(d) of the License and 207 CMR 3.07, the City and Licensee have entered into an amendment to the License, effective as of XX Date (the "Amendment"). Under the terms of the Amendment, Licensee shall make Cable Service available to a new Service Area (the "New Service Area") in accordance with the terms of the Amendment and the License. The Parties agree that the New Service Area is comprised of twenty-eight percent (28%) of the geographic territory of the City.

Section 13.14 of the License provides that certain provisions of the License shall be subject to automatic adjustment as of the Effective Date of the Amendment. Specifically, Section 13.14, in relevant part, provides as follows:

As new Service Areas are added, a new portion representing the increased Service Area of Licensee in relation to the City's geography shall be calculated by agreement between the parties prior to the Effective Date for such expansion. Thereafter, certain values in this License, originally calculated to be approximately 28% of a City-wide value, shall be increased proportionately based upon the new revised proportion, effective as of the Effective Date for the increased Service Area. Provisions subject to this automatic adjustment are as follows: Sections 5.4 (Video Return Network Fund), 6.10 (Community Programming Support), 6.12 (PIN Drop Fund), 9.1 (Performance Bond), and 9.5 (Letter of Credit).

Consistent with the foregoing requirements of Section 13.14, by this Letter Agreement, the Parties agree that the amount of the enumerated License requirements shall be increased by twenty-eight percent (28%) of the value of such requirements provided to one hundred percent (100%) of the City, commensurate with the proportionate geographic size of the New Service Area, as set forth below:

| License Requirement     | Original Amount | Adjusted Total<br>Amount <sup>1</sup> | Due Date            |
|-------------------------|-----------------|---------------------------------------|---------------------|
| Sections 5.4 – Video    | \$150,000       | \$300,000                             | Three (3) months    |
| Return Network Fund     |                 |                                       | from Effective Date |
|                         |                 |                                       | of Amendment        |
| Section 6.10 –          | \$48,000        | \$96,000                              | Effective Date of   |
| Community               |                 |                                       | Amendment           |
| Programming Support     |                 |                                       |                     |
| Section 6.12 – PIN      | \$10,000        | \$20,000                              | Four (4) months     |
| Drop Fund               |                 |                                       | from Effective Date |
| -                       |                 |                                       | of Amendment        |
| Section 9.1 –           | \$300,000       | \$600,000                             | Effective Date of   |
| Performance Bond        |                 |                                       | Amendment           |
| Section 9.5 – Letter of | \$15,000        | \$30,000                              | Effective Date of   |
| Credit                  |                 |                                       | Amendment           |

<sup>.</sup> 

<sup>&</sup>lt;sup>1</sup> For purposes of clarity, "Adjusted Total Amount" equals the "Original Amount" plus the additional amount adjusted based on the New Service Area which represents 28% of the total City-wide value of the specified financial obligations under the License (i.e., the "Adjusted Total Amount" = 56% of the City-wide value).

## **DRAFT 8.18.17**

This Letter Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. The Parties hereto shall be bound upon, but only upon, the execution by each Party of one counterpart. The executed counterparts may be delivered by facsimile transmission of a true and correct image thereof, or by electronic mail attaching a true and correct .pdf image thereof, with originals delivered within thirty (30) days of the date of such facsimile or electronic mail delivery, and the executed counterparts shall be legally binding on the Parties if so delivered.