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APPLICATION FOR A SYSTEM-WIDE CABLE TELEVISION FRANCHISE

Note: Read all instructions carefully.

I. Organization and Management (to be completed by all applicants)

1. Name of applicant:
2. Address & Telephone:
3. System Name:
4. Office Address:
5. Briefly describe components of the system including location of major equipment (e.g., hub, headend, distribution center, VHO, VSO). Please include a detailed description of off-air content insertion method, including reception and delivery (terrestrial, tower, etc) for each DMA in proposed system.

7. Type of business activity:

- (a) Corporation _____
(date of incorporation and state)
(Attach a copy of the incorporation, new applicants only)
- (b) Partnership _____
(date of partnership agreement)
(Attach a copy of the agreement, new applicants only)
- (c) Proprietorship _____
(type)
- (d) Limited Liability Company
(LLC) _____
- (e) Other (describe) _____

Note: For the purposes of this application, a principal is any individual, business organization or other entity in ownership control of 3% or more of the voting stock or any equivalent voting interest of a partnership or joint venture of an applicant.

8. (a) Complete for all principals and beneficial holders of 3% or more voting stock or equivalent ownership interest in applicant as noted above. Principals include individuals, corporations, partnerships, joint ventures and unincorporated associations:

Number of shares of each class of stock and percentage of ownership interest, including stock and/or partnership options, and the type and voting rights in each class:

- (1) Name: _____ Tel.: _____
- Address: _____
(street) (municipality) (state) (zip code)
- Nature of interest: partner stockholder officer member other _____
(describe)
- Shares of Stock _____
- Percentage of Ownership _____
- Voting Stock Interest _____

Number of shares of each class of stock and percentage of ownership interest, including stock and/or partnership options, and the type and voting rights in each class:

- (2) Name: _____ Tel.: _____
- Address: _____
(street) (municipality) (state) (zip code)
- Nature of interest: partner stockholder officer member other _____
(describe)
- Shares of Stock _____
- Percentage of Ownership _____
- Voting Stock Interest _____

Number of shares of each class of stock and percentage of ownership interest, including stock and/or partnership options, and the type and voting rights of each class.

(3) Name: _____ Tel.: _____
Address: _____
(street) (municipality) (state) (zip code)
Nature of interest: ___partner___stockholder___officer___member___other___
(describe)
Shares of Stock _____
Percentage of Ownership _____
Voting Stock Interest _____

Number of shares of each class of stock and percentage of ownership interest, including stock and/or partnership options, and the type and voting rights of each class.

(4) Name: _____ Tel.: _____
Address: _____
(street) (municipality) (state) (zip code)
Nature of interest: ___partner___stockholder___officer___member___other___
(describe)
Shares of Stock _____
Percentage of Ownership _____
Voting Stock Interest _____

Number of shares of each class of stock and percentage of ownership interest, including stock and/or partnership options, and the type and voting rights of each class.

(5) Name: _____ Tel.: _____
Address: _____
(street) (municipality) (state) (zip code)
Nature of interest: ___partner___stockholder___officer___member___other___
(describe)
Shares of Stock _____
Percentage of Ownership _____
Voting Stock Interest _____

Number of shares of each class of stock and percentage of ownership interest, including stock and/or partnership options, and the type and voting rights of each class.

(6) Name: _____ Tel.: _____
Address: _____
Nature of interest: ___partner___stockholder___officer___member___other___
(describe)
Shares of Stock _____
Percentage of Ownership _____
Voting Stock Interest _____

Number of shares of each class of stock and percentage of ownership interest, including stock and/or partnership options, and the type and voting rights of each class.

(7) Name: _____ Tel.: _____
Address: _____
Nature of interest: ___partner___stockholder___officer___member___other___
(describe)
Shares of Stock _____
Percentage of Ownership _____
Voting Stock Interest _____

(b) Complete for all organizations (not individuals) listed in Item 8(a):

Name: _____ Tel.: _____
Address: _____
(street) (municipality) (state) (zip code)

Holders of 10% or more of stock or ownership interest:

Name	Address	Tel. No.	% of Ownership
<hr/>			
<hr/>			

9. System Personnel (if not applicable so indicate):

- (a) System Manager: _____ Tel No.: _____
Present Position: _____ Yrs. Exp. _____
- (b) Chief Engineer: _____ Tel No.: _____
Present Position: _____ Yrs. Exp. _____
- (c) Accountant: _____ Tel No.: _____
Address: _____
- (d) Attorney: _____ Tel No.: _____
Address: _____
- (e) Consultant: _____ Tel No.: _____
Address: _____
- (f) Registered Agent: _____ Tel No.: _____
Address: _____

Note: Personnel indicated for operations positions shall be those persons who, in fact, will have responsibility, authority and control of the day-to-day system construction and operation. Include those individuals who should be contacted by OCTV representatives during the normal course of business.

- (g) Other:

10. Names and addresses, with emergency contact information, of all officers of applicant and office held by each:

11. Names and addresses, with emergency contact information, of all members of the board of directors of applicant and position held by each:

12. Address and telephone number of each office in New Jersey from which business is or will be conducted, indicating the principal office and the office at which records will be kept pursuant to N.J.S.A 48:5A-45:

13. Address and telephone number of the designated local office(s) or agent(s) available to receive, investigate and resolve any problems that the subscriber may encounter regarding equipment malfunctions, quality of service and other similar matters, pursuant to N.J.S.A 48:5A-26 and N.J.A.C. 14:18-5.1.

If the municipalities listed in 6 above will be served by different local offices or more than one local office, please indicate which municipalities will be served by which office. (For example, office located at One Any Street, Anytown, NJ will serve the following municipalities: ____ .)

If the system-wide cable television franchise applicant has not determined locations for all local offices, please indicate which offices have been designated for which corresponding municipalities and set forth the procedures by which the system-wide franchise applicant will assign additional local offices as it deploys its service.

II. Legal and Character Qualifications
(All applicants)

1. Has the applicant (including parent corporation or any principal) ever been convicted by any court or administrative agency of any felony, libel, slander, obscenity, invasion of privacy, lotteries or unfair methods of competition? _____ Yes _____ No.

If "Yes," attach a statement containing the background of the charge and the final resolution.

2. Has the applicant (including parent corporation or any principal) ever had any public licenses revoked or suspended by legal or administrative action by any governmental agency? _____ Yes _____ No.

If "Yes," attach a statement containing the specifics.

3. Has the applicant (including parent corporation or any principal) ever been involved in any bankruptcy proceeding? _____ Yes _____ No.

If "Yes," attach a statement containing the specifics.

4. Has the applicant or any party to the application (including parent corporation or any principal) ever been convicted by a U.S. Federal Court concerning any violation relating to unlawful restraints and to any agreements in restraint of trade? _____ Yes _____ No.

If "Yes," attach a statement containing the specifics.

5. Are any of the above actions relating to the applicant (including parent corporation or any principal) currently pending? _____ Yes _____ No.

If "Yes," attach a statement containing the specifics.

6. Does the applicant, or any principal, directly or indirectly own, operate, control or have more than three percent interest in any of the following:

	<u>YES</u>	<u>NO</u>
a. A national broadcast television network	_____	_____
b. Any broadcast television station (including VHF)	_____	_____
c. Any newspaper published or distributed in the State of New Jersey	_____	_____
d. A national broadcast radio network	_____	_____
e. Any broadcast radio station (including FM)	_____	_____
f. Any other media enterprise	_____	_____

For each affirmative response, attach a statement containing specifics including percentage of ownership.

7. Are there any outstanding unsatisfied judgments or decrees against the applicant or party to the application (including parent corporation or any principal)? _____ Yes _____ No.

If "Yes," attach a statement containing the specifics.

III. Cable Experience
(new applicants only)

1. List all cable television systems ever owned by applicant or any principal (or parent corporation or another subsidiary of parent) in which any of the former owned 3% or more of the equity interest.

Note: List the following information for each system.

- (a) Name of system, principal municipalities, address and telephone number of principal office, date of franchise(s), percentage of franchise area constructed, approximate number of subscribers and percentage of penetration as of the date of this application, and date of disposition, if applicable.

- (b) Has the applicant or any principal (or the parent corporation or any other subsidiary of the parent) ever had any equity interest in any cable television system, in the State of New Jersey, as defined by N.J.S.A. 48:5A-1 et seq.

Yes _____ No _____

If yes, explain:

IV. System Design

1. Each applicant shall describe in narrative form the existing or contemplated cable system design concept e.g., terrestrial, satellite, or wireless, indicating the initial proposed type of network and the development and extension of the system over the period of the proposed system-wide franchise. Information should also be provided concerning the following or its technical equivalent:
 - (a) Extent to which two-way capability will be available for all services to be offered and what provisions will be made for future development and conversions e.g., analog/digital to all digital.
 - (b) Total signals, analog and/or digital, to be carried and any auxiliary equipment to be provided to subscribers.
 - (c) A description of the methods to be employed for securing premium services and the extent that subscribers will be required to use equipment supplied by the applicant to receive those services.
 - (d) In the case of a renewal, the extent to which the applicant will rebuild, upgrade or extend system plant into previously unserved areas. Provide estimated dates of commencement and completion. Indicate what will be replaced.

2. Public, Educational and Governmental Access; Free Service

a. Provide information as to the number and cable channel designation of the access channels required by N.J.S.A. 48:5A-28(i).

b. Provide information, in narrative form, regarding equipment and training to be made available by the applicant for its own use and/or for the use of municipalities in the system-wide franchise. Describe the nature and overall amount of equipment to be provided, indicating when and where equipment will be available. If this information is not available, please set forth how compliance with N.J.S.A. 48:5A-28(l) will be met.

Note: Equipment and training for use by access channel users must be made available according to N.J.S.A. 48:5A-28(l).

c. Describe, in narrative form, any other services to be provided by the system-wide franchise applicant. Such description shall include, but not be limited to, services such as free basic cable and Internet connection for schools, libraries and / or municipal service properties, interconnection with other CATV providers, and return feeds for PEG use in each municipality covered by the system-wide franchise. If this information is not available, please set forth how compliance with N.J.S.A. 48:5A-28(i), (j) (k) and (m) will be met.

Note: Provision of free cable and Internet services and return feeds or connections are required by N.J.S.A. 48:5A-28(i), (j), (k) and (m)

3. Multiple Dwelling Units (MDUs)

This section applies to CATV companies that, on the date of the issuance of the system-wide franchise, provide more than 40 percent of the local exchange telephone service market in the State.

- a. Describe the technical specification of the systems planned for use in MDUs and describe any anticipated construction problems or technical limitations associated with these systems.
- b. To the extent service to MDUs may present continued technical issues, describe the steps expected to be taken to satisfy the requirements of the statute for providing service.

V. Receiving Site/Head End/Distribution Center

- 1. If a renewal, indicate _____ existing _____ proposed.
- 2. Tower (where used):
 - (a) Primary or backup Yes () No ()

If back-up is indicated, please note that the OCTV is collecting the information specified in 1 and 2 for continuity purposes.

- (b) Is F.A.A. approval required? Yes () No ()

3. Signal survey. (For new antennas only)

(a) Note: The Office will not accept a computer survey by itself. An actual site survey including signal levels and viewing of television pictures, with remarks on what was observed is required.

(b) Date: _____

(c) Test antenna(s) _____
(Manufacturer) (Type)

(d) Test Equipment: _____

(e) Fill in the following:

<u>Off-Air Channel</u>	<u>Call Letters</u>	<u>City</u>	<u>Signal reading in Micro-Volts</u>	<u>Remarks</u>
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- (f) Describe method and results of interference survey:

- (g) List any and all other existing conditions which impact on picture quality (i.e. existence of electrical interference).

4. Head End/VHO/Distribution Center (or equivalents).

- (a) Signal processors _____
(Number) (Model) (Mfg.)
- (b) Base band modulators _____
(Number) (Model) (Mfg.)
- (c) Optical Transmitters _____
(Number) (Model) (Mfg.)
- (d) Optical Receivers _____
(Number) (Model) (Mfg.)
- (e) Optical Amplifiers _____
(Number) (Model) (Mfg.)

- (f) Compression Ratio _____
- (g) QAM _____
- (h) Pilot carrier frequency (ies) _____
- (i) Block tilt Yes () No () If Yes _____
(db's)
- (j) Pass band filters used Yes () No ()
- (1) Designate type _____
- (2) Channels used on _____

5. Hub Sites/CO/VSO (or equivalents).

If a hub site/CO/VSO is used to deliver signal, indicate the location of the site and the method by which signal is delivered to it.

VI. System Plant

1. For a renewal, indicate: _____ existing _____ proposed.
2. For applicants other than telecommunications service providers subject to Chapter 17 of Title 48, fill in the following for construction of a cable television system:
(If construction is complete, provide completed mileage figures.)

	<u>Aerial</u>	<u>Underground</u>	<u>Count</u>
(a) Fiber	_____miles	_____miles	_____Fibers
(b) Distribution	_____miles	_____miles	_____Fibers
(c) Mileage determined by the following method:			

3. For applicants other than telecommunications service providers subject to Chapter 17 of Title 48, indicate the rate of annual construction (in terms of total primary service area) for construction, rebuild or extension of a cable television system.
(New systems, rebuilds and extensions)

	<u>Fiber</u>	<u>Miles of plant distribution</u>	<u>% of Primary Service Area</u>
1 st year:	aerial underground		
2 nd year:	aerial underground		
3 rd year:	aerial underground		
4 th year:	aerial underground		
5 th year:	aerial underground		

4. Attach as an appendix a technical description of proposed system including: equipment to be used; use of standby power supplies; utility bonding methods; and the overall capabilities of the system.
5. Attach as an appendix a map or multiple maps, by municipalities, of the entire service area or submit a statement committing to provide a map or multiple maps, by municipalities, prior to the activation of the system or parts of the system, with borders designating the following:

(The scale shall be readable and acceptable to the Office of Cable Television)

- (a) Head-end/VHO/Other Video/Distribution.
- (b) Hubs/CO/VSO.
- (c) Municipal boundary.

- (d) Exchange/service area boundary.
- (e) Feeder pathway and route boundaries.
- (f) All streets which are to receive service; designating aerial and underground separately.
- (g) Phases of construction for new networks or phases of video deployment for existing networks.
- (h) All streets which will be served under a "Line Extension Policy."

Note: The map(s) must show inter-municipal connections.

6. Cable/Fiber.

	<u>Type</u>	<u>Count</u>
(a) Fiber	_____	
(b) Distribution	0.500	_____
	0.750	_____
	1.0	_____
	1.25	_____
	Other	_____
(c) House drops	_____	
(d) If cable is not jacketed, what tests were made to determine that there were no corrosive properties in the atmosphere?		

7. Equipment.

	<u>Manufacturer</u>	<u>Model</u>	<u>Max. Frequency</u>
(a) Bridger	_____		
(b) Line Extenders	_____		
(c) Taps	_____		
(d) Other	_____		

8. Grounding.

Will your system be grounded and bonded in accordance with the applicable provisions of the National Electric Safety Code (NESC) and National Electric Code (NEC)?

Yes () No ()

9. Is fiber optic technology in use or proposed? Yes () No () If yes, please explain.

VII. System Design Standards

1. For _____ channels downstream and _____ channels upstream.
2. System spacing. (where applicable e.g., HFC/other)
 - (a) Express Distribution _____
 - (c) Distribution _____
3. Maximum cascade from Node (where applicable e.g., HFC/other) _____
 - (a) Bridgers in cascade _____
 - (b) Line extenders in cascade _____
 - (c) Slope between pilot carrier frequencies _____
4. System signal level at subscriber's terminal. (maximum cascade/longest loop)
 - (a) At highest frequency video carrier _____
 - (b) At channel 2 video carrier _____
 - (c) Channel 2 video carrier will be within _____ db. of highest Video carrier frequency.
5. Within the passband, the theoretical system design performance will be equal to or better than:

	<u>Head end/VSO</u>	<u>ONT/ Subscriber Terminal</u>
(a) Video carrier to noise ratio	_____	_____
(b) Carrier to cross modulation ratio	_____	_____
(c) Carrier to hum ratio	_____	_____
(d) Carrier to second order beat ratio	_____	_____
(e) Carrier to third order beat ratio	_____	_____
(f) Gain to frequency response across any 6 MHZ TV channel	_____	_____
(g) Modulation to Error Ratio (MER)	_____	_____
(h) Bit Error Rate (BER)	_____	_____
(i) Signal levels will not vary more than indicated as measured at any automatic gain or slope control location with maximum trunk amplifiers in cascade for 40 degree change in temperature from last balanced temperature _____ db. If not applicable, please explain why.		

(j) R.F. Leakage

(1) Will your system meet or exceed the F.C.C regulations limiting R.F. energy leakage permitted by CATV systems as set forth by F.C.C. Rules and Regulations, 47 CFR 76.1 et seq.? () Yes () No

(k) (1) Are converters to be used? () Yes () No

(2) If yes, _____
Type Mfg.

(l) Premium service security method: _____

(m) Amplifiers. If not applicable, please explain why.

(1) Amplifier power source _____ vac.

(2) Is standby power to be used? Yes () No ()

(3) If yes, where? _____

6. Equipment specification sheets

(a) Provide, as appendices to this section, copies of all specification sheets.

Note: List the following information for each specification sheet:

- (1) Manufacturer.
 - (2) Model number.
 - (3) Name of equipment.
-

(b) Provide, as appendices to this section, system construction specifications. If not applicable, please explain why.

IX. Line Extension Policy

If the system-wide franchise applicant is not proposing to provide service to all residents in each municipality at no cost beyond installation rates, attach as an appendix a copy of the proposed line extension policy for each municipality proposed to be served. Provide a homes per mile figure for use with the line extension policy for each municipality.

NOTES: System-wide franchise holders are required to meet or exceed the current line extension agreements of existing cable television operator in each municipality served by the system-wide franchise, pursuant to N.J.S.A. 48:5A-28(h)(1). The OCTV will provide guidance to any system-wide franchise applicant as to what commitments are required.

System-wide franchise holders are required to extend plant along public rights-of-way to all residences and businesses within 150 aerial feet of the system-wide franchise holder's existing plant at no cost beyond the standard installation rate, and to all residences and businesses within 100 underground feet of the system-wide franchise holder's plant at no cost beyond the standard installation rate, pursuant to N.J.S.A. 48:5A-28(h)(1).

X. Rates

Provide a proposed rate schedule. Applicant must commit to provide an actual current rate schedule prior to activation of system and update said schedule pursuant to N.J.A.C. 14:18-3.

XI. Financing

1. Estimate the capital requirements for deployment of the proposed video system including but not limited to estimates as to the transmission system and distribution and drop cable, office equipment, studio equipment, vehicles, telephone and power pole make ready, converter costs, administrative and technical personnel, wages and bonuses.

			<u>Years</u>		
Pre-operating Period	1	2	3	4	5

2. Describe the sources of funds to be provided for deployment of the video system.

			<u>Years</u>		
Pre-operating Period	1	2	3	4	5

3. Estimate the annual revenues anticipated from system operation and operating expenses and working capital needed in excess of that required for deployment of the video system.

			<u>Years</u>		
Pre-operating Period	1	2	3	4	5

4. The following financial data and supporting schedules will be required for the applicant's overall financial status.

- a. Statements of personal net worth of the stockholders owning or controlling 3% or more of the voting stock or any equivalent voting interest of the applicant corporation or LLC or individuals if other than a corporation.
- b. Current financial statement of applicant (balance sheet, profit and loss statements, statement of cash flows).
- c. Pro forma balance sheet, projecting the pre-operating period and the first five (5) years of the video system.
- d. Pro forma statement of income, projecting the pre-operating period and the first five (5) years, in detail:
 1. Indicate categories of projected revenues (see "3" above).
 2. Indicate categories of projected expenses (see "3" above).
- e. Submit schedules indicating pertinent subscriber data for periods similar to "c" and "d" above:
 1. Homes passed.
 2. Where applicable, anticipated subscribers at the beginning and ending of each respective year and corresponding penetration estimates for:

- (i) Cable television reception service.
 - (ii) Premium cable television service.
 - (iii) Seasonal subscribers
 - (iv) Other; second outlet, reconnections, etc., (designate).
- f. Revenue by category (see "4d").
 - g. Pro forma statement of cash flows, projecting for the pre-operating period and the first five (5) years (see "2" above).
 - h. Schedule showing assumptions used (i.e. costs per mile, converter costs, make-ready cost, expense ratio, projected penetration, revenue charge, etc.).
 - i. Pro forma statement of capital expenditures, projecting for the pre-operating period and the first five (5) years. Indicate depreciation life expectancy of each category of plant, equipment and the method of depreciation used. (Please note that this total is to correspond with balance sheet figure).

All information which does not fit in the space provided should be attached as appendices.

XII. Financial Terms and Conditions

1. Provide, as appendices, written evidence of commitments from person who will provide funds including parent and subsidiary companies, together with detailed terms and conditions of those commitments, any obligation which may affect the operation of the system, and submit current financial statements as to present status of cable operator together with current financial statements of parent, subsidiary companies and/or other financial interests, if applicable. Provide audited financials or an explanation of why they are unavailable.

For each document attached in accordance with this section, provide the following. If not applicable, please explain why.

- a. Source of financing.
 - b. Terms of financing (payment, interest rates, etc.).
 - c. Amount of financing.
 - d. How funds are to be utilized.
 - e. Type of funds (equity, intercompany debt, third party financing, cash flow, etc.).
2. Provide, as appendices, copies of all financial agreements, contracts and leases pertaining to the deployment and operation of the video system, or provide a commitment to have the documents available in State for review and copying, if required by the OCTV, within 72 hours. If not applicable, please explain why.
 3. Furnish all other pertinent financial data affecting present or future operations, and/or deployment as well as other services to be rendered or contemplated which could affect the proposed system. If not applicable, please explain why.

Index to Appendices

Note: List all material contained in attached appendices.

<u>Page</u>	<u>Section</u>	<u>Item</u>	<u>Subject</u>
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