

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT **APPLICATION FOR NEW CABLE TELEVISION FRANCHISE**

A. General Information Regarding the Application Process

1. All applications received by the Lexington-Fayette Urban County Government (“LFUCG”) from any applicant for new cable television franchises (“Applicant”) will become the sole property of the LFUCG. The LFUCG reserves the right to reject any and all applications and waive informalities, and/or technicalities where the best interest of the LFUCG may be served.
2. All questions regarding the meaning or intent of the application documents shall be submitted to the LFUCG in writing. Replies will be mailed or delivered to all parties recorded by the LFUCG as having received the application documents. The LFUCG reserves the right to make extensions of time for receiving applications as it deems necessary. Questions received less than fourteen (14) days prior to the date for the opening of applications will not be answered.
3. Applications may be modified at any time prior to the opening of the applications, provided that any modifications must be duly executed in the manner that the Applicant’s application must be executed.
4. All Applicants that are granted cable television franchises shall be required to obtain and maintain any necessary and lawful permit, license certification, grant, registration or any other authorization required by any appropriate governmental entity
5. Before submitting its application, each Applicant must (i) examine the Cable Television Franchise Ordinance (“Ordinance”) and the application documents thoroughly, (ii) familiarize itself with local conditions that may in any manner affect performance under the franchise, and (iii) familiarize itself with federal, state and local laws, ordinances, rules and regulations affecting performance under a cable television franchise.
6. The LFUCG may make such investigations as it deems necessary to determine the ability of the Applicant to perform under the franchise, and the LFUCG reserves the right to require such supplementary, additional or other information that it deems necessary. The LFUCG reserves the right to reject any application if the evidence submitted by, or investigation of, such Applicant fails to satisfy the LFUCG that such Applicant is properly qualified to carry out the obligations of a cable television franchise and to complete the work contemplated therein. Conditional applications will not be accepted.
7. Information submitted on applications is a public record under the Kentucky Open Records Act, Sections 61.870, et. seq. of the Kentucky Revised Statutes. Under that law, certain kinds of proprietary and trade information are exempt from disclosure. Should an Applicant

believe that any information required to be submitted involves confidential proprietary or trade information, the Applicant should contact LFUCG before the application is filed and request a determination as to whether the information is covered by the exemption. If no such request is made prior to the filing of the application, the Applicant will be deemed to have waived any entitlement to confidentiality under the Open Records Act.

B. Applicant Information

Applicant Name: **CMN-RUS, Inc.**
(Complete Legal Name as Registered with the Kentucky Secretary of State)

Address: **3701 Communications Way**

City: **Evansville** State: **IN** Zip Code: **47715**

E-mail Address: **john.campbell@qservicesco.com**

Phone Number: **(812) 213-1085**

Fax Number **(812) 759-1664**

C. Local Representative Information

Name: **Mark Fowler**

Address: **601 Vizzell**

City: **Lexington** State: **KY** ZipCode: **40515**

E-mail Address: **mark.fowler@metronetinc.com**

Phone Number: **(214) 437-1950**

Fax Number: **(812) 759-1664**

D. Emergency Contact Information

Name: **John Campbell**

Address: **8837 Bond Street**

City: **Overland Park** State: **KS** Zip Code: **66214**

E-mail Address: **john.campbell@qservicesco.com**

Phone Number: **(812) 213-1085**

Fax Number: **(812) 759-1664**

E. Description of Proposed System Design

The Applicant must submit a technical description of the type of system proposed by the Applicant and the Applicant's plan for the installation and construction of the system. The technical description shall include the following details and be submitted and approved by the LFUCG before construction:

1. Justification of the site selected, including:
 - a. listing of television stations carried on the system
 - b. location of microwave terminals or headend
 - c. location of local origination centers
 - d. location of antenna site
 - e. distance from antenna site to farthest area served by the system
 - f. height of tower
 - g. height of antenna site in relation to average terrain
 - h. accessibility of antenna site all year round
 - i. local construction restrictions on tower
 - j. power availability for antenna site
 - k. location of antenna arrays on the tower
 - l. direction of desired signal sources
 - m. analysis of potential sources of interference in the nearby environment.

2. System information, including:
 - a. statement of adherence to construction standards
 - b. drawings of the system
 - c. description of local origination equipment
 - d. identification of trunk and feeder cables

METRONET RESPONSE: Applicant will deliver video programming utilizing Internet protocol technology or (“IPTV”) over an all fiber network. The IPTV platform allows Applicant to receive all of its national programming at a central headend located at its corporate headquarters in Evansville, Indiana (3701 Communications Way, Evansville, IN 47715). From there, the programming will be transmitted over a fiber backhaul network to an equipment hut which will be centrally located in Lexington.

Applicant plans to carry the following local broadcast stations: WDKY, WKLE, WKYT, WLEX, WLJC, WTVQ and WUPX. The signals for these stations will be picked up via antenna where they will be transported to the same equipment hut receiving the national programming signals from Applicant’s headend. Applicant is in the process of identifying and evaluating multiple sites for the location of its antennas. The preference is to locate the antennas on an existing tower or other vertical structure (e.g. water tank or building rooftop). Once a site has been identified, Applicant will provide the information set forth in Sections E(1)(d)–(m) above to the LFUCG for review. Applicant will not have any local origination centers or local origination equipment.

Because Applicant has not identified locations for its equipment huts or antennas, it is not possible to provide a detailed drawing of the proposed network with the identification of trunk and feeder cables at this time. Prior to the commencement of construction in any area within the LFUCG boundary, Applicant will submit detailed drawings of the proposed location of its network including trunk and feeder routes. While constructing its network, Applicant will adhere to all applicable construction standards.

F. Description of All Types of Service Proposed

METRONET RESPONSE: Applicant will offer three tiers of cable television service that collectively will provide access to more than 170 channels: Basic, Standard and Preferred. The channel lineups include a mix of national cable networks, regional and national sports channels, local affiliate channels from all the major networks, as well as a robust Video on Demand library, Pay-Per-View functionality and PEG channels. Specialty tiers like Sports, HD Elite, music and premium tiers like HBO, Showtime, Cinemax and Starz will provide an additional 80+ channels. Applicant will offer an HD version of each of these services tiers to the extent the programmer offers an HD equivalent channel. Applicant will also offer IPTV Everywhere enabling customers to watch their favorite networks on the go using their laptop, smart phone or tablet. Applicant is already engineered to deliver 4K television service as it evolves in the marketplace.

IPTV equipment will include a choice of wired or wireless set-top boxes; whole home HD/DVR with capability to record up to six channels at once, plus pause, record, and resume viewing throughout the house and also includes Remote DVR with the ability to schedule recordings while away from home.

G. Disclosure of Financial Information & Ownership of the Applicant

1. Applicant, including shareholders and parties with a controlling interest in the Applicant, shall provide access to all agreements and understandings, with any person, firm, group, association or corporation with respect to the ownership of this franchise and the proposed Cable System. This shall include, but not be limited to, any agreements between local Applicant and national companies with respect to the ownership of this franchise.

METRONET RESPONSE: Applicant is willing to provide the LFUCG with access to all agreements and understandings related to the ownership of the proposed franchise and the proposed Cable System. Applicant would note that there are no such agreements with any national companies.

2. Applicant, including shareholders and parties with a controlling interest in the Applicant, shall submit all requested information as provided by the terms of the Ordinance or the application documents. The requested information must be complete and verified as true by the Applicant.

3. Applicant, including parties with a controlling interest in the Applicant, shall provide access to public information with respect to the numbers of shares of stock, and the holders thereof.

METRONET RESPONSE: Applicant is not a publicly traded company. All information concerning the ownership of Applicant is private.

4. Applicant, including shareholders and parties with a controlling interest in the Applicant, shall disclose any information required by the application documents regarding other Cable Systems in which they hold an interest of any nature, including, but not limited to the following:
 - a. locations of all other franchises and the dates of award for each location;
 - b. estimated construction costs and estimated completion dates for each system where construction is incomplete as of the date of application;
 - c. estimated number of miles of construction and number of miles completed in each system as of the date of this application; and
 - d. the date for completion of construction as promised in the application for each system.

METRONET RESPONSE: Attached to this application as Exhibit A is a confidential and proprietary document that summarizes Applicant's existing franchises.

5. Applicant, including shareholders and parties with a controlling interest in the Applicant, shall disclose any information required by the application documents regarding pending applications for other Cable Systems, including but not limited to the following:
 - a. location of other franchise applications and date of application for each system;
 - b. estimated dates of franchise awards; and
 - c. estimated number of miles of construction; and estimated construction costs.

METRONET RESPONSE: Applicant does not have any outstanding franchise applications.

H. Additional Requirements - Please submit the following:

1. Copy of all required insurance policies and certificates with a signed statement from LFUCG's Insurance and Risk Coordinator that such policies and certificates are acceptable to LFUCG.

METRONET RESPONSE: Attached to this application as Exhibit B is a copy of the required insurance policies and certificates.

2. Supplementary, additional or other information that the Applicant deems reasonable for consideration.

METRONET RESPONSE: As the state of Indiana has recognized in granting Applicant a statewide video franchise, Applicant has the qualifications and technical expertise necessary to provide video services in Lexington. Applicant has nearly 10 years of experience building and operating fiber networks and providing high quality video services over such networks. The core components of both the long haul and local fiber network to be deployed in Lexington will be

redundant with diverse fiber paths. Applicant will utilize time tested technology throughout its video network in Lexington developed by top tier vendors. The fiber network and all video services will be monitored 24 hours a day/7 days a week/365 days a week. The Illinois Commerce Commission, Kentucky Public Service Commission and Indiana Utility Regulatory Commission have already recognized Applicant's qualifications and technical expertise to operate communication networks in granting Applicant CLEC certifications. Additionally, Applicant has successfully obtained video franchise rights in more 37 communities and counties in located throughout Illinois and Indiana,

Applicant has the financial and operational resources to successfully complete and operate a comprehensive fiber network in Lexington that will provide high quality video services to residential and business consumers. Due to strong balance sheet and significant equity contributions, Applicant has the capital available to fund the entire construction of the fiber network in Lexington pursuant to the terms of the proposed franchise and to operate such network until it becomes cash flow positive. As set forth in the biographies attached hereto as Exhibit C, it has an experienced management team and operational staff capable of ensuring the long term success of the project and Applicant's ability to comply with its obligations under the franchise proposed herein.

In summary, Applicant has the financial, operational and technical capabilities to provide video service under the proposed franchise. Providing video services through a fiber to the premises network in Lexington is consistent with CMN's extensive experience in Indiana and Illinois.

I. CERTIFICATION REQUIRED

Applicant hereby certifies that the information provided by the Applicant is true and correct and that the person signing on behalf of the applicant is authorized to do so. Applicant further acknowledges and certifies that is shall be responsible to certify to LFUCG any material changes to the information provided in the completed application during the term of any cable television franchise. Additionally, the Applicant agrees to be bound by all provisions of the Ordinance and agrees to obtain all permits and authorizations prior to constructing, installing or operating a cable television system.

Complete Legal Name of Applicant: **CMN RUS, INC.**

By: John M. Campbell
John M. Campbell

Title: as Secretary, Vice President and General Counsel

Date: 12/01/17