#### SERVICES AGREEMENT

This Services Agreement (the "Agreement") is dated May 244 2011, and is between Comcast of Houston, LLC (the "Company"), and Seascape Owners Association, Inc. (the "Association"), who owns certain real estate and improvements thereon located at 10811 San Luis Pass Road, Galveston, Texas 77554 (the "Premises"), commonly known as Seascape Condominiums consisting of 135 residential units plus any units added or constructed in the future.

The Company has been granted a franchise by an authorized governmental agency (the "Franchise Authority") to construct and operate a cable communications system in Galveston, Texas (the "City"). The Association desires to provide broadband services to the Premises, including, but not limited to, multi-channel video, high speed data, information and voice services (collectively, the "Services") and the Company is willing to install, maintain and operate a broadband communications system for such purposes on the Premises in accordance with the terms and conditions below.

The parties, for good and valuable consideration, intending to be legally bound, agree as follows:

#### 1. The System.

- a) The Company has installed, and shall operate, maintain and repair, all facilities necessary to transmit the Services to the Premises (the "Company Wiring"). The Company has installed and shall operate, maintain and repair the cable home run wiring and cable home wiring (the "Inside Wiring"). The System shall consist of the Company Wiring and the Inside Wiring. All work shall be done by the Company in a proper and workmanlike manner in accordance with Federal Communications Commission ("FCC") regulations, industry standards and local codes, unless otherwise provided in this Agreement. The Company shall be responsible for all costs and expenses incurred by it in operating, maintaining and repairing the System. The Company agrees to repair and/or replace any damage to the Premises resulting from the operation, maintenance or repair of the System, except as otherwise provided in this Agreement. The Company will be responsible for obtaining all necessary permits, licenses and approvals in connection with the operation of the System.
- b) Neither the Association nor anyone operating on its behalf shall tap into, use or otherwise interfere with the System or any portion thereof for any purpose. The Company Wiring is and will remain the personal property of the Company. The Inside Wiring is and will remain the property of the Owner. The Company shall have the right to interconnect with and use any telephony wiring owned or controlled by Owner inside the individual units that may become necessary or useful for the provision of the Services to the residents, whether or not such facilities are owned, installed, controlled or maintained by the Company.
- 2. <u>Easement.</u> The Association has the authority to grant and does hereby grant an easement in favor of the Company to place its lines across the Premises and to operate the

System, and shall cause such easement to run with the Premises. The Association hereby agrees to execute the form of easement attached hereto as Exhibit A.

- 3. Access. The Association shall allow Company personnel to enter all common areas of the Premises for the purposes of auditing, selling or disconnecting service, installing, maintaining, repairing, replacing or removing equipment and apparatus connected with the provision of the Services and shall use reasonable efforts to assure the Company access to any parts of the Premises over which it does not have control for the same purposes. The Owner shall supply the names and unit numbers of residents at reasonable intervals. The Owner shall cooperate with the Company to prevent (i) the unauthorized possession of converters or channel selectors and (ii) the unauthorized reception of the Services.
- 4. <u>Delivery of Services</u>. The Association has the authority to grant and does hereby grant to the Company during the term hereof the right to operate, maintain, repair and replace, as necessary, the System on the Premises and to deliver the Services to the Premises, unless otherwise required by applicable law. The Association shall not enter into a bulk services agreement with another service provider to provide services similar to the Services during the term of this Agreement regardless of the method used to deliver such services to the Premises.
- 5. <u>Fees and Charges for Services.</u> Additional terms, conditions, charges and fees for the Services provided to residents at the Premises shall be contained in the Bulk Bill Addendum attached hereto between the Owner and the Company. Except as set forth in the Bulk Bill Addendum, the Owner assumes no liability or responsibility for service charges contracted for by individual residents. All billing and collections for service charges incurred by individual residents will be accomplished by the Company.
- 6. <u>Customer Service.</u> The Company shall provide customer service in accordance with its franchise agreement with the Franchise Authority. The Company will maintain a local or toll-free telephone number which will be available to its subscribers twenty-four (24) hours a day, seven (7) days a week. Company representatives will be available to respond to customer telephone inquiries during normal business hours. The Company will begin working on service interruptions promptly and in no event later than the next business day after notification of the service problem, excluding conditions beyond the control of the Company.
- 7. <u>Private Reception Devices.</u> Notwithstanding anything else in this Agreement to the contrary, the Company shall not interfere with the right of an individual resident to install or use his own private reception device.
- 8. <u>Interference.</u> If any device or facility belonging to a resident or the Owner does not comply with the technical specifications established by the FCC, including, but not limited to, signal leakage, which interferes with the Company's delivery of the Services, the Company reserves the right to discontinue the Service to the Premises or, at the Company's discretion, to the individual unit until such non-conformance is cured by the Owner or resident, as the case may be.

- 9. <u>Term.</u> This Agreement, when duly executed by both parties, shall constitute a binding agreement between the Owner and the Company and their respective successors and assigns for a term of seven (7) years. This Agreement shall automatically renew for successive periods of two (2) years unless either party shall provide the other with a minimum sixty (60) days notice of its intention not to renew at the end of the then current term.
- 10. <u>Insurance.</u> The Company agrees to maintain public liability insurance and property damage liability insurance as required by the Company's franchise agreement with the Franchise Authority. Upon request, the Company will provide the Owner with a certificate evidencing such insurance.
- 11. <u>Indemnification.</u> The Company shall indemnify, defend and hold harmless the Owner, its personnel, directors, agents and representatives from or against any and all claims, damage or expense arising out of the actions or omissions of the Company, its personnel, directors, agents and representatives in the operation or maintenance of the System, the removal of the Company Wiring, the Services provided to residents at the Premises pursuant to this Agreement or a breach of this Agreement. The Owner shall indemnify, defend and hold harmless the Company, its personnel, directors, agents and representatives from and against any and all claims, damage or expense arising out of the actions or omissions of the Owner, its personnel, directors, agents and representatives in the operation or maintenance of the Premises or a breach of this Agreement.
- 12. <u>Limitation of Liability.</u> Neither party to this agreement shall be liable to the other party for any special, incidental, punitive, exemplary or consequential damages, including but not limited to frustration of economic or business expectations, loss of profits, loss of capital, cost of substitute product(s), facilities or services, or down time cost, even if advised of the possibility of such damages.

#### 13. Termination.

- a) Default. In the event either party defaults in the performance of any of the material terms of this Agreement, the non-defaulting party shall give the defaulting party written notice specifying the nature of such default and identifying the specific provision in this Agreement which gives rise to the default. The defaulting party shall have sixty (60) days to either (i) notify the non-defaulting party that no default occurred and provide reasonable proof thereof, (ii) cure the default, or (iii) if such default is incapable of cure within such sixty (60) day period, commence curing the default within such sixty (60) day period and diligently pursue such cure to completion. In the event if the defaulting party fails to do so within such sixty (60) day period, the non-defaulting party may terminate this Agreement upon thirty (30) days written notice without further liability of either party.
- b) Permanent Loss of Authority. This Agreement shall terminate automatically without any further liability on the part of the Company in the event the Company lacks authority

to continue to provide the Services to the Premises due to loss of governmental authorization. This clause, however, shall not apply to periods of transition, such as franchises subject to review, transfer or reapplication, or where termination is the subject of dispute.

### 14. Removal of Company Wiring.

- a) Upon expiration or termination of this Agreement for any reason, the Company shall have a period of six (6) months during which it shall be entitled, but not required, to remove the Company Wiring. The Company shall promptly repair any damage to the Premises caused by the removal of the Company Wiring.
- b) Notwithstanding anything to the contrary contained in this Agreement, the removal period referenced in section (a) shall be tolled for as long as the Company has the right under applicable law to continue to provide any or all of the Services to any or all of the units on the Premises after the termination or expiration of this Agreement, in which case the Company shall have the right to continue to own and use the Company Wiring and to interconnect with and use the Inside Wiring to provide the Services. This Section shall survive the termination of this Agreement.
- Dispute Resolution. All disputes under this Agreement shall be submitted to and settled by arbitration in accordance with the rules of the American Arbitration Association. The parties shall appoint a mutually agreeable arbitrator reasonably familiar with broadband communications systems and services. In the event the parties are unable to agree to a single arbitrator, the dispute shall be submitted to a panel of three (3) arbitrators, one of which shall be reasonably familiar with broadband systems and services. Each party shall appoint an arbitrator and the two arbitrators so appointed shall then select a third arbitrator. The arbitrators shall apply applicable federal laws and regulations and the laws of the jurisdiction in which the Premises are located, without regard to its choice of law principles. The decision of the arbitrators shall be binding and conclusive on all parties involved, and judgment upon their decision may be entered in a court of competent jurisdiction. The prevailing party in any such arbitration shall be entitled to collect from the non-prevailing party all costs of the arbitration, including reasonable attorneys' fees.
- 16. <u>Marketing Support.</u> The Owner shall provide exclusive Marketing Support for the Company for the Services. The term "Marketing Support" shall include, but not be limited to, the Owner's presentation of the Company's marketing materials for the Services, including, but not limited to multi-channel video, high speed Internet and voice services to existing and prospective residents. Marketing materials may include, at the Company's discretion, brochures, channel lineups, door hangers, service descriptions, and information regarding prices and special offers. All marketing materials shall be provided by the Company.

### 17. Miscellaneous.

- a) <u>Force Majeure.</u> The Company shall not be liable for failure to continue to operate the System or to provide the Services during the term hereof due to acts of God, the failure of equipment or facilities not belonging to the Company (including, but not limited to, utility service), denial of access to facilities or rights-of-way essential to serving the Premises, government order or regulation or any other circumstances beyond the reasonable control of the Company.
- b) Assignability; Binding Effect. In the event the Owner sells, assigns, transfers or otherwise conveys the Premises to a third party, the Owner shall give the Company prior written notice of such change of ownership or control. The Owner shall cause any new owner or controlling party to expressly assume this Agreement and agree to be bound by its terms. The Company may assign this Agreement without the consent of the Owner to any entity controlled by or under common control with the Company, to any entity acquiring all or substantially all of the Company's assets in the City or any surviving entity following a merger, acquisition or consolidation. The assignee shall agree in writing to be bound by all the terms and conditions hereof.
- c) <u>Applicable Law.</u> This Agreement shall be governed and construed in accordance with applicable federal laws and regulations and by the laws of the jurisdiction in which the Premises are located, without regard to its choice of law principles.
- d) <u>Invalidity</u>. If any provision of this Agreement is found to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Agreement will not be affected or impaired.
- e) <u>Recording.</u> The Company may record this Agreement (or a memorandum summarizing the material terms) in the public records of the county in which the Premises are located.
- f) <u>Notices.</u> All notices, demands, requests or other communications given under this Agreement shall be in writing and be given by personal delivery, United States Postal Service, or nationally recognized overnight courier service to the address set forth below or as may subsequently in writing be requested.

#### If to the Owner:

Etheredge Property Management 3206 Palmer Hwy Texas City, TX 77590 Attn.: HOA Management

## If to the Company:

Comcast Cable 8590 West Tidwell Second Floor Houston, TX 77040 Attn.: Manager, Business Sales and Services

## With a copy to:

Comcast Cable Communications, LLC One Comcast Center Philadelphia, PA 19103 Attn.: General Counsel

- g) <u>Confidentiality.</u> Each party agrees to keep the terms and conditions of this Agreement in strict confidence and shall not divulge any specifics of the same to any third party except current and prospective lenders, purchasers, attorneys, accountants, financial advisors, partners and/or others with a need to know for the Owner or the Company to reasonably conduct its business.
- h) <u>Entire Agreement; Amendments.</u> All recitals set forth above are hereby incorporated into the body of this Agreement. This Agreement, including all exhibits attached, constitutes the entire agreement between the parties and supersedes all prior agreements, promises and understandings, whether oral or written. This Agreement shall not be modified, amended, supplemented or revised, except by a written document signed by both parties.
- i) <u>Authority.</u> Each party represents to the other that the person signing on its behalf has the legal right and authority to execute, enter into and bind such party to the commitments and obligations set forth herein.

[the remainder of this page left blank intentionally]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

WITNESS/ATTEST:	OWNER:	
	Seascape (	Owners Association, Inc.
Cathy D. Logar Name: Cathy S. Logar	By: <u>Cano</u> Name: <u>Ca</u> Title: <u>Pro</u>	HM. Etheredge for Glascope HOD 401 M. Etheredge perty Manager For Seascape HOD
ATTEST:	COMPAN	Y:
	Comcast o	PHouston, LLC
Name:	Name:	Douglas R. Guthrie
	Title:	Senior Vice President, Houston

STATE OF Taces )
COUNTY OF Galveston ) ss.
The foregoing instrument was acknowledged before me this the day of May, 2011 by Carol M. Etheredge, the Property Manager of Seascape Owners Association, Inc., on behalf of said entity. He/she is personally known to me or has presented The 108332442 (type of identification) as identification and did/did not take an oath.
Witness me hand oldernal seal.  NoTARY PUBLIC State of Texas Comm. Exp. 11/05/2013  Cathy S. Loga.  Notary Public (Print Name)
My Commission expires: 11/05/2013
STATE OF
My Commission expires:Notary Public
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and other states of the states

## **EXHIBIT A**

(see attached)

#### **GRANT OF EASEMENT**

This Grant of Easement (this "Easement") dated this 244 day of May, 2011 by and between Comcast of Houston, LLC its successors and assigns, hereinafter referred to as "Grantee" and Seascape Owners Association, Inc. hereinafter referred to as "Grantor".

Grantor and Grantee are parties to a Services Agreement dated May 244,2011, pursuant to which Grantee provides certain broadband communications services to the Premises described below.

In consideration of One Dollar (\$1.00), Grantor(s), owner(s) of the Premises described below, hereby grant(s) to Grantee, its successors and assigns, an easement in gross and right-of-way to construct, use, maintain, operate, alter, add to, repair, replace, reconstruct, inspect and remove at any time and from time to time a broadband communications system (hereinafter referred to as the "Company Wiring") consisting of wires, underground conduits, cables, pedestals, vaults, and including but not limited to above ground enclosures, markers and concrete pads or other appurtenant fixtures and equipment necessary or useful for distributing broadband services and other like communications, in, on, over, under, across and along that certain real property (the "Premises") located in the County of Galveston, State of Texas described as follows:

## LEGAL DESCRIPTION: (See Attached)

Grantor(s) agree(s) for itself and its heirs and assigns that the Company Wiring on the Premises shall be and remain the personal property of the Grantee and may not be altered, obstructed or removed without the express written consent of the Grantee. The Grantee, and its contractors, agents and employees, shall have the right to trim or cut trees and/or roots which may endanger or interfere with said Company Wiring and shall have free access to said Company Wiring and every part thereof, at all times for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said Premises of the Grantor, the Grantee shall make the same in such manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the area to as near the same condition as it was prior to such excavation as is practical. This Easement shall run with the land for so long as Grantee, its successors or assigns provides broadband service to the Premises.

IN WITNESS WHEREOF, the parties hereto have caused this Easement to be executed by their duly authorized representatives as of the date first written above.

WITNESS/ATTEST:	GRANTOR:			
	Seascape Owners Association, Inc.			
Cochy Q. Lozan Name: Cathy S. Lozan	By: Carol M. Etheredge for Seascape Manager for Sea			
ATTEST:	GRANTEE:			
	Comcast of Houston, LLC			
Name:	By: Douglas R. Guthrie			
rvaine.	Title: Senior Vice President, Houston			

STATE OF TOXAS )	
COUNTY OF Galveston ) ss.	
COUNTY OF (Scheston)	
	担
The foregoing instrument was acknowledged before	e me this 24+ Iday of May, 2011 by
The foregoing instrument was acknowledged before Carol M. Etheredge, the Proposition, Inc., on behalf of said entity.	verty Manager of Seascape
Owners Association, Inc., on behalf of said entity.	He/she is personally known to me or has
presented TDLH 08332442 (type not take an oath.	of identification) as identification and did/did
not take an oath.	
Witness my hand and official seal.	
Withess my hand and Otheral Seal.	Cathe D L. Ba
NOTARY PUBLIC State of Texas	0
Comm. Exp. 11/05/2013	Cathy S. Logan Notary Public
May Commission assista	(Print Name)
My Commission expires: 11/05/2013	
$\mathcal{A}$	
Ulhara a	
STATE OF	
) ss.	0
COUNTY OF John ) ss.	
The foregoing instrument was acknowledged before	re me this May of All . 2011
by Douglas R. Guthrie, of Comcast of Houston, Ll	LC, on behalf of said entity. He is bersonally
known to me and did not take an oath.	
	$\Omega l_0 l_1 l_2 l_3 l_4 l_4 l_5 l_6 l_6 l_6 l_6 l_6 l_6 l_6 l_6 l_6 l_6$
Witness my hand and official seal.	
	//airiq
	Notary Public
	(Print Name)
My Commission expires:	(Time Ivano)
	1 man
	THE REPORT OF THE PARTY OF THE
	Notary D ILLENG
	WANDA ILLENE SIMMONS  Notary Public, State of Texas
	Notary Public, State of Texas  June 16, 2013

## LEGAL DESCRIPTION

Seascape Condos, Legal

Legal ABST 121 PAGE 75 PT OF LOTS 402 & 421

Description: TRIMBLE & LINDSEY SEC 1 SEASCAPE CONDO

County:

**GALVESTON, TX** 

 $\text{APN:} \begin{array}{l} \textbf{6410-0001-1101-} \\ \textbf{000} \end{array}$ 

### EXHIBIT B BULK BILL ADDENDUM

THIS BULK BILL ADDENDUM (the "Bulk Addendum") is made and entered into this address is 8590 West Tidwell, Houston, TX 77040 and Seascape Owners Association, Inc. (the "Owner") who owns or has control over certain real estate and improvements thereon located at 10811 San Luis Pass Road, Galveston, Texas 77554 (the "Premises"), consisting of 135 residential units. This Bulk Addendum supplements that certain Services Agreement dated the Third and between Owner and the Company (the "Agreement"). All undefined terms used herein shall have the same meaning ascribed to them in the Agreement.

- 1. The Company agrees to provide Bulk Service to (1) outlet(s) in each of 135 units. As of the date of this Bulk Addendum, Bulk Service consists of the channel lineup set forth on Exhibit C attached hereto which is subject to change from time to time. The Owner shall pay the Company a monthly per unit service fee for Bulk Service equal to \$19.00 per unit plus all applicable taxes and fees. The monthly per unit service fee may be increased by the Company upon thirty (30) days written notice in an amount not to exceed five percent (5%) per year.
- 2. The Association acknowledges and understands that a digital receiver is required to receive the Bulk Service. The Company shall provide each resident with one (1) digital converter and one (1) remote control capable of receiving the Bulk Service, provided that the resident enters into a separate agreement with the Company accepting responsibility for the receiver, remote and any services purchased which are additional to the Bulk Service. If a resident refuses to enter into such agreement or violates such agreement, the Company shall only be required to provide those portions of Bulk Service, which do not require a receiver without any reduction in the monthly per unit service fee. The type of digital receiver and remote provided to the residents shall be at the Company's sole discretion.
- 3. Any hearing impaired or legally blind unit owner who does not occupy the unit with a non-hearing impaired or sighted person may discontinue service under this Bulk Addendum without incurring disconnect fees, penalties or subsequent service charges.
- 4. Monthly per unit service fees pursuant to this Bulk Addendum shall be due and payable upon receipt of an invoice and shall be subject to an administrative fee of one percent (1%) per month if not paid within fifteen (15) calendar days of receipt thereof. The Company may terminate this Bulk Addendum upon written notice to the Owner in the event payment of the monthly per unit service fee remains unpaid for sixty (60) days.
- 5. In addition to Bulk Service, the Company may provide to individual residents certain optional services, including, but not limited to, multi-channel video, internet and voice services ("Additional Services"). Additional Services will be addressed in separate agreements with individual unit residents. Owner assumes no liability or responsibility for service charges for Additional Services contracted for by individual residents.

- 6. The Owner acknowledges and agrees that the Company has the right at any time to preempt, without prior notice, specific programs and to determine what substitute programming, if any, shall be made available. The Company may in its discretion make additions, deletions or modifications to its channel line-up without liability to the Owner or anyone claiming through the Owner. The Company shall not be liable for failure to deliver any programming which is caused by the failure of the programmer to deliver or make such programming available to the Company or any other reason beyond the reasonable control of the Company.
- 7. This Bulk Addendum shall be effective as of the date set forth above and shall continue for a term concurrent with the term of the Agreement, unless earlier terminated. In the event this Bulk Addendum is terminated by the Company, the Company shall have the right to continue to provide the Services to individual residents pursuant to contracts between the Company and such residents in accordance with the Agreement.
- 8. The Owner may not sell, offer for sale or resell any of the services contemplated by this Bulk Addendum without the prior written consent of the Company.
- 9. The terms and conditions of the Agreement shall remain in full force and effect, except as modified by this Bulk Addendum.

WITNESS/ATTEST:	Seascape Owners Association, Inc.
Cothy D. Logan Name: Cathy S. Logan	By: Carol M. Etheredge for Seascape Has Name: Carol M. Etheredge Title: Property Manager For Seascape Has
ATTEST:	Comcast of Houston, LLC
Name:	By: ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) (

# **EXHIBIT C**Bulk Channel Lineup

			1		
2	KNWS	42	Animal Planet		DIGITAL STARTER
3	KZJL	43	Nickelodeon	1	Channel 1 On Demand
					Music Choice®
4	KTXH-My Network TV	44		800-845	Channels
5	KIAH-CW	45	CNBC	119	Lifetime Movie Network
					Comcast Sports
6	KTMD-Telemundo	46	BET	129	Southwest
7	KPXB-ION	47	HGTV	340	Style
8	KUHT-PBS	48	Spike TV	349	Cartoon Network
9	KRIV-FOX	49	Versus		
10 11	KXLN-Univision KHOU-CBS	50 51	Galavisión TBS		
12	KPRC-NBC	52	Food Network		
13	KTRK-ABC	53	KAZH Tu Visión		
14	KETH-TBN	54	WGN		
15	KFTH-Telefutura		KTBU-The Tube		
16	Municipal Channel	56	C-SPAN		
	Houston Media				
17	Source	57	AMC		
18	Houston ISD	58	History		
19	HCC TV	59	Comedy Central		
20	KLTJ	60	SyFy Channel		
21	USA	61	VH1		
22	Cartoon Network	62	Travel Channel		
23	A&E	63	TLC		
0.4	11-11	0.4	Home Shopping		
24	Hallmark Channel	64 65	Network		
25 26	CNN CNN Headline News	65 66	Bravo		
27	The Weather Channel	67	Discovery Health TruTV		
28	QVC	74	KUVM-Azteca		
29	Discovery Channel	75	Leased Access		
30	MTV	76	Leased Access		
31	FX	80	MSNBC		
32	ABC Family	310	11 NOW		
33	ESPN	315	13 NOW		
			KIAH- Universal		
34	ESPN2	319	Sports		
35	Golf Channel	320	This TV		
36	TNT	321	KPRC-LA TV		
37	Fox Sports Houston	322	KLTJ DayStar		
38	Fox News	323	KUHT2 PBS		
39	Turner Classic Movies	324	KUHT-V-ME		
40	Lifetime	325	KHLM-TV Informa		
			KVQT-Vision		

The company reserves the right to change the channel lineup from time to time.

326 Celestial

41 Disney Channel