

RESOLUTION NO. 160

A RESOLUTION OF THE CITY OF SHORELINE, WASHINGTON, APPROVING THE TRANSFER OF THE CABLE TELEVISION FRANCHISE FROM EDMONDS CABLE COMPANY TO TCI CABLEVISION OF WASHINGTON

WHEREAS, Edmonds Cable Company, ("Franchisee") owns, operates, and maintains a cable television system ("System") in the City of Shoreline, Washington (the "Franchise Authority"), pursuant to Ordinance Nos. 83, 156 and 157, as amended (the "Franchise"), and Franchisee is the duly authorized holder of the Franchise; and

WHEREAS, AT&T Corp. ("AT&T"), TCI Cablevision of Washington ("TCI Washington") and Franchisee are parties to a Limited Liability Company Purchase Agreement, pursuant to which Franchisee will contribute the assets and liabilities associated with the cable television system serving the community represented by the Franchise Authority to TCI Edmonds, LLC (the "LLC") and Franchisee will then immediately sell all the ownership interests in the LLC to TCI Washington (collectively, the "Transfer"). As a result of the transfer, TCI Washington will become the parent entity of the LLC which will then hold the franchise; and

WHEREAS, TCI Washington and Franchisee have requested consent by the Franchise Authority to the Transfer in accordance with the requirements of the Franchise and have filed an FCC form 394 with the Franchise Authority; and

WHEREAS, Franchise Authority has reviewed the transfer application (including Federal Communications Commission Form 394) and conducted its review of the legal, technical and financial qualifications of TCI Washington; and

WHEREAS, Franchise Authority has relied upon certain statements and assurances made by Franchisee and AT&T Broadband & Internet Services on behalf of TCI Washington in performing its review hereunder; and

WHEREAS, Franchise Authority believes it is in Franchise Authority's interest to approve TCI Washington's holding of control of Franchisee and finds the LLC suitable to hold the Franchise;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF SHORELINE, WASHINGTON AS FOLLOWS:**

Section 1. The Franchise Authority hereby consents to and approves TCI Washington's holding of control of Franchisee to the extent that such consent is required by the terms of the Franchise and applicable law, provided that:

- A) Information and assurances contained in correspondence from Janet L. Turpen, Director of Franchising, AT&T Broadband & Internet Services, dated January 28, 2000, and February 16, 2000, are incorporated herein by this reference as material terms to this agreement.

- B) Information and assurances contained in correspondence from Scott Chambers, Vice President, Chambers Communications Corp., dated February 3 and 16, 2000, are incorporated herein by this reference as material terms to this agreement.

Section 2. The Franchise Authority confirms that the (a) the Franchise was properly granted or transferred to Franchisee, (b) the Franchise is currently in full force and effect and will expire on July 7 2003 subject to options in the Franchise, if any, to extend such term, (c) the Franchise supersedes all other agreements between the Franchise Authority and the Franchisee (other than those specifically stated in Section 1 herein), (d) the Franchise represents the entire understanding of the Franchise Authority and the Franchisee and Franchisee has no obligations to the Franchise Authority other than those specifically stated in the Franchise (and those specifically stated in Section 1 herein), and (e) Franchisee is materially in compliance with the provisions of the Franchise and to the knowledge of the Franchise Authority, no fact or circumstance exists which constitutes or which, with the passage of time or the giving of notice or both, would constitute a material default or breach under the Franchise or would allow the Franchise Authority to cancel or terminate the rights under this Franchise (other than those specifically stated in Section 1 herein).

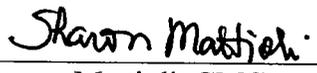
Section 3. Pursuant to the terms of the Franchise and any applicable federal, state or local law and on the giving of reasonable written notice, TCI Washington and the LLC may transfer the Franchise or control related to the Franchise to any entity controlling, controlled by, or under common control with AT&T Corp.

Section 4. This Resolution shall be deemed effective upon the closing of the Transfer.

ADOPTED BY THE CITY COUNCIL ON FEBRUARY 28, 2000


Deputy Mayor Ronald B. Hansen

ATTEST:


Sharon Mattioli, CMC
City Clerk