

RESOLUTION R- 3961

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE CHANGE OF CONTROL OF FRANCHISEE FROM TELE-VUE SYSTEMS, INC. (VIACOM) TO TELE-COMMUNICATIONS, INC. (TCI).

Whereas, Tele-Vue Systems, Inc., d/b/a/ Viacom Cable ("Franchisee") is the duly authorized holder of a franchise (as amended to date, the "Franchise") authorizing the operation and maintenance of a cable television system (the "System") and authorizing Franchisee to serve the City of Kirkland (the "Franchise Authority") with cable television services; and

Whereas, Viacom International Inc., a Delaware corporation ("Viacom"), a wholly-owned subsidiary of Viacom Inc., ("VI") is an indirect parent of Franchisee; and

Whereas, VI, Viacom, Tele-Communications, Inc., a Delaware corporation ("TCI"), and TCI Communications, Inc., a Delaware corporation and wholly owned subsidiary of TCI ("TCIC"), are parties to some or all of the following: a Parents Agreement, an Implementation Agreement and a Subscription Agreement (the "Agreements"); and

Whereas, upon the consummation of the transactions contemplated by the Agreements (the "Transactions"), TCIC will acquire all of the outstanding common stock of Viacom and become the indirect parent of Franchisees; and

Whereas, upon the consummation of the Transactions, the Franchisee will continue to directly own and operate the System; and

Whereas, Franchisee and TCIC have requested consent by the Franchise Authority to the Transactions; and

Whereas, the Transactions are deemed to be in the best interest of the residents of the City of Kirkland;

Now, therefore, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The Franchise Authority hereby consents to and approves the Transactions, all in accordance with the requirements of the Franchise.

Section 2. Any interest in Franchisee, or control related thereto, may be transferred to any entity controlled by, controlling or under common control with the current holder of such interest upon notice to the Franchise Authority of any such transfer.

Section 3. The Franchise Authority hereby consents to and approves the assignment, mortgage, pledge or other encumbrance, if any, of the Franchise, System or assets relating thereto, or of the interest in Franchisee, as collateral for a loan.

Section 4. The Franchise Authority confirms that, as of the date of this Resolution: (a) the Franchise was properly granted to Franchisee, is valid, remains in full force and effect and expires on November 27, 2004, subject to options, if any to extend such term; (b) the Franchise supersedes all other agreements between Franchisee and the Franchise Authority and represents the entire understanding of the parties; and (c) Franchisee is materially in compliance with the provisions of the Franchise and there are no material unfulfilled commitments of Franchisee under the Franchise.

Section 5. The Resolution shall be deemed effective as of the closing date of the Transactions.

Passed by majority vote of the Kirkland City Council in regular, open meeting this 19th day of October, 1995.

Signed in authentication thereof this 19th day of October, 1995.



Mayor

Attest:



City Clerk