

RESOLUTION R- 4164

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE CHANGE OF CONTROL OF THE CABLE COMMUNICATIONS FRANCHISE.

WHEREAS, Tele-View Systems, Inc. ("Franchisee") is duly authorized by the City of Kirkland (the "Franchise Authority") to operate and maintain a cable communications system (the "System") in Kirkland, Washington pursuant to a franchise granted by the Franchise Authority under Ordinance No. 3438 (the "Franchise"); and

WHEREAS, pursuant to the Agreement and Plan of Restructuring and Merger among AT&T Corp. ("AT&T"), a newly formed wholly owned subsidiary of AT&T ("Merger Sub"), and Tele-Communications, Inc., the parent of Franchisee ("TCI"), dated as of June 23, 1998 (the "Merger Agreement"), Merger Sub will merge with and into TCI with TCI as the surviving corporation in the merger, and as a result of the transactions contemplated by the Merger Agreement, TCI will become a wholly owned subsidiary of AT&T (the "Transactions"); and

WHEREAS, Franchisee will continue to hold the Franchise after consummation of the Transactions; and

WHEREAS, FCC Form 394 with respect to the Transactions has been filed with the Franchise Authority; and

WHEREAS, the parties have requested consent by the Franchise Authority to the Transactions.

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 to the extent that such consent is required by the terms of the Franchise and applicable law, provided that:

- (A) TCI, as a wholly owned subsidiary of AT&T, confirms that the Franchisee will continue to be bound by the terms of the Master Cable Television Ordinance No. 3437, and the Franchise, and any amendments thereto; and
- (B) In accordance with Exhibit 4 of the FCC Form 394, if, in the future, AT&T offers services other than those currently authorized by the Franchise and any applicable laws, AT&T will obtain any necessary federal, state or local authorization prior to the introduction of such services over Franchisee's System. Implicit in this statement is the obligation to pay the Franchise Authority

any fees, taxes or other assessments as may lawfully be levied; and

- (C) The final merger agreement consummated by the parties and approved by the federal government shall not contain any material changes from the facts submitted in Franchisee's request for consent to the change of control submitted to the Franchise Authority.

Passed by majority vote of the Kirkland City Council in regular, open meeting this 15th day of December, 1998.

Signed in authentication thereof this 15th day of December, 1998.

  
MAYOR

Attest:

  
City Clerk

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