

RESOLUTION NO. 15-05

A RESOLUTION CONSENTING TO THE TRANSFER OF CONTROL OF TIME WARNER CABLE MIDWEST LLC, FROM TIME WARNER CABLE INC. TO CHARTER COMMUNICATIONS, INC. AND AUTHORIZING MAYOR TO EXECUTE A SETTLEMENT AGREEMENT WITH TIME WARNER CABLE MIDWEST LLC AND AN ASSUMPTION AGREEMENT WITH CHARTER COMMUNICATIONS, INC.

WHEREAS, Time Warner Cable Midwest, LLC (“Franchisee”) is the duly authorized holder of a cable franchise (the “Franchise”), authorizing Franchisee to serve the City of Somerset, KY (the “City”) and to operate and maintain a cable system therein; and

WHEREAS, on May 23, 2015, Charter Communications, Inc. (“Charter Communications”) along with its subsidiary CCH I, LLC (“New Charter”) entered into agreements with Time Warner Cable Inc. (“TWC”) (the ultimate parent company of Franchisee), Advance/Newhouse Partnership (“A/N”), and Liberty Broadband Corporation (“Liberty”) in order to merge with TWC, the ultimate parent of the Franchisee (the “Transaction”); and

WHEREAS, TWC will merge into a subsidiary of New Charter; and

WHEREAS, Charter Communications will merge with a subsidiary of New Charter, and New Charter will assume the name Charter Communications, Inc. (“Charter”); and

WHEREAS, Charter filed an FCC Form 394 to the City with respect thereto; and

WHEREAS, the City has considered and approves the Transaction subject to the conditions set forth in the body of this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY AS FOLLOWS:

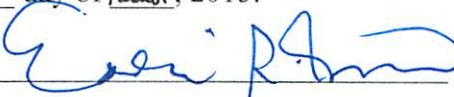
The foregoing recitals are approved and incorporated herein by reference.

1. The City consents to the Transaction contingent on the receipt of required approvals of the Transaction from the Federal Communications Commission and the United States Department of Justice. Said consent does not constitute and shall not be construed to constitute a waiver of any lawful obligations of the Franchisee and/or Charter under the Franchise.
2. The City confirms that the Franchise is valid and outstanding, in full force and effect. Subject to compliance with the terms of this Resolution, all action necessary to approve the transfer of control of the Franchisee to Charter has been duly and validly taken.
3. Charter or the Franchisee may (a) assign, transfer, or transfer control of its assets, including the Franchise, provided that such assignment, transfer, or transfer of control is to an entity directly or indirectly controlling, controlled by or under

common control with Charter; (b) restructure debt or change the ownership interests among existing equity participants in Charter; (c) pledge or grant a security interest to any lender(s) of Charter's assets, including, but not limited to, the Franchise, or of interest in Charter, for purposes of securing any indebtedness; and (d) sell equity interests in Charter or any of Charter's affiliates.

4. Upon closing of the Transaction, Charter shall remain bound by the lawful terms and conditions of the Franchise and the Assumption Agreement, attached hereto and incorporated herein by reference as Exhibit A.
5. This Resolution shall be deemed effective upon adoption.
6. This Resolution shall have the force of a continuing agreement with Charter, Franchisee, and the City, and the City shall not amend or otherwise alter this Resolution without the consent of Franchisee and Charter.
7. The Mayor of Somerset is hereby authorized to execute the Assumption Agreement between Charter and the City and Settlement Agreement between Franchisee and the City, attached hereto and incorporated herein by reference as Exhibit B.

PASSED, ADOPTED AND APPROVED this 10th day of August, 2015.

By: 

Name: _____

Title: _____

ATTEST:



Clerk

ASSUMPTION AGREEMENT

This Assumption Agreement is entered into this 10th day of August 2015, by and between Charter Communications, Inc. ("Charter") and the City of Somerset, Kentucky (the "City").

WHEREAS, Time Warner Cable Midwest LLC ("Franchisee") is lawfully operating a cable system in the City pursuant to the terms of a franchise (the "Franchise"); and

WHEREAS, Time Warner Cable Inc. ("TWC") is the ultimate parent company of Franchisee; and

WHEREAS, on May 23, 2015, Charter Communications, Inc. ("Charter Communications") along with its subsidiary CCH I, LLC ("New Charter") entered into agreements with Time Warner Cable Inc. ("TWC") (the ultimate parent company of Franchisee), Advance/Newhouse Partnership ("A/N"), and Liberty Broadband Corporation ("Liberty") in order to merge with TWC, the ultimate parent of the Franchisee (the "Transaction"); and

WHEREAS, TWC will merge into a subsidiary of New Charter; and

WHEREAS, Charter Communications will merge with a subsidiary of New Charter, and New Charter will assume the name Charter Communications, Inc. ("Charter"); and

WHEREAS, Charter will acquire control of the Franchisee after the consummation of the Transaction.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Charter and the City agree as follows:

1. This Assumption Agreement is expressly contingent upon the City enacting a resolution consenting to the Transaction in the form attached hereto as Exhibit A.
2. The Franchise is valid and outstanding and Franchisee has the right to operate under the Franchise. There are no existing violations or defaults under the Franchise that have not been cured.
3. Upon closing of the Transaction, Franchisee and Charter shall remain bound by the lawful terms and conditions of the Franchise and the settlement agreements between TWC and the City dated December 8, 2014 and August 10, 2015, attached hereto as Exhibits B and C, respectively.
4. This Assumption Agreement shall not be further amended or modified except by a written instrument signed by Charter and the City. Nothing herein shall constitute a waiver of any rights held by Charter, Franchisee or the City under applicable law.

5. This Assumption Agreement may be executed in counterparts and each counterpart shall be deemed an original instrument, but all such counterparts together shall constitute a single Assumption Agreement.
6. This Assumption Agreement shall be governed in all respects by applicable federal law and the laws of the Commonwealth of Kentucky and venue for all actions relating hereto shall lie in the federal or state courts in Kentucky.

IN WITNESS WHEREOF, each of the parties has executed this Assumption Agreement as of the date first written above.


The City of Somerset, KY

By: 

Name: _____

Title: Mayor

Charter Communications, Inc.

By: 

Name: ADAM E. FALK

Title: SENIOR VICE PRESIDENT,
STATE GOVERNMENT AFFAIRS

Exhibits

- A Form of Consent Resolution
- B Settlement Agreement Between City of Somerset and Time Warner Cable Midwest LLC dated December 8, 2014
- C Settlement Agreement Between City of Somerset and Time Warner Cable Midwest LLC dated August 10, 2015.

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into this 10th day of August 2015, by and between Time Warner Cable Midwest LLC (“Franchisee”) and the City of Somerset, Kentucky (the “City” or “Somerset”).

WHEREAS, Franchisee is the duly authorized holder of a franchise (the “Franchise”), authorizing Franchisee to serve Somerset and to operate and maintain a cable system there; and

WHEREAS, Time Warner Cable Inc. (“TWC”) is the ultimate parent company of Franchisee; and

WHEREAS, on May 23, 2015, Charter Communications, Inc. (“Charter Communications”) along with its subsidiary CCH I, LLC (“New Charter”) entered into agreements with Time Warner Cable Inc. (“TWC”) (the ultimate parent company of Franchisee), Advance/Newhouse Partnership (“A/N”), and Liberty Broadband Corporation (“Liberty”) in order to merge with TWC, the ultimate parent of the Franchisee (the “Transaction”); and

WHEREAS, TWC will merge into a subsidiary of New Charter; and

WHEREAS, Charter Communications will merge with a subsidiary of New Charter, and New Charter will assume the name Charter Communications, Inc. (“Charter”); and

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Franchisee and the City agree as follows:

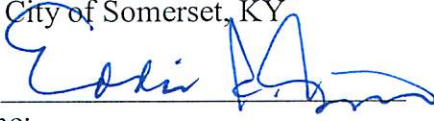
1. All existing violations or defaults under the Franchise, if any, will be cured by the execution of this Settlement Agreement.
2. Franchisee has the right to operate under the Franchise, which is in full force and effect.
3. The City acknowledges that Charter possesses the legal, financial, and technical qualifications to operate the cable system in Somerset, and therefore there is no basis for the City to withhold consent to Charter’s acquisition of control of Franchisee, as described in the FCC Form 394 Charter submitted to the City on July 1, 2015.
4. The Franchise shall be assumed by Charter pursuant to the terms of the Charter Assumption Agreement, attached here as Exhibit A.
5. Franchisee and the City agree to the following:
 - a. Franchisee and the City agree that Franchisee shall pay the City twelve thousand dollars (\$12,000) within 20 days after Charter acquires control of Franchisee.
 - b. After Charter acquires control of Franchisee, Franchisee shall contribute up to five thousand dollars (\$5,000) toward the actual cost of constructing a fiber link to the

City's new City Hall building so that governmental access programming can be transported from the new City Hall building to the cable system.

- c. After Charter acquires control of Franchisee, Franchisee shall not raise the rate for the basic cable tier service in the City prior to January 2016.
 - d. After Charter acquires control of Franchisee, Franchisee will provide twenty five (25) spots per month for public service announcements for the promotion of the City's government access channel ("STV4") and Somerset events throughout the term of the Franchise and at no cost to the City. STV4 will produce all of the spots to be provided on Franchisee's cable system. Franchisee will provide the spots on a random schedule and reserves all rights to control the placement of the spots on the cable system.
 - e. After Charter acquires control of Franchisee, Franchisee will use its best efforts to retain the Weather Channel or comparable national weather programming content on the expanded basic cable service tier for the duration of the Franchise.
- 6. This Settlement Agreement shall not be further amended or modified except by a written instrument signed by Franchisee and the City. Nothing herein shall constitute an amendment or modification of the Franchise, or a waiver of any rights held by Franchisee or the City under applicable law.
 - 7. This Settlement Agreement may be executed in counterparts and each counterpart shall be deemed an original instrument, but all such counterparts together shall constitute a single Settlement Agreement.
 - 8. This Settlement Agreement shall be governed in all respects by applicable federal law and the laws of the Commonwealth of Kentucky and venue for all actions relating hereto shall lie in the federal or state courts in Kentucky.
 - 9. All covenants, representations and obligations contained in this Settlement Agreement are deemed to be material conditions of the Settlement Agreement.

IN WITNESS WHEREOF, each of the parties has executed this Settlement as of the date first written above.

The City of Somerset, KY

By: 
Name: _____
Title: Mayor

Time Warner Cable Midwest LLC

By: Ed Kozelek
Name: Ed Kozelek
Title: RVP, Government Relations