

RESOLUTION NO. 102-03

**A Resolution of the Board of Commissioners of Mason County, Washington (the "County") Regarding the Cable Television Franchise for the Operation of the Cable Television System Serving the County.**

Whereas, pursuant to Ordinance No. 99-99, passed and approved on August 31, 1999, the County granted to Falcon Cable Television, Inc. (by letter dated October 14, 1999 Falcon clarified that the correct name of the franchisee should be Falcon Video Communications, L.P.) ("Falcon") the authority to install, construct, operate and maintain a cable television communications system within the County (the "Franchise"); and

Whereas, Falcon's ultimate parent was acquired by Charter Communications Holding Company, LLC ("Charter") with the consent of the County as expressed in that certain Resolution No. 90-99, dated August 17, 1999; and

Whereas, Charter entered into a purchase and sale agreement, dated May 29, 2003 (the "Purchase Agreement"), with WaveDivision Holdings, LLC, a Delaware limited liability company ("Wave Holdings"), for the sale of Charter's cable television system serving the City and adjacent areas, pursuant to which (i) the Franchise will be assigned and conveyed from Charter to WaveDivision IV, LLC, a Washington limited liability company ("Wave IV"), which as of the date of such assignment and conveyance will be wholly-owned by Charter, and (ii) immediately following such assignment and conveyance of the Franchise, Charter will sell and convey all of the membership and other ownership interests in Wave IV to Wave Holdings (the "Transaction"); and

Whereas, Charter and Wave Holdings request that the assignment and conveyance of the Franchise from Charter to Wave IV and the sale and conveyance of the membership and other ownership interests in Wave IV to Wave Holdings immediately thereafter, as described above, be approved;

Now Therefore, Be It Resolved by the Board of Commissioners of Mason County that:

Section 1. The County hereby consents to the assignment and conveyance of the Franchise from Charter to Wave IV and the sale and conveyance of the membership and other ownership interests in Wave IV to Wave Holdings immediately thereafter, as described above.

Section 2. The County hereby consents to and approves Wave IV's grant of a security interest in all of the franchisee's rights, powers and privileges under the Franchise and Wave IV's grant of a security interest in all of its other properties to such lender or lenders as may be designated by Wave IV for financing purposes from time to time, and to Wave Holdings' grant of a security interest in its rights in and to Wave IV to such lender or lenders as may be designated by Wave Holdings for financing purposes from time to time.

Section 3. Except as otherwise expressly provided herein, the assignment and conveyance of the Franchise and the sale and conveyance of the membership and other ownership interests in Wave IV shall not alter, affect or otherwise change any of the terms or conditions of the Franchise.

Section 4. In connection herewith, the County certifies to each of Charter, Wave IV and Wave Holdings that:

(a) The Franchise was duly and validly issued by the County to the best of the County's knowledge, and upon its assignment and conveyance to Wave IV, the duly authorized franchisee will be Wave IV.

(b) To the best of the County's knowledge, the Franchise has not been amended (other than as reflected in Resolution 90-99), is in full force and effect as of the date hereof, and is valid and enforceable in accordance with its terms.

(c) The County acknowledges that pursuant to Section 2 of the Franchise the expiration date of the Franchise has been extended for a period of four years so that the Franchise will not expire until September 9, 2007.

(d) To the best of the County's knowledge, no event of default under the Franchise, and no event which could become an event of default with the passage of time or the giving of notice, or both, has occurred and is continuing as of the date hereof.

(e) The County acknowledges receipt of a duly completed FCC Form 394 in connection with the foregoing.

Section 5. The Franchise, Resolution 90-99, and this Resolution were and are made, passed or adopted in accordance with all applicable notice and procedure requirements under the laws of the State of Washington, and with all applicable notice and procedure requirements prescribed by the County, and do not conflict with the laws, ordinances, resolutions and other regulations of the County, as presently in effect or as the same were in effect at the time the particular action was taken.

Section 6. The County acknowledges that Wave IV shall be responsible only for obligations of the franchisee under the Franchise that accrue from and after the date of the closing of the Transaction and the assignment of the Franchise to Wave IV.

Section 7. The County acknowledges that Charter shall remain responsible for obligations of the franchisee under the Franchise that relate to the period prior to the date of the closing of the Transaction and the assignment of the Franchise to Wave IV, but that Charter will be released and discharged by the County from any obligations of the Franchisee under the Franchise that relate to the period from and after the date of the closing of the Transaction and the assignment of the Franchise to Wave IV.

Section 8. Subject to the closing of the Transaction, this Resolution shall take effect immediately upon passage by the County and shall remain in effect through the remainder of the term of the Franchise.

The undersigned hereby certifies that the foregoing Resolution was introduced and read at the regular meeting of the Commissioners of the County on the 9<sup>th</sup> day of September, 2003, and was duly adopted at said meeting.

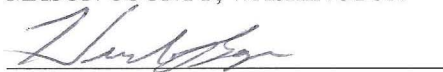
Attest:

  
Becky Rogers  
Clerk of the Board

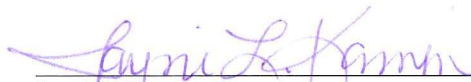
Approved as to form:

  
Deputy Prosecuting Attorney

BOARD OF COUNTY COMMISSIONERS  
MASON COUNTY, WASHINGTON

  
Herb Baze, Chairperson

  
Wesley E. Johnson, Commissioner

  
Jayni L. Kamin, Commissioner