

**RESOLUTION NO. 2005-967**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALABASAS, CALIFORNIA, ESTABLISHING CONDITIONS FOR THE APPROVAL OF A TRANSFER OF THE CALABASAS PARK CABLE TELEVISION FRANCHISE FROM ADELPHIA CALIFORNIA CABLEVISION, INC. TO TIME WARNER NY CABLE LLC.**

**WHEREAS**, Adelphia California Cablevision, Inc. ("Franchisee") owns, operates and maintains a cable system ("System") in the City of Calabasas ("City"); and

**WHEREAS**, Franchisee provides cable service in the City pursuant to the terms of a cable system franchise ("Franchise") originally granted to CalaVision, Inc. effective July 16, 1999 for the "Calabasas Park" area of the City; and

**WHEREAS**, City Resolution No. 99-595 transferred the Franchise from CalaVision, Inc. to Franchisee and included additional mutually agreed upon terms that are incorporated in and considered an integral part of the Franchise; and

**WHEREAS**, City Resolution No. 2002-775 amended certain terms of the Franchise; and

**WHEREAS**, City Resolution No. 2003-854 extended the term of the Franchise to have an expiration date of December 1, 2015; and

**WHEREAS**, an agreement dated October 1, 2004 between the City, Century-TCI California, L.P. and Franchisee amended and clarified certain terms of the Franchise; and

**WHEREAS**, Franchisee and Time Warner NY Cable LLC ("Time Warner" or "Transferee") are parties to an asset purchase agreement ("Purchase Agreement") pursuant to which the System and the Franchise are to be transferred to Time Warner; and

**WHEREAS**, on June 14, 2005, the City received an F.C.C. Form 394 requesting a transfer of the Franchise from Franchisee to Transferee; and

**WHEREAS**, the City has one hundred twenty (120) days from the receipt of a complete F.C.C. Form 394 to act upon the transfer request or the request automatically is deemed to have been approved; and

**WHEREAS**, as provided for in applicable law, the City, within thirty (30) days of receipt of the transfer request, noticed the Franchisee and Transferee that the F.C.C. Form 394 was inaccurate and incomplete; and

**WHEREAS**, the Transferee alleges that the F.C.C. Form 394 was complete and accurate and that the one hundred twenty (120) day review period started on June 14, 2005; and

**WHEREAS**, the one hundred twenty (120) day review period expires on October 12, 2005, if a June 14, 2005 receipt date is to be considered correct; and

**WHEREAS**, the City received a letter dated September 16, 2005 from Franchisee on behalf of Franchisee and Transferee extending the review period to November 12, 2005; and

**WHEREAS**, to the extent required by Calabasas Municipal Code the Franchise cannot be transferred or assigned without the City Council's consent; and

**WHEREAS**, federal regulations permit the City to evaluate the legal, technical and financial qualifications of Transferee to operate the Franchise; and

**WHEREAS**, the legislative history of the Federal Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act") further indicates that Congress intended that local franchising authorities consider such information as the effect of the transfer or sale on rates and subscriber services and the Transferee's plans for expanding or eliminating services to subscribers when assessing an application for transfer of a cable system franchise; and

**WHEREAS**, the United States Court of Appeals for the Ninth Circuit, in a case involving the County of Santa Cruz, California and Charter Communications, found that local cable franchising authorities should be afforded broad deference in legislative acts in their role as stewards of the public good; and

**WHEREAS**, the proposed Transferee is a new entity with no historical performance record and no identified assets; and

**WHEREAS**, the City, as steward of the public good, believes that the transfer will be in the best interest of Calabasas subscribers provided the transfer is conditioned in order to safeguard the interests of Calabasas System subscribers; and

**WHEREAS**, the City desires to proceed with the proposed transfer on the terms and conditions set forth herein.

**NOW, THEREFORE**, the City Council of the City of Calabasas does hereby resolve, determine and order as follows:

Section 1. The City hereby consents to the transfer, subject to the following conditions:

1. Time Warner NY Cable LLC, the Transferee, is owned and controlled as indicated in Exhibit A attached hereto. To the extent required by Calabasas Municipal Code Article IV, Section 5.12.100, any change of ownership or control of Transferee from the ownership and control indicated in Exhibit A shall be subject to prior City review and consent.
2. Time Warner Cable, Inc., the indirect parent company of the Transferee, shall unconditionally guarantee the performance of Transferee under the terms of the Franchise, and shall be a signatory to the "Guarantee," attached hereto as Exhibit B. Time Warner Cable, Inc. shall be known as the "Guarantor."
3. The City expressly reserves any and all rights that it may possess under the Franchise and applicable law with respect to any non-compliance issues on the part of Franchisee, whether known or unknown, which exist prior to the effective date of this transfer and Transferee reserves any and all rights and defenses with respect to any such non-compliance issues.
4. The transfer is expressly contingent upon Franchisee reimbursing the City for the City's costs incurred in the processing of the request for transfer in accordance with Calabasas Municipal Code Article IV, Section 5.12.100(F), not to exceed any maximum amount indicated in the "Change of Ownership Consent Agreement" attached to this Resolution as Exhibit A. Said

reimbursement shall be provided within thirty (30) calendar days of Franchisee's receipt of an itemized invoice detailing the City's costs.

5. All terms of the Franchise agreement remain in full force and effect, including all terms contained in City of Calabasas Resolution Nos. 99-595, 2002-775 and 2003-854 and the agreement dated October 1, 2004 amending and clarifying certain terms of the Franchise.
6. Transferee shall evidence acceptance of these conditions by signing a copy of the "Change of Ownership Consent Agreement," in substantially the same form as attached to this Resolution as Exhibit A, containing the conditions provided to Transferee and submitting the same to the City Clerk within sixty (60) days of this approval. If Transferee fails to submit a signed copy of the "Change of Ownership Consent Agreement" to the City Clerk within said sixty (60) day period, or otherwise refuses to accept the conditions placed on the proposed transfer set forth herein, consent to the transfer shall be automatically withdrawn, effective the date of adoption of this Resolution, and the request to transfer shall be deemed denied.

Section 2. Other than with respect to the condition made in Section 1.2 above, if any sentence, clause, phrase or portion of any condition imposed in Section 1 hereof if for any reason held by a court of competent jurisdiction to be invalid or unenforceable, such decision shall not affect the validity of the remaining conditions placed on this transfer. The City Council of the City of Calabasas hereby declares that it would have adopted this Resolution and each and every condition set forth in Section 1 hereof separately, irrespective of the fact that one or more of these conditions may be declared invalid or unenforceable.

Section 3. This Resolution shall be deemed effective for the purposes of the transfer upon adoption by the City Council.

Section 4. Subject to the reservation of rights of Section 1.3 above, the City hereby releases Franchisee, effective upon the consummation of the transaction contemplated in the Purchase Agreement (the "Closing Date") from all obligations and liabilities under the Franchise that accrue on or after the Closing Date. Franchisee shall remain responsible for all obligations and liabilities under the Franchise that accrue up to the Closing Date. Transferee shall be responsible for any obligations and liabilities under the Franchise that accrue on or after the Closing Date.

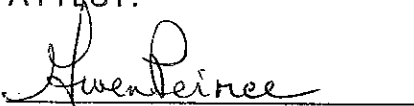
Section 5. This Resolution and Exhibits A and B hereto shall have the force of a continuing agreement with the Franchisee and Transferee, and the City shall not amend or otherwise alter this Resolution without the prior written consent of the Franchisee and/or Transferee.

Section 6. The City Clerk shall certify to the adoption of this resolution and shall cause the same to be processed in the manner required by law, and shall transmit a certified copy of this Resolution and Exhibits A and B hereto to Franchisee, Transferee and Guarantor.

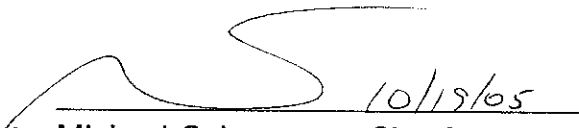
**PASSED AND APPROVED AND ADOPTED** this 19<sup>th</sup> day of October 2005

  
\_\_\_\_\_  
Barry Groveman, Mayor

ATTEST:

  
\_\_\_\_\_  
Gwen Peirce, Assistant City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael Colantuono, City Attorney

STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES) SS  
CITY OF CALABASAS )

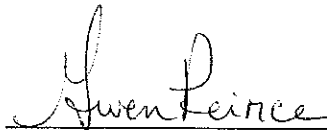
I, **GWEN PEIRCE**, Assistant City Clerk of the City of Calabasas, California, **DO HEREBY CERTIFY** that the foregoing resolution, being **Resolution No. 2005-967** was duly adopted by the City Council of the City of Calabasas, at a regular meeting of the City Council held October 19, 2005 and that it was adopted by the following vote, to wit:

**AYES:** Mayor Groveman, Mayor pro Tem Washburn, Councilmembers, Bozajian, Maurer, Wolfson.

**NOES:** None.

**ABSTAIN:** None.

**ABSENT:** None.



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Gwen Peirce, Assistant City Clerk  
City of Calabasas, California

**EXHIBIT A  
CHANGE OF OWNERSHIP CONSENT AGREEMENT**

Section 1

Terms used in this Change of Ownership Consent Agreement shall be as defined in Resolution No. 2005-967.

Section 2

The City hereby consents to the transfer described in City Resolution No. 2005-967, subject to the following conditions:

1. Time Warner NY Cable LLC, the Transferee, is owned and controlled as indicated in Figure 1 attached hereto. To the extent required by Calabasas Municipal Code Article IV, Section 5.12.100, any change of ownership or control of Transferee from the ownership and control indicated in Figure 1 shall be subject to prior City review and consent.
2. Time Warner Cable, Inc., the indirect parent company of the Transferee, shall unconditionally guarantee the performance of Transferee under the terms of the Franchise, and shall be a signatory to the "Guarantee" attached to City of Calabasas Resolution No. 2005-967 as Exhibit B. Time Warner Cable, Inc. shall be known as the "Guarantor."
3. The City expressly reserves any and all rights that it may possess under the Franchise and applicable law with respect to any non-compliance issues on the part of Franchisee, whether known or unknown, which exist prior to the effective date of this transfer, and Transferee reserves any and all rights and defenses with respect to any such non-compliance issues.
4. The transfer is expressly contingent upon Franchisee reimbursing the City for the City's costs incurred in the processing of the request for transfer in accordance with Calabasas Municipal Code Article IV, Section 5.12.100(F), not to exceed Two Thousand Five Hundred Dollars (\$2,500). Said reimbursement shall be provided within thirty (30) calendar days of Franchisee's receipt of an itemized invoice detailing the City's costs.
5. All terms of the Franchise agreement remain in full force and effect, including all terms contained in City of Calabasas Resolution Nos. 99-595, 2002-775 and 2003-854 and the agreement dated October 1, 2004 amending and clarifying certain terms of the Franchise.

6. Transferee shall evidence acceptance of these conditions by signing a copy of this "Change of Ownership Consent Agreement," and submitting the same to the City Clerk within sixty (60) days of this approval. If Transferee fails to submit a signed copy of this "Change of Ownership Consent Agreement" to the City Clerk within said sixty (60) day period, or otherwise refuses to accept the conditions placed on the proposed transfer set forth herein, consent to the transfer shall be automatically withdrawn, effective the date of adoption of City of Calabasas Resolution No. 2005-967, and the request to transfer shall be deemed denied.

### Section 3

Other than with respect to the promise made in Section 2.2 above, if any sentence, clause, phrase or portion of any condition imposed in Section 2 hereof if for any reason held by a court of competent jurisdiction to be invalid or unenforceable, such decision shall not affect the validity of the remaining conditions placed on this transfer. The City Council of the City of Calabasas hereby declares that it would have entered into this "Change of Ownership Consent Agreement" and each and every condition set forth in Section 2 hereof separately, irrespective of the fact that one or more of these conditions may be declared invalid or unenforceable.

### Section 4

Subject to the reservation of rights of Section 2.3 above, the City hereby releases Franchisee, effective upon the consummation of the transaction contemplated in the Purchase Agreement (the "Closing Date") from all obligations and liabilities under the Franchise that accrue on or after the Closing Date. Franchisee shall remain responsible for all obligations and liabilities under the Franchise that accrue up to the Closing Date. Transferee shall be responsible for any obligations and liabilities under the Franchise that accrue on or after the Closing Date.

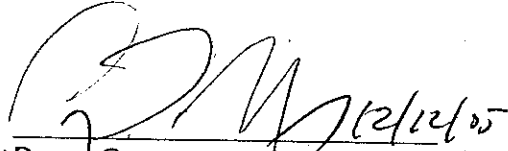
### Section 5

This Agreement and Exhibits shall have the force of a continuing agreement with the Franchisee and Transferee, and the City shall not amend or otherwise alter this Agreement without the prior written consent of the Franchisee and/or Transferee.

### Section 6

This Agreement shall be effective upon the Closing Date at which time Franchise and System ownership shall have transferred from Franchisee to Transferee.


"City"  
City of Calabasas

  
Barry Groveman, Mayor

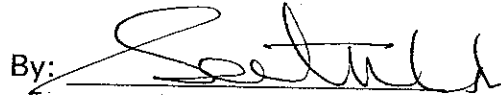
Attest:

  
Gwen Peirce, Assistant City Clerk

Approved as to Form:

  
Michael Colantuono, City Attorney

"Transferee"  
Time Warner NY Cable, LLC

By: 

Its: SVP, Investments

Date: 11-18-05

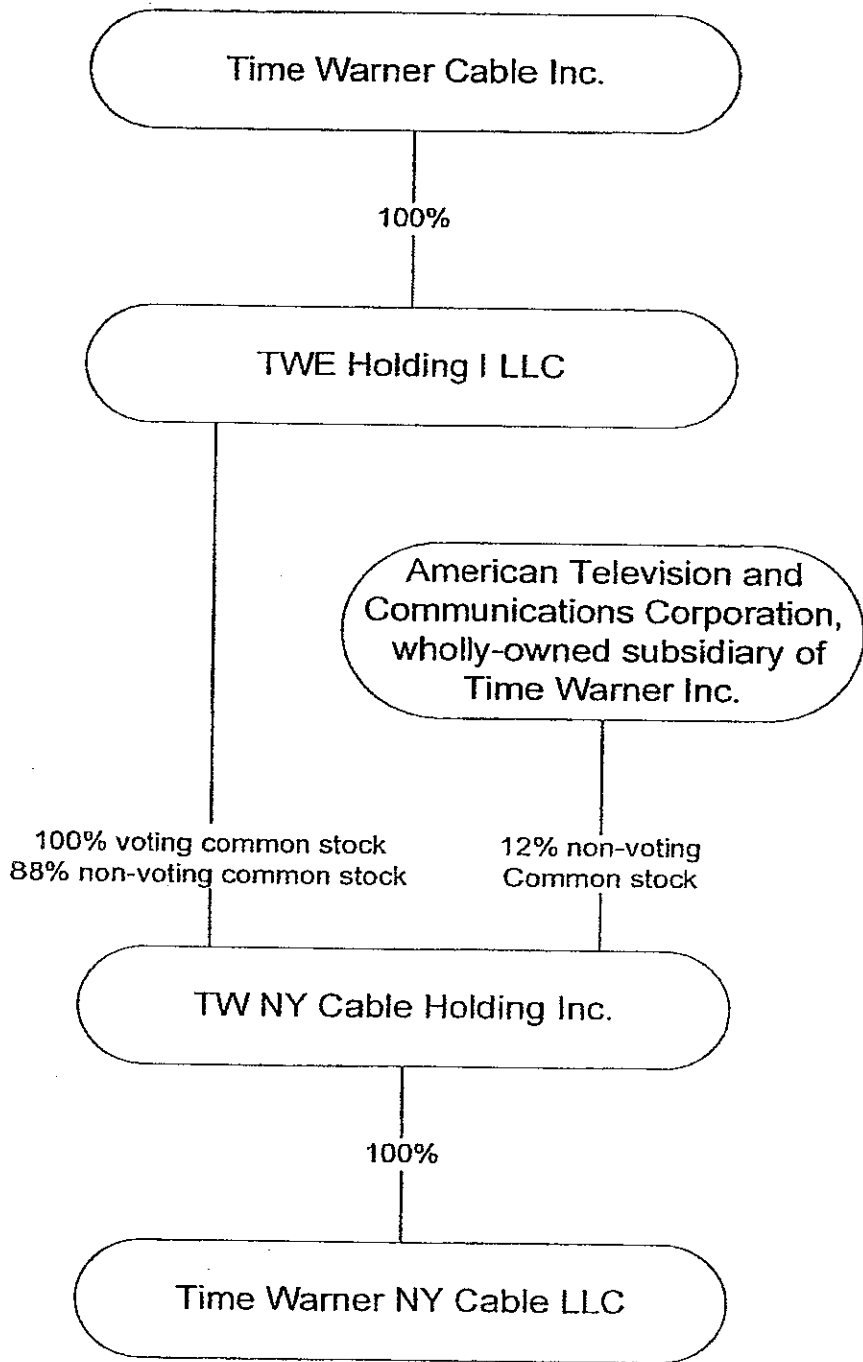


Exhibit A – Figure 1

EXHIBIT B  
GUARANTEE

GUARANTEE, dated as of Oct 19, 2005 made by TIME WARNER CABLE INC., a Delaware corporation ("Guarantor"), in favor of the City of Calabasas, CA ("Beneficiary").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Beneficiary to timely consent to the transfer of the cable television franchise for the "Calabasas Park" area of the City (the "Franchise") to Time Warner NY Cable LLC ("Transferee") in accordance with the Federal Communications Commission Form 394 filed by Transferee, Guarantor agrees as follows:

1. Interpretive Provisions.

(a) The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Guarantee, shall refer to this Guarantee as a whole and not to any particular provision of this Guarantee, and section and paragraph references are to this Guarantee unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

2. Guarantee.

(a) From and after the close of the asset purchase transaction, Guarantor unconditionally and irrevocably guarantees to Beneficiary the timely and complete performance of all Transferee obligations under the Franchise (the "Guaranteed Obligations"). The Guarantee is an irrevocable, absolute, continuing guarantee of payment and performance, and not a guarantee of collection. If Transferee fails to pay any of its monetary Guaranteed Obligations in full when due in accordance with the terms of the Franchise, Guarantor will promptly pay the same to Beneficiary or procure payment of same to Beneficiary. Anything herein to the contrary notwithstanding, Guarantor shall be entitled to assert as a defense hereunder any defense that is or would be available to Transferee under the Franchise or otherwise.

(b) This Guarantee shall remain in full force and effect until the earliest to occur of: (i) performance in full of all Guaranteed Obligations at a time when no additional Guaranteed Obligations remain outstanding or will accrue to Transferee under the Franchise and (ii) any direct or indirect transfer of the Franchise from Transferee to (or direct or indirect acquisition of Transferee or any successor thereto by (whether pursuant to a sale of assets or stock or other equity interests, merger or otherwise)) any other person or entity

a majority of whose equity and voting interests are not beneficially owned and controlled, directly or indirectly, by Guarantor. Upon termination of this Guarantee in accordance with this Section 2(b), all contingent liability of Guarantor in respect hereof shall cease and Guarantor shall remain liable solely for Guaranteed Obligations accrued prior to the date of such termination.

3. Waiver. Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Guaranteed Obligations and notice of or proof of reliance by Beneficiary upon this Guarantee or acceptance of this Guarantee. Guarantor waives diligence, presentment, protest and demand for payment to Transferee or Guarantor with respect to the Guaranteed Obligations; provided, however, that Guarantor shall be furnished with a copy of any notice of or relating to default under the Franchise to which Transferee is entitled or which is served upon Transferee at the same time such notice is sent to or served upon Transferee.

4. Representations and Warranties. Each of Guarantor and Beneficiary represents and warrants that: (i) the execution, delivery and performance by it of this Guarantee is within its corporate, limited liability company or other powers, have been duly authorized by all necessary corporate, limited liability company or other action, and do not contravene any law, order, decree or other governmental restriction binding on or affecting it and (ii) no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by it of this Guarantee, except as may have been obtained or made, other than, in the case of clauses (i) and (ii), contraventions or lack of authorization, approval, notice, filing or other action that would not, individually or in the aggregate, impair or delay in any material respect such party's ability to perform its obligations hereunder.

5. Binding Effect. This Guarantee, when executed and delivered by Beneficiary, will constitute a valid and legally binding obligation of Guarantor, enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency or other similar laws applicable to creditors' rights generally and by equitable principles (whether enforcement is sought in equity or at law).

6. Notices. All notices, requests, demands, approvals, consents and other communications hereunder shall be in writing and shall be deemed to have been duly given and made if served by personal delivery upon the party for whom it is intended or delivered by registered or certified mail, return receipt requested, or if sent by telecopier, provided that the telecopy is promptly confirmed by telephone confirmation thereof, to the party at the address set forth below, or such other address as may be designated in writing hereafter, in the same manner, by such party:

To Guarantor and Transferee:

Time Warner Cable Inc.  
290 Harbor Drive  
Stamford, CT 06902-6732  
Telephone: (203) 328-0631  
Telecopy: (203) 328-4094  
Attention: General Counsel

To Beneficiary:

City of Calabasas  
26135 Mureau Road  
Calabasas, CA 91302-3172  
Telephone: (818) 878-4242  
Telecopy: (818) 878-0716  
Attention: Media Operations Director

7. Integration. This Guarantee represents the agreement of Guarantor with respect to the subject matter hereof and there are no promises or representations by Guarantor or Beneficiary relative to the subject matter hereof other than those expressly set forth herein.

8. Amendments in Writing. None of the terms or provisions of this Guarantee may be waived, amended, supplemented or otherwise modified except by a written instrument executed by Guarantor and Beneficiary, provided that any right, power or privilege of Beneficiary arising under this Guarantee may be waived by Beneficiary in a letter or agreement executed by Beneficiary.

9. Section Headings. The section headings used in this Guarantee are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

10. No Assignment or Benefit to Third Parties. This Agreement shall be binding upon and inure to the benefit of the parties hereto. Nothing in this Agreement, express or implied, is intended to confer upon anyone other than Guarantor and Beneficiary and their respective permitted assigns, any rights or remedies under or by reason of this Guarantee.

11. Expenses. All costs and expenses incurred in connection with this Guarantee and the transactions contemplated hereby shall be borne by the party incurring such costs and expenses.

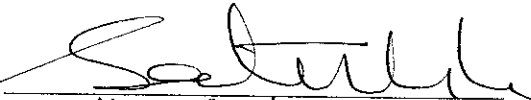
12. Counterparts. This Guarantee may be executed by Guarantor and Beneficiary on separate counterparts-(including by facsimile transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

13. GOVERNING LAW. THIS GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

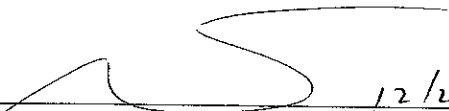
14. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS GUARANTEE AND FOR ANY COUNTERCLAIM THEREIN.

IN WITNESS WHEREOF, each of the undersigned has caused this Guarantee to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

TIME WARNER CABLE INC.

By:   
Name: Satish Deige  
Title: SVP, Investments

BENEFICIARY

By:  12/2/05  
Name: Michael G. Colantuono  
Title: City Attorney