

RESOLUTION NO. 98-2

**RESOLUTION OF THE CITY OF SMITHS GROVE,
KENTUCKY APPROVING AN ASSIGNMENT OF THE
CABLE TELEVISION FRANCHISE FROM TCI TKR OF
SOUTHERN KENTUCKY, INC. d/b/a TKR CABLE OF
SOUTHERN KENTUCKY TO INTERMEDIA PARTNERS
OF KENTUCKY, L.P.**

WHEREAS, TCI TKR of Southern Kentucky, Inc. d/b/a TKR Cable of Southern Kentucky ("Franchisee") owns, operates, and maintains a cable television system ("System") in the City of Smiths Grove ("Franchise Authority"), pursuant to Ordinance No. 95-1, 405.3 (the "Franchise") and Franchisee is the current authorized holder of the Franchise; and

WHEREAS, Franchisee desires to transfer and assign the assets of the System, including all rights and obligations of Franchisee under the Franchise, to InterMedia Partners of Kentucky, L.P. ("IP-Kentucky"), subject to, among other conditions, any required approval of the Franchise Authority with respect thereto; and

WHEREAS, pursuant to the proposed transaction (the "Transaction"), Franchisee and various affiliated entities which own and operate cable television systems in Kentucky (the "TCI Parties") will first take certain internal restructuring steps, including contribution of all their Kentucky cable system assets (including franchises), to TCI IP-VI, LLC ("TCI LLC"), and entity owned by the TCI Parties. As part of the Transaction, TCI LLC will then contribute assets relating to such systems and related obligations to InterMedia Capital Partners VI, L.P. ("ICP-VI"), the parent company of IP-Kentucky, for a 49.005% limited partnership interest in ICP-VI. Thereafter, ICP-VI will transfer certain cable television assets relating to the Kentucky systems, including the franchises, to IP-Kentucky which will hold the Franchise and will own, manage, and operate the System; and

WHEREAS, Franchisee and IP-Kentucky have requested consent from the Franchise Authority to transfer and assign of the assets of the System, including the Franchise, to IP-Kentucky in accordance with the requirements of the Franchise; and

WHEREAS, the Franchise Authority has determined that the Transaction and the approval of the transfer and assignment of the Franchise from Franchisee to IP-Kentucky is in the best interests of the residents of City of Smiths Grove.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SMITHS GROVE AS FOLLOWS:

Section 1. The Franchise Authority hereby consents to and approves of the Transaction, including the transfer and assignment of the assets of the System, and including all rights and obligations under the Franchise, to IP-Kentucky which accrue from and after the date of the consummation of the Transaction (the "Closing Date").

Section 2. The transfer and assignment of the Franchise to ICP-VI and the assumption by IP-Kentucky of the obligations of Franchisee under the Franchise which accrue from and after the Closing Date shall be contingent upon and take effect only on the Closing Date. The consent and approval hereby given do not constitute and shall not be construed to constitute a waiver of any rights or obligations of any franchisee under the Franchise.

Section 3. The Franchise Authority confirms that, as of the date of this Resolution: (a) the Franchise is valid and remains in full force and effect, and expires on October 23, 2010, subject to options in the Franchise, if any, to extend such term; (b) the Franchise represents the entire understanding of the parties and supersedes all other agreements between the parties; and (c) Franchisee is materially in compliance with the provisions of the Franchise, and there exists no known fact or circumstance which constitutes or which, with the passage of time or the giving of notice or both, would constitute a default or breach under the Franchise, or would allow the Franchise Authority to cancel or terminate the rights thereunder except upon the expiration of the full term thereof.

Section 4. IP-Kentucky may transfer and assign the Franchise or control related thereto may be transferred to any entity, directly or indirectly, owned or controlled by, controlling or under common control with InterMedia Management, Inc. or IP-Kentucky, upon notice to the Franchise Authority of any such transfer. 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 the interests in the permitted holder thereof, as collateral for a loan.

Section 5. This Resolution shall be deemed effective as of the date of its passage.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Smiths Grove this 23 day of February, 1998.

By: James R. Gibley Mayor
[Title]

ATTEST:

Harold J. Neal
Clerk

APPROVED AS TO FORM:

[Title]