

NF
Cm 9/1

FILED
NO. 99-020

99 FEB 19 MO 24 Second Amendment to Franchise Agreement

BARBARA REED
Adopted by Ordinance No. 459 is made and entered into this 7th day of February, 1999, by and between ~~TCI of California, Inc.~~ Communication Services, Inc. and Douglas County, a political subdivision of the State of Nevada.

RECITALS

This second amendment of the franchise agreement is made with reference to the following facts and objectives:

1. The franchise agreement between Douglas County and Carrier Communications, Inc. was entered into by the adoption of ordinance No. 459 on October 13, 1986.
2. The franchise agreement was amended by ordinance No. 667 which changed "gross revenue", bond, franchise fee and the notice provision to Com-Star Cablevision of Nevada, LLC.
3. By resolution 98R-125 Douglas County approved the transfer of the franchise from Com-Star Cablevision of Nevada, LLC to ~~TCI of California, Inc.~~ Communication Services, Inc. on December 17, 1998.
4. Douglas County and ~~TCI of California, Inc.~~ Communication Services, Inc., desire to amend this franchise agreement to contain similar terms with an existing franchise agreement with TCI by amending sections:
 - 5.5 Customer service to comply with county code,
 - 7.1 Franchise fee to read 5%,
 - 8.1 Document incorporated to reflect new franchise, and
 - 8.4 Notice

and repealing section 3.3 Bonds because TCI has an existing bond with the county.

The parties agree to the following amendments:

3.3 Bonds is deleted.

5.5 Customer Service. Grantee shall maintain a business office or a toll free telephone listing within the County for purposes of receiving inquiries and complaints from its subscribers and the general public. Said business office

0461494
BK0299PG3900

SO
JE

SO
JE
SO
JE

and/or toll free telephone listing shall provide a medium for receiving complaints on a twenty-four (24) hour basis, seven (7) days a week. Grantee shall respond to all complaints within twenty-four (24) hours of their receipt and shall in good faith attempt to resolve them swiftly and equitably. In the event a subscriber is not satisfied with the proposed solution offered by the Grantee, said subscriber may file a complaint with the County by submitting same to the County Manager or his designee. The complaint must contain the following information:

- (1) A summary of the complaint of the subscriber;
- (2) A summary of the action taken by the Grantee; and
- (3) Relief requested by the subscriber.

Upon receipt and review of the complaint, the County Manager shall make an initial determination as to the apparent merit of the complaint and shall dismiss any complaint that appears frivolous or otherwise lacking in merit. Any complaint not so dismissed shall be referred to Grantee for comment and response. Grantee shall have the opportunity to review all evidence submitted and to submit evidence in its own defense. Grantee shall have ten (10) working days within which to respond, but reasonable extensions of time shall be made available where necessary. After reviewing the complaint and Grantee's response, the County Manager shall issue a written decision based upon the evidence. In the event the County Manager decides against the Grantee, he may impose an administrative fine to be assessed against the Grantee in an amount not to exceed TWO-HUNDRED DOLLARS (\$200.00) per event or incident regardless of the number of subscribers filing complaints relating to such event or incident. In deciding whether to impose an administrative fine the County Manager shall consider whether the events or circumstances giving rise to the complaint were a result of a willful act of omission on the part of the Grantee. Grantee shall have the opportunity to appeal, in writing with a copy to the County Manager, any adverse decision by the County Manager to the Board of Commissioners within five (5) working days of receipt of the written decision. If the County Manager's decision is not so appealed, it shall become final and binding. If the decision is appealed, the Board shall review the evidence of the case, the parties and shall then issue its own written decision on the complaint. The Grantee may appeal the decision of the Douglas County Board of Commissioners to the District Court for a determination as to whether the record before said Board discloses sufficient evidence to support said decision.

7.1 Franchise Fee. Grantee shall pay to the Franchising Authority a franchisee fee equal to 5% of Gross revenues received by Grantee from the operation of the Cable System on an annual basis. For the purpose of this section, the 12-month period applicable under the Franchise for the computation of the franchise fee shall be a calendar year, unless otherwise agreed to in writing by the Franchising Authority and Grantee. The franchise fee payment shall be due and payable sixty (60) days after the close of the preceding calendar year. Each payment shall be accompanied by a brief report from a representative of Grantee showing the basis for the computation. In no event, shall the franchise fee payments required to be paid by Grantee exceed 5% of Gross revenues received by Grantee in any 12-month period.

8.1 Documents Incorporated and Made a Part Hereof. The following documents shall be incorporated herein by this reference:

- (a) Any enabling Franchise in existence as of the date hereof;
- (b) Any franchise agreement between Grantee and Franchising Authority reflecting the renewal of the Franchise, if any; and
- (c) The schedule of fees and charges, the list of officers of the Company, the Statement of Public Need, the Services Offered, and the system History.

8.4 Notice. Unless expressly otherwise agreed between the parties, every notice or response to be served upon the Franchising Authority or Grantee shall be in writing, and shall be deemed to have been duly given to the required party five (5) business days after having been posted in a properly sealed and correctly addressed envelope by certified or registered mail, postage prepaid, at a Post Office or branch thereof regularly maintained by the U.S. Postal Service. The notices or responses to the Franchising Authority shall be addressed as follows:

County Manager
Douglas County, State of Nevada
Post Office Box 218
Minden, Nevada 89423

The notices or responses to the Grantee shall be addressed as follows:

Communications Services, Inc. L/K/A TCI of California
Judge Smith, General Manager
924 Emerald Bay Road
South Lake Tahoe, California 96150

SO
JE

SO
Communications Services, Inc.
~~TCI of California~~

Douglas County, a political subdivision of the State of Nevada.

By: [Signature]
Scott Higgl, Sr. Vice President

By: [Signature]
VICE--Chairman of the Board

Approved as to Form:

By: [Signature]
District Attorney

COPY

COPY

Attachment 8.1 (a)

COPY

0461494

BK0299P63904

*File Jim Star
Cable TV
10-6-94
expires 10/23/01*

ORDINANCE NO. 667

SUMMARY

AN ORDINANCE AMENDING ORDINANCE NO. 459 FOR THE PURPOSE OF CHANGING THE GROSS REVENUE, BOND, FRANCHISE FEE, AND NOTICE PROVISIONS AND ATTACHED EXHIBITS

TITLE

AN ORDINANCE AMENDING ORDINANCE NO. 459

THE BOARD OF COUNTY COMMISSIONERS OF DOUGLAS COUNTY, NEVADA ORDAIN AS FOLLOWS:

Section I: Section 1.1(i) to read as follows:

(i) "Gross revenues" means the compensation, in whatever form, derived directly or indirectly by a grantee from and in connection with the operation of a cable system within the County exclusive of:

- (1) Taxes or services imposed directly on any subscriber or user by a governmental entity, and collected by grantee for said entity;
- (2) Any refundable deposits which are not retained by the grantee;
- (3) The proceeds of any sale or exchange of assets of the grantee; and

Section II: Section 3.3 to read as follows:

3.3 Bonds. Within thirty (30) days after acceptance of this Franchise, Grantee shall deposit, with the Douglas County Treasurer, a performance bond in the amount of Five Thousand Dollars (\$5,000). This bond shall be used to insure the faithful performance by Grantee of the provisions of this Franchise, the provisions of the Douglas County Code relating to the regulation of Cable Antenna Television Systems, any order of the Board of Commissioners regarding acts or defaults under this Franchise, and the payment by Grantees of any taxes, liens and charges which may arise by reason of the construction, operation and maintenance of this Franchise.

This performance bond shall be maintained during the entire term of the franchise unless the Board of County Commissioners determines said bond is no longer necessary. The amount of the bond may be periodically adjusted by the Board of County Commissioners.

Section III: Section 7.1 to read as follows:

7.1 Franchise Fee. Grantee shall pay to the Franchising Authority a franchisee fee which is the greater of 3% of Gross Revenues without the exclusion of any fees or annual assessments paid by the company for the use of pay or premium channels or 5% of Gross Revenues after the exclusion of any fees or annual assessments paid by the company for the use of pay or premium channels. For the purpose of this section, the 12-month period applicable under the Franchise for the computation of the franchise fee shall be a calendar year, unless otherwise agreed to in writing by the Franchising Authority and Grantee. The franchise fee payment shall be due and payable sixty (60) days after the close of the preceding calendar year.

Section IV: Section 8.1 to read as follows:

8.1 Documents Incorporated and Made a Part Hereof. The following documents shall be incorporated herein by this reference:

- (a) Any enabling Franchise in existence as of the date hereof;
- (b) Any franchise agreement between Grantee and Franchising Authority reelecting the renewal of the Franchise, if any; and
- (c) The schedule of fees and charges, the list of Officers of the Company, the Statement of Public Need, the Services Offered, and the System History.

The documents listed in paragraph (c) shall be updated annually and provided to the County by the Grantee and be incorporated herein.

Section V: Section 8.4 to read as follows:

8.4 Notice. Unless expressly otherwise agreed between the parties, every notice or response to be served upon the Franchising Authority or Grantee shall be in writing, and shall be deemed to have been duly given to the required party five (5) business days after having been posted in a properly sealed and correctly addressed envelope by certified or registered mail, postage prepaid, at a Post Office or branch thereof regularly maintained by the U.S. Postal Service. The notices or responses to the Franchising Authority shall be addressed as follows:

District Attorney of Douglas County, State of Nevada
P.O. Box 218
Minden, Nevada 89423

The notices or responses to the Grantee shall be addressed as follows:

System Manager
Com-Star Cablevision of Nevada, LLC
P.O. Box 581
Zephyr Cove, Nevada 89448

Section VI: This ordinance shall be in full force and effect on October 27, 1994.

PROPOSED on September 8, 1994.


PROPOSED by Commissioner Bob Allgeier

PASSED on October 6, 1994.

VOTE: Ayes: Commissioners Michael E. Fischer
Robert L. Pruett
Barbara S. Smallwood
Bob Allgeier

Nays: Commissioners _____

Absent: _____



DAVID PUMPHREY, CHAIRMAN

ATTEST:

Barbara J. Reed
BARBARA J. REED, CLERK

By: Dorothy Young, Deputy

AN ORDINANCE GRANTING A CABLE TELEVISION FRANCHISE IN DOUGLAS COUNTY TO CARRIER COMMUNICATIONS, INC. AND PROVIDING OTHER MATTERS RELATING THERETO.

approved
10/23/01

SUMMARY

AN ORDINANCE GRANTING A FRANCHISE TO OPERATE A CABLE TELEVISION SYSTEM TO CARRIER COMMUNICATIONS, INC. IN A PORTION OF DOUGLAS COUNTY BETWEEN GLENBROOK AND THE CAVE ROCK AREA, SETTING FORTH THE PERIOD OF THE FRANCHISE, THE CONDITIONS UNDER WHICH THE FRANCHISE IS TO BE OPERATING AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF NEVADA, DO ORDAIN:

SECTION I: Carrier Communications, Inc. is hereby granted a franchise to operate a cable television system within that portion of Douglas County, Nevada between Glenbrook and Cave Rock. The grant of franchise is subject to the terms and conditions of the franchise agreement attached hereto as Exhibit "A" the same to be incorporated herein by reference and by the terms and provisions of Chapter 5.34 of the Douglas County Code.

SECTION II: The term of the franchise hereby granted shall be for a period of fifteen (15) years which term shall begin running from the day and year upon which this ordinance becomes effective.

SECTION III: This ordinance shall be in full force and effect from and after this 23rd day of October, 1986.

PROPOSED on the 11th day of September, 1986.

PROPOSED by Commissioner Barbara J. Cook.

PASSED on the 2nd day of October, 1986.

VOTE: AYES Commissioners R. C. Oswald
Barbara J. Cook
Robert L. Pruett
James J. King

NAYS Commissioners _____

ABSENT Commissioners _____

Robert L. Pruett
ROBERT L. PRUETT, Chairman
Douglas County Board of
Commissioners

ATTEST:

Yvonne Bernard
YVONNE BERNARD, Clerk

0461494
BK0299PG3908

85 SEP 11 P3 59

YVONNE BERNARD
CLERK

BY J. Hyman DEPUTY

FRANCHISE AGREEMENT

THIS AGREEMENT entered into on this _____ day of _____ 1986, by and between Carrier Communications, (hereinafter "Grantee") and the County of Douglas, Nevada (hereinafter "County"):

W I T N E S S E T H

WHEREAS, Carrier wishes to enter into a cable television franchise agreement with the County; and

Whereas, County, after due consideration, concludes that such franchise agreement would be in the best interests of the public;

IT IS HEREBY AGREED as follows:

SECTION 1

DEFINITIONS

(1.1) Terms. For the purpose of this Agreement, and when not inconsistent with the context, words used herein in the present tense include the future; words in plural include the singular, and vice versa. The word "shall" is always mandatory. The captions supplied herein for each section are for convenience only. Said captions have no force of law, are not part of the sections, and are not to be used in construing the language of the section. The following terms and phrases, as used herein, shall be given the meaning of the terms set forth below:

(a) "Basic Cable" is the tier of service regularly provided to all subscribers that includes the retransmission of local broadcast television signals and the public, educational and governmental channels, if required by the terms thereof.

(b) "Board of County Commissioners" is the Board of Commissioners of Douglas County, Nevada or its designated representative.

0461494

BK0299PG3909

in accordance with the foregoing terms of any such claim, suit, or demand against the County which causes Grantee and/or County to suffer a default which cannot be set aside, shall release Grantee from its obligation to indemnify the County as provided herein. Grantee may utilize counsel of its own choosing and the County and its agents and representatives shall cooperate fully with Grantee's counsel in preparation for and prosecution of its defense. Should the County desire to utilize separate counsel in its own behalf it may do so at its own expense. The County may not settle or otherwise compromise the claims against it without the express written consent of Grantee.

3.3 Bonds. Within thirty (30) days after acceptance of this Franchise, Grantee shall deposit, with the Douglas County Treasurer, a performance bond in the amount of TWENTY THOUSAND DOLLARS (\$20,000.00). This bond shall be used to insure the faithful performance by Grantee of the provisions of this Franchise, the provisions of the Douglas County Code relating to the regulation of Cable Antenna Television Systems, any orders of the Board of Commissioners regarding acts or defaults under this Franchise, and the payment by Grantee of any taxes, liens and charges which may arise by reason of the construction, operation and maintenance of this Franchise.

This performance bond shall be maintained during the entire term of the franchise unless the Board of Commissioners determines said bond is no longer necessary.

SECTION 4

CONSTRUCTION, MAINTENANCE AND SERVICE STANDARDS

4.1 Conditions of Street Occupancy. All transmission and distribution structures, poles, lines, and equipment installed or erected by the Grantee pursuant to the terms hereof shall be so located so as to be consistent with the proper use of public ways.

4.2 Restoration of Public Ways. In case of any disturbance by Grantee of pavement, sidewalk, driveway or other surfacing, including easements utilized by Grantee, Grantee shall, at its own expense, replace and restore all paving, sidewalk, driveway or other surface so disturbed to a condition reasonably comparable to the condition prior to such disturbance.

are reasonable to ensure that the safety, use and appearance of the area will not be adversely effected. The cost and responsibility of the installation of service line cable and conduit, to the Grantee's specifications, from the distribution line to the home shall be the burden of the cable subscriber. Nothing contained in this Section 4.7 shall require Grantee to construct, operate, and maintain underground any ground-mounted appurtenances such as subscriber taps, amplifiers, passive devices, pedestals other related equipment. Notwithstanding anything to the contrary contained in this Section 4.7 in the event that all of the transmission and distribution facilities of the respective public utilities providing telephone communications and electric services are placed underground after the effective date of this Franchise, Grantee shall only be required to construct, operate and maintain all of its transmission and distribution facilities underground if it is given sixty (60) days notice and access to the public utilities' facilities at the time that such are placed underground.

4.8 Extension of Service Grantee shall extend its distribution system so as to service the people within the franchise area. However, Grantee shall not be required to extend such distribution system to any potential subscriber who is located in an isolated area or two hundred (200) feet from the cable distribution system, unless Grantee can be guaranteed a fair rate of return as per industry standards by those subscribers who request the extension of the distribution system in such areas and provided that such extension is technically feasible, pursuant to the rules and regulations of the FCC. In any event, Grantee shall serve contiguous areas having forty (40) or more homes per mile of cable. Should a potential subscriber who is located outside the service area request cable service and agrees to pay for the cost of construction involved then said customer will be required to advance a guaranty in a sum deemed necessary to complete construction. Prior to the construction of an extension of service, Grantee may require a written contract negotiated with the potential subscriber.

SECTION 5

ENFORCEMENT AND TERMINATION OF FRANCHISE

5.1 Violation Notice. In the event that the Franchising Authority believes that the Grantee has not

0461494

BK0299PG3911

complied with the terms of the Franchise, it shall notify Grantee of the exact nature of the alleged non-compliance.

5.2 Grantee's Right to Cure or Respond. Grantee shall have thirty (30) days from receipt of the notice described in Section 5.1 to:

- (a) respond to the Franchising Authority contesting the assertion of non-compliance, or
- (b) to cure such default or, in the event that, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed. The Franchising Authority may require a public hearing as provided in Section 5.3 hereunder in the instance where the Grantee claims the alleged default cannot be cured within thirty (30) days.

5.3 Public Hearing. In the event that Grantee fails to respond to the notice described in the Section 5.1 pursuant to the procedures set forth in Section 5.2, or in the event that the alleged default is not remedied within thirty (30) days after the Grantee is notified of the alleged default pursuant to Section 5.1, the Franchising Authority shall schedule a public meeting to investigate the default. Such public meeting shall be held at the next regularly scheduled meeting of the Franchising Authority which is scheduled at a time which is no less than five (5) business days therefrom. The Franchising Authority shall notify the Grantee of the time and place of such meeting and provide the Grantee with an opportunity to be heard.

5.4 Enforcement. Subject to applicable federal and state law, in the event the Franchising Authority, after such meeting, determines that Grantee is in default of any provision of the Franchise, the Franchising Authority may:

- (a) Foreclose on all or any part of any security provided under this Franchise, if any, including, without limitation, any bonds or other surety; provided, however, the foreclosure shall only be in such a manner and in such amount as the Franchising Authority reasonably determines is necessary to remedy the default;

0461494

- (b) Commence an action at law for monetary damages or seek other equitable relief;
- (c) In the case of a substantial default or a material provision of the Franchise, declare the Franchising Agreement to be revoked; or
- (d) Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages.

The Grantee shall not be relieved of any of its obligations to comply promptly with any provision of the Franchise by reason of any failure of the Franchising Authority to enforce prompt compliance.

5.5 Customer Service. Grantee shall maintain a business office or a toll free telephone listing within the County for purposes of receiving inquiries and complaints from its subscribers and the general public. Said business office and/or toll free telephone listing shall provide a medium for receiving complaints on a twenty-four (24) hour basis, seven (7) days a week. Grantee shall investigate all complaints within twenty-four (24) hours of their receipt and shall in good faith attempt to resolve them swiftly and equitably. In the event a subscriber is not satisfied with the proposed solution offered by the Grantee, said subscriber may file a complaint with the County by submitting same to the County Manager or his designee. The complaint must contain the following information:

- (1) A summary of the complaint of the subscriber;
- (2) A summary of the action taken by the Grantee; and
- (3) Relief requested by the subscriber.

Upon receipt and review of the complaint, the County Manager shall make an initial determination as to the apparent merit of the complaint and shall dismiss any complaint that appears frivolous or otherwise lacking in merit. Any complaint not so dismissed shall be referred to Grantee for comment and response. Grantee shall have the opportunity to review all evidence submitted and to submit evidence in its own defense. Grantee shall have ten (10) working days within which to respond, but reasonable extensions of time shall be made available where necessary. After reviewing the complaint and Grantee's response, the County Manager shall issue a written decision based upon the evidence. In

0461494

BK0299PG3913

the event the County Manager decides against the Grantee, he may impose an administrative fine to be assessed against the Grantee in an amount not to exceed TWO-HUNDRED DOLLARS (\$200.00) per event or incident regardless of the number of subscribers filing complaints relating to such event or incident. In deciding whether to impose an administrative fine the County Manager shall consider whether the events or circumstances giving rise to the complaint were a result of a willful act of omission on the part of the Grantee. Grantee shall have the opportunity to appeal, in writing with a copy to the County Manager, any adverse decision by the County Manager to the Board of Commissioners within five (5) working days of receipt of the written decision. If the County Manager's decision is not so appealed, it shall become final and binding. If the decision is appealed, the Board shall review the evidence of the case, the County Manager's decision and the written arguments of the parties, and shall then issue its own written decision on the complaint. The Grantee may appeal the decision of the Douglas County Board of Commissioners to the District Court for a determination as to whether the record before said Board discloses sufficient evidence to support said decision.

5.6 Acts of God. The Grantee shall not be held in default or non-compliance with the provisions of the Franchise, nor suffer any enforcement or penalty relating thereto, where such non-compliance or alleged defaults are caused by acts of God, or other events reasonably beyond its ability to control.

SECTION 6

UNAUTHORIZED RECEPTION

6.1 Violation and Penalties.

A. Any person, whether in his individual capacity or as an agent, employee or officer of any organization, who engages in the business of conducting a cable television system without first obtaining a franchise from the County or who violates any provision of this chapter or any rule or regulation promulgated thereunder is guilty of a misdemeanor.

B. Any person who knowingly:

0461494

BK0299PG3914

(1) makes or maintains a connection or attaches any device to any line or other component of a community antenna television company;

(2) purchases or possesses any device; or

(3) makes or maintains any modification to any device installed for a community antenna television company,

to intercept or receive any program or other service provided by a community antenna television company without the authorization of the Company is guilty of a misdemeanor.

C. Any person who knowingly and without the authorization of a community antenna television company

(1) imports into this State or County;

(2) distributes; or

(3) sells, offers or advertises to sell, or possesses with the intent to sell,

any device designed to decode a signal encoded by the community antenna television company is guilty of a misdemeanor.

D. Any person who violates paragraph (1) or (3) of subsection B or any provision of subsection C of this Section 2, is liable to the community antenna television company injured by such conduct for three (3) times by any actual damage incurred by the company and reasonable attorney's fees, but not more than the amount provided in NRS 73.010 as the jurisdictional limit for small claims in the Justices' Courts. For any action brought under this Section, proof that any of the acts prohibited in subsection B were committed on or about the premises occupied by the defendant is prima facie evidence that such acts were committed by the defendant.

An owner or operator of a community antenna television company may bring an action to enjoin any violation of subsections B and C of the Section.

E. A criminal action or proceeding under subsections B, C and D of this section, may be commenced at any time within five (5) years after the conduct in violation of this

0461494

BK0299PG3915

section occurs. A civil action or proceeding under subsection D may be commenced at any time within five (5) years after the violation occurs or after the injured person sustains the injury, whichever is later.

SECTION 7

REGULATION BY FRANCHISE AUTHORITY

7.1 Franchise Fee. Grantee shall pay to the Franchising Authority a franchise fee equal to 3% of Gross Revenues received by Grantee from the operation of the Cable System on an annual basis. The franchise fee shall remain at 3% of Gross Revenues received for the first five (5) years following the effective date of this Franchise and may be increased up to 5% of Gross Revenues received for the remainder of the Franchise term. For the purpose of this section, the 12-month period applicable under the Franchise for the computation of the franchise fee shall be a calendar year, unless otherwise agreed to in writing by the Franchising Authority and Grantee. The franchise fee payment shall be due and payable sixty (60) days after the close of the preceding calendar year.

7.2 Rates and Charges. The Franchising Authority may not regulate the rates for the provision of Cable Service and other service, including, but not limited to, ancillary charges relating thereto, except as expressly provided herein and except as authorized pursuant to federal and state law including, but not limited to, the Cable Act and FCC Rules and Regulations relating thereto. The rates and charges charged by Grantee for Basic Service are those set forth on Schedule 1 hereto which is incorporated herein by this reference. From time to time, and at any time, Grantee has the right to modify such rates and charges including, but not limited to, the implementation of additional charges and rates; provided, however, that Grantee shall give notice to the Franchising Authority of any such modifications or additional charges thirty (30) days prior to the effective date thereof. For the purpose of this Section 7.2, the parties agree that the rates and charges for the provision of Basic Service are not to be considered fixed.

7.3 Renewal of Franchise. The Franchising Authority and the Grantee agree that any proceedings undertaken by the Franchising Authority that relates to the renewal of the Grantee's Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act (as such existed as of the effective date of the Cable Act), unless the

procedures and substantive protections set forth therein are repealed or shall be deemed to be preempted and superseded by the provisions of any subsequent provision of federal or state law.

7.4 Conditions of Sale. If a renewal of Grantee's Franchise is denied and the Franchising Authority either lawfully acquires ownership of the Cable System or by its actions lawfully effects a transfer of ownership of the Cable System to another party, any such acquisition or transfer shall be at a fair market value, determined on the basis of the Cable System valued as a going concern, but with no value allocated to the Franchise itself.

7.5 Transfer of Franchise. Over 50% of Grantee's right, title, or interest in the Franchise shall not be sold, transferred, assigned or otherwise encumbered, without the prior consent of the Franchising Authority, such consent not to be unreasonably withheld. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of Grantee in the Franchise or Cable System in order to secure indebtedness, unless such indebtedness exceeds 50% of the value of the Franchise.

SECTION 8

MISCELLANEOUS PROVISIONS

8.1 Documents Incorporated and Made a Part Hereof.

The following documents shall be incorporated herein by this reference:

- (a) Any enabling Franchise in existence as of the date hereof; and
- (b) Any franchise agreement between Grantee and Franchising Authority reflecting the renewal of the Franchise, if any.

8.2 Preemption. If the FCC, or any other federal or state body or agency shall now or hereafter exercise any paramount jurisdiction over the subject matter of the Franchise, then to the extent such jurisdiction shall preempt and supersede or preclude the exercise of the like jurisdiction by the Franchising Authority, the jurisdiction of the Franchising Authority shall cease and no longer exist.

8.3 Actions of Franchising Authority. In any action by the Franchising Authority or representative thereof mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld.

8.4 Notice. Unless expressly otherwise agreed between the parties, every notice or response to be served upon the Franchising Authority or Grantee shall be in writing, and shall be deemed to have been duly given to the required party five (5) business days after having been posted in a properly sealed and correctly addressed envelope by certified or registered mail, postage prepaid, at a Post Office or branch thereof regularly maintained by the U.S. Postal Service. The notices or responses to the Franchising Authority shall be addressed as follows:

- District Attorney of Douglas County, State of Nevada
P.O. Box 218
Minden, Nevada 89423

The notices or responses to the Grantee shall be addressed as follows:

System Manager
Carrier Cable TV
P.O. Box 1910
Zephyr Cove, Nevada 89448

8.5 Descriptive Headings. The captions to Sections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

8.6 Severability. If any Section, sentence, paragraph, term or provision hereof is determined to be illegal, invalid or unconstitutional, by any court of common jurisdiction thereof, such determination shall have no effect on the validity of any other Section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise or any renewal or renewals thereof.

EXECUTED the day and year first above written.

SCHEDULE 1

CONNECTION CHARGES AND MONTHLY RATES

BASIC SERVICE -----	\$ 13.20
PREMIUM CHANNELS (FOR 1ST CHOICE) -----	11.50
FOR EACH ADD'L PREM. CH. -----	9.95
EXPANDED TIER -----	3.50
ADDITIONAL OUTLETS -----	1.50
FM OUTLETS -----	1.50
STANDARD CONVERTER -----	3.00
REMOTE CONVERTER -----	5.00

INSTALLATION AND DEPOSIT CHARGES

FIRST OUTLET CHARGE -----	\$ 31.50
INSTALL 2ND OUTLET -----	20.00
3 OR MORE OUTLETS -----	10.00
RECONNECT CHARGE -----	15.00
RELOCATE OUTLET -----	10.00
SERVICE DEPOSIT -----	26.40
STD. CONVERTER DEPOSIT -----	25.00
REMOTE CONVERTER DEPOSIT -----	50.00

0461494

OFFICERS OF CORPORATION

Carrier Cable TV Inc., is a wholly owned subsidiary of Carrier Communications Inc., a California corporation. The Officers and Directors of the corporation are :

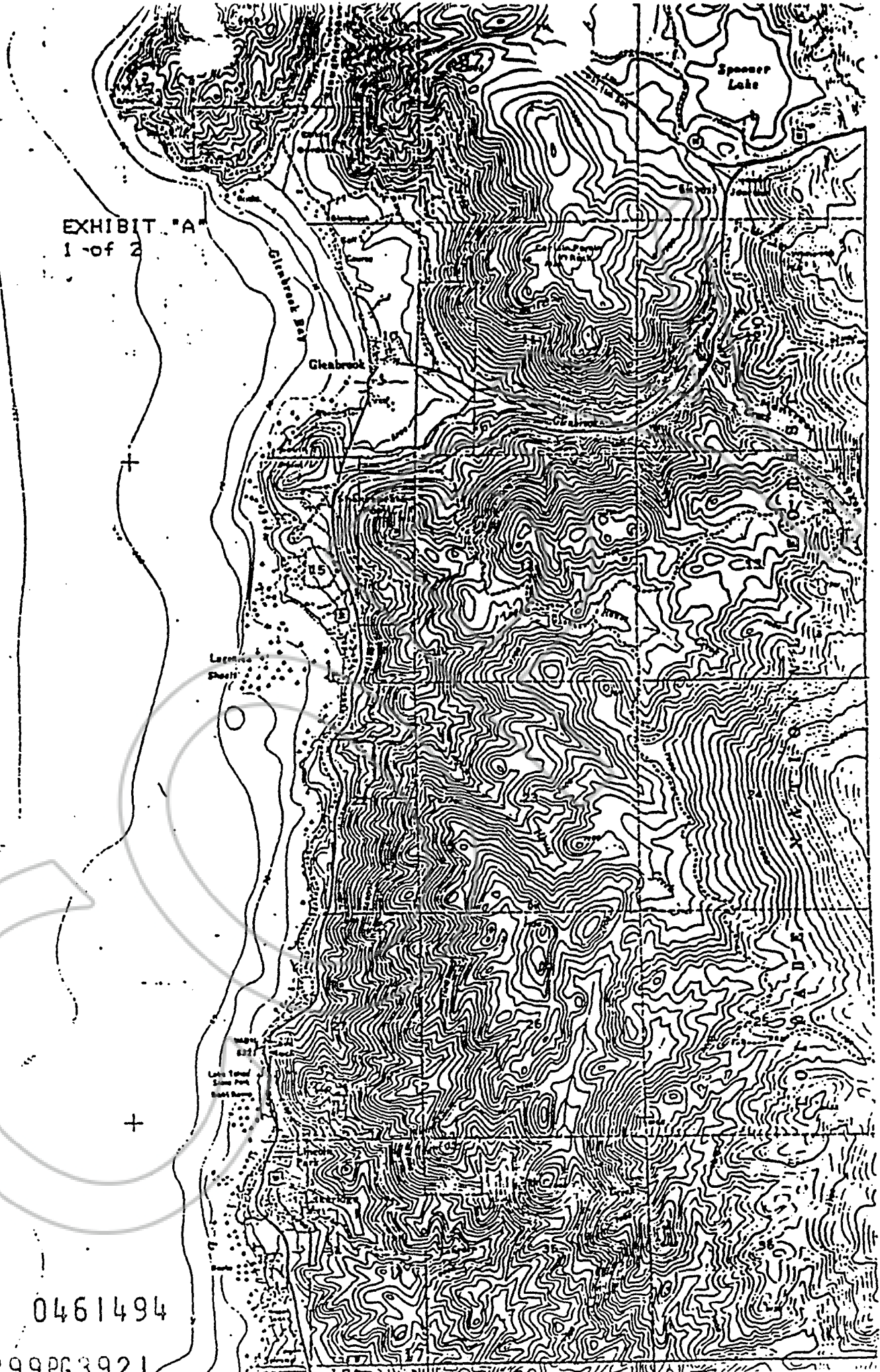
President ----- James E. Redlark
Treasurer ----- Cheryl L. Redlark
Secretary ----- Danna L. Atkins
Gen. Manager ----- Phil Takatsuno

0461494

BK0299PG3920

T
A
H
O
E

EXHIBIT "A"
1 of 2



0461494

BK0299PG3921

TERRITORY SERVED

GLENBROOK TO CAVE ROCK AREA

Legal Description

Beginning at the Intersection of the Easterly shoreline of Lake Tahoe and the Southeast corner of Section 4, thence Southerly along the Easterly shoreline of Lake Tahoe to its Intersection with the South line of the East Half of Section 34, thence Northerly along the East line of Sections 27, 22 and 15, to the Northeast corner of Section 15, thence Easterly along the South line to the East Half of Section 11 to the North line of the West Half of said Section 11, thence Westerly to the East line of the South Half of Section 3, thence Westerly to the Point of Beginning.

18

0461494

BK0299PG3922

4.15

STATEMENT OF PUBLIC NEED

Carrier Communications respectfully requests the continuance of CATV service as required in Douglas County.

Prior to 1984, cable television did not exist in the area from south of Cave Rock to north at Glenbrook.

In October of 1984, Carrier Communications - CATV Division, in accordance with the Public Service Commission grant, began servicing the area of Cave Rock to Glenbrook with cable TV reception. Since the system was originally activated we have found a positive need for cable TV in the communities involved.

Within 1 1/2 years Carrier CATV has connected 60% of the homes passed and continues to receive requests for new service each day.

0461494

BK0299PG3923

21.5

SERVICES OFFERED

The following is a list of channels Carrier Cable TV is offering with the option of a set top or remote converter for TVs that are not compatible or "cable ready".

<u>CHANNEL</u>	<u>STATION</u>	<u>NETWORK</u>	<u>ORIGINATION</u>
----------------	----------------	----------------	--------------------

BASIC SERVICE

2	----- TWC -----	NAT'L WEATHER	--- LOCAL
3	----- KCRA -----	NBC	----- SACRAMENTO
4	----- KTXL -----	INDEPENDENT	----- SACRAMENTO
5	----- KPIX -----	CBS	----- SAN FRANCISCO
6	----- CBN -----	RELIG/VAR.	----- SATELLITE
7	----- CNN -----	NEWS	----- SATELLITE
8	----- KOLO -----	ABC	----- RENO
9	----- KQED -----	PBS	----- SAN FRANCISCO
10	----- KXTV -----	CBS	----- SACRAMENTO
11	----- ESPN -----	SPORTS	----- SATELLITE
12	----- KGO -----	ABC	----- SAN FRANCISCO
13	----- WTBS -----	VARIETY	----- SATELLITE

PREMIUM CHANNELS

16	SHOWTIME -----	PREMIUM CHANNEL
17	HOME BOX OFFICE -----	PREMIUM CHANNEL
18	THE DISNEY CHANNEL --	PREMIUM CHANNEL
19	THE MOVIE CHANNEL ---	PREMIUM CHANNEL

EXPANDED TIER

23	THE DISCOVERY CHANNEL ---	SCIENCE AND NATURE
24	VIDEO HITS ONE -----	VARIETY MUSIC
24	LIFETIME -----	HEALTH
26	CNN HEADLINES -----	NEWS HEADLINES
27	WGN -----	VARIETY

0461494

BK0299PG3924

CARRIER CABLE TV - SYSTEM HISTORY

Carrier CATV was built in October of 1984. We currently serve the communities of Cave Rock, Lakeridge, Lincoln Estates, Cedarbrook, and Glenbrook. Prior to October of 1984, cable television did not exist to these areas.

During the first year in operation we carried 6 Network and 1 Public Broadcast station, all were "off air" reception, meaning we received those stations off an antenna. Of these stations, 4 were the most watchable without some sort of atmospheric distortion. In addition, we offered 40 satellite programs including 3 premium channels.

In August 1985, we decided to improve the quality of reception for the major Networks plus add more channels. The only possible way to improve the Network and PBS stations would be to eliminate the off air signals and receive them via microwave path. Through a joint use agreement and common carrier ownership on a microwave transmitting site, we found it economically feasible to have quality Network and PBS signals in our system.

By February 1986, the microwave signals were activated and our cable system increased to 21 channels. Despite the capital expenses involved with this project, our rate increase from 1985 to 1986 was only 5% and customer satisfaction was overwhelming.

Currently Carrier CATV is one of the smallest CATV systems with microwave signals on the west coast.

0461494

BK0299PG3925

Attachment 8.1 (b)

COPY

0461494

BK0299PG3926

Co. Sec. Clerk
TCI Calif

Sept. 11, 2001

ORDINANCE NO. 458

AN ORDINANCE GRANTING A CABLE TELEVISION FRANCHISE IN DOUGLAS COUNTY, NEVADA TO TV PIX, INC., AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

SUMMARY

AN ORDINANCE GRANTING A FRANCHISE TO OPERATE A CABLE TELEVISION SYSTEM TO TV PIX, INC., IN A PORTION OF DOUGLAS COUNTY, NEVADA, SETTING FORTH THE TERM OF THE FRANCHISE, THE CONDITIONS UNDER WHICH THE FRANCHISE IS TO BE OPERATED; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF NEVADA, DOES HEREBY ORDAIN:

SECTION I: TV Pix, Inc. is hereby granted a franchise to operate a cable television system within that portion of Douglas County, Nevada referred to in Exhibit "A" of the franchise attached hereto and incorporated by reference as though fully set forth herein at length. The grant of the franchise is subject to the terms and conditions of the franchise agreement attached hereto as Exhibit "A" the same to be incorporated by reference as though fully set forth herein at length and said terms shall be codified as Chapter 5.36 of the Douglas County Code.

SECTION II: The term of the franchise hereby granted shall be for a period of fifteen (15) years which term shall commence running from the day and year upon which this Ordinance becomes effective.

SECTION III: This Ordinance shall be in full force and effect from and after this 2nd day of October, 1986

PROPOSED on the 7th day of August, 1986.

PROPOSED by Commissioner Jerry J. Bing.

PASSED on the 11th day of September, 1986.

VOTE: AYES Commissioners Robert L. Pruett
Barbara J. Cook
Herbert P. Witt
Jerry J. Bing

NAYS Commissioners P.G. Donald

ABSENT Commissioners _____

144940
0461494
BKO299PG3927
NOV-1186 1061

TCI Calif

Sept. 11, 2011
Franchise Fee

DOUGLAS COUNTY, NEVADA
FRANCHISE AGREEMENT
INDEX

Section I Definition of Terms..... 1

1.1 Terms..... 1

Section II Grant of Franchise..... 3

2.1 Grant..... 3

2.2 Term 3

2.3 Acceptance; Effective Date..... 4

2.4 Favored Nations..... 4

Section III Standards of Service..... 4

3.1 Conditions of Street Occupancy..... 4

3.2 Restoration of Public Ways..... 4

3.3 Relocation at Request of Franchising Authority..... 4

3.4 Relocation at Request of Third Party..... 5

3.5 Trimming of Trees and Shrubbery..... 5

3.6 Use of Grantee's Equipment by Franchising Authority..... 5

3.7 Safety Requirements..... 5

3.8 Aerial and Underground Construction..... 5

3.9 Required Extensions of Service..... 6

3.10 Subscriber Charges for Extensions of Service..... 6

3.11 Service to Public Buildings..... 7

3.12 Emergency Override..... 7

3.13 Use of Existing Poles and Conduits..... 7

3.14 Out of Service Credit..... 7

Section IV Regulation by Franchise Authority..... 8

4.1 Franchise Fee..... 8

4.2 Rates and Charges..... 8

4.3 Renewal of Franchise..... 9

4.4 Conditions of Sale..... 9

4.5 Transfer of Franchise..... 9

Section V Compliance and Monitoring..... 9

5.1 Testing for Compliance..... 9

5.2 Books and Records..... 10

Section VI Insurance, Indemnification, and Bonds or Other Surety..... 10

6.1 Insurance Requirements..... 10

6.2 Indemnification..... 10

6.3 Bonds and other Surety..... 10

0461494

BK0299PG3928

Section VII	Enforcement and Termination of Franchise.....	11
7.1	Notice of Violation.....	11
7.2	Grantee's Right to Cure or Respond.....	11
7.3	Public Hearing.....	11
7.4	Enforcement.....	11
7.5	Customer Service.....	12
7.6	Acts of God.....	13
Section VIII	Unauthorized Reception.....	13
8.1	Violation and Penalties.....	13
Section IX	Miscellaneous Provisions.....	14
9.1	Documents Incorporated and Made a Part Hereof.....	14
9.2	Preemption.....	14
9.3	Actions of Franchising Authority.....	14
9.4	Notice.....	14
9.5	Descriptive Headings.....	15
9.6	Severability.....	15

COOPER

0461494

BK0299PG3929

FRANCHISE AGREEMENT

A Franchise Agreement between the County of Douglas Nevada
and TV Pix, Inc. (dba Tahoe TV Cable) for the
Construction and Operation of a
Cable System

The County of Douglas Nevada, having determined that the financial, legal and technical ability of TV Pix, Inc. is reasonably sufficient to provide services, facilities and equipment necessary to meet the future cable-related needs of the community, does hereby ordain as follows:

SECTION I Definition of Terms

1.1 Terms. For the purpose of this Franchise, the following terms, phrases, words, and abbreviations shall have the meanings ascribed to them below. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number:

- a. "Affiliate" means an entity which owns or controls, is owned or controlled by, or is under common ownership with Grantee.
- b. "Basic Cable" is the tier of service regularly provided to all subscribers that includes the retransmission of local broadcast television signals and the public, educational and governmental channels, if required by the terms thereof.
- c. "Cable Act" means the Cable Communications Policy Act of 1984, as amended.
- d. "Cable Service" means (i) the one-way transmission to subscribers of Video Programming or other programming service, and (ii) subscriber interaction, if any, which is required for the selection of such Video Programming or other programming service.
- e. "Cable System" means a facility consisting of a set of closed transmission paths and associated signal generation, reception and control equipment designed to provide video and other programming and information to subscribing members of the public but does not include any system which serves:
 - (1) fewer than fifty (50) subscribers; or
 - (2) only the residents of one or more apartment dwellings under common ownership, control or management, and commercial establishments located on the premises of those dwellings if the buildings are not separated by not more than one public street or right-of-way, unless

this definition is superseded by federal law. As used in this Section, "apartment dwelling" does not include a hotel, motel, condominium, townhouse, or other similar building.

- f. "FCC" means Federal Communications Commission, or successor governmental entity thereto.
- g. "Franchise" shall mean the initial authorization, or renewal thereof, issued by the Franchising Authority, whether such authorization is designated as a franchise, permit, license, resolution, contract, certificate, or otherwise, which authorizes construction and operation of the Cable System for the purpose of offering Cable Service or other service to Subscribers.
- h. "Franchise Authority" means the County of Douglas, Nevada, or the lawful successor, transferee or assignee thereof.
- i. "Grantee" means TV Pix, Inc., or the lawful successor, transferee or assignee thereof.
- j. "Gross Revenues" means the compensation in whatever form, derived directly or indirectly by a grantee from and in connection with the operation of a cable system within the County exclusive of:
 - (1) Taxes on services imposed directly on any subscriber or user by a governmental entity, and collected by Grantee for said entity;
 - (2) Any refundable deposits which are not retained by the Grantee;
 - (3) The proceeds of any sale or exchange of assets of the Grantee; and
 - (4) Any fees or annual assessment paid by the Company for the use of pay or premium channels.
- k. "Person" means an individual, partnership, association, joint stock company, trust corporation, or governmental entity.
- l. "Public Way" shall mean the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, parkway, way, lane, public way, drive, circle or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips or rights-of-way dedicated for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the Franchise Authority in the Service Area which shall entitle the Franchise Authority and the Grantee to the use thereof for the purpose of installing, operating, repairing and maintaining

the Cable System. Public Way shall also mean any easement now or hereafter held by the Franchise Authority within the Service Area for the purpose of public travel, or for utility or public service use dedicated for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle the Franchise Authority and the Grantee to the use thereof for the purposes of installing or transmitting Grantee's Cable Service or other service over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, compliances, attachments and other property as may be ordinarily necessary and pertinent to the Cable System. Public utility easements shall not include any private easement specifically granted to any public utility by an owner of private property.

- m. "Service Area" means the area within the County boundaries as described in Exhibit A attached hereto.
- n. "Service Tier" means a category of Cable Service or other services, provided by Grantee and for which a separate charge is made by Grantee.
- o. "Subscriber" means a person or user of the Cable System who lawfully receives Cable Services or other service therefrom with Grantee's express permission.
- p. "Video Programming" means programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

SECTION II Grant of Franchise

2.1 Grant. The County hereby grants to Grantee a non-exclusive Franchise which authorizes the Grantee to construct and operate a Cable System and offer Cable Service and other services in, along, among, upon, across, above, over, under or in any manner connected with Public Ways within the Service Area and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain or retain in, on, over, under, upon, across or along any Public Way and all extensions thereof and additions thereto, such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System.

2.2 Term. The Franchise granted pursuant to this Franchise shall be for an initial term of fifteen (15) years from the effective date of the Franchise as set forth in Section 2.3, unless otherwise lawfully terminated in accordance with the terms of this Franchise.

2.3 Acceptance; Effective Date. Grantee shall file a written acceptance of the Franchise granted pursuant hereto with the County Clerk or other appropriate official or agency of the Franchising Authority within fourteen (14) days after the passage and final adoption of this Franchise. The Franchising Authority shall notify Grantee of the date that the Franchise is finally passed and adopted. Subject to the filing of the written acceptance by Grantee, the effective date of this Franchise shall be fourteen (14) days after its passage and final adoption, pursuant to Nevada revised Statutes, Section 244.100.

2.4 Favored Nations. In the event the Franchising Authority enters into a franchise, permit, license, authorization or other agreement of any kind with any other person or entity other than the Grantee for the purpose of constructing or operating a Cable System or providing Cable Service to any part of the Franchise Area which contains terms more favorable to such person or entity in any regard than similar provisions of this Franchise, then this Franchise shall be deemed amended as of the effective date of the other franchise, permit, licence authorization or other agreement, so as to give the Grantee the benefit of any such more favorable terms.

SECTION III Standards of Service

3.1 Conditions of Street Occupancy. All transmission and distribution structures, poles, other lines, and equipment installed or erected by the Grantee pursuant to the terms hereof shall be so located so as to be consistent with the proper used of public ways.

3.2 Restoration of Public Ways. If during the course of Grantee's construction operation or maintenance of the Cable System there occurs a disturbance of any Public Way by Grantee, it shall, at its expense, replace and restore such Public Way to a condition reasonably comparable to the condition of the Public Way existing immediately prior to such disturbance.

3.3 Relocation at Request of Franchising Authority. Upon its receipt of reasonable advance notice, not to be less than five (5) business days, the Grantee shall, at its own expense, protect, support, temporarily disconnect, relocate in the Public Way, or remove from the Public Way, any property of the Grantee when lawfully required by Franchising Authority by reason of traffic conditions, public safety, street abandonment, freeway and street construction, change or establishment of street grade, installation of sewers, drains, gas or water pipes, or any other type of structures or improvements by the Franchising Authority; but, the Grantee shall in all cases have the right of abandonment of its property. If public funds are available to any company using such street, easement or right of way for the purpose of defraying the cost of any of the foregoing, such funds shall also be made available to the Grantee.

3.4 Relocation at Request of Third Party. The Grantee shall, on the request of any person holding a building moving permit issued by the Franchising Authority, temporarily raise or lower its wires to permit the moving of such building, provided: (a) the expense of such temporary raising or lowering of wires is paid by said person, including, if required by the Grantee, making such payment in advance; and (b) the Grantee is given not less than ten (10) business days advance written notice to arrange for such temporary wire changes.

3.5 Trimming of Trees and Shrubbery. The Grantee shall have the authority to trim trees or other natural growth overhanging any of its Cable System in the Service Area so as to prevent branches from coming in contact with the Grantee's wires, cables or other equipment. The Grantee shall reasonably compensate the Franchising Authority or property owner for any damages caused by such trimming, or shall, in its sole discretion and at its own cost and expense, reasonably replace all trees or shrubs damaged as a result of any construction of the System undertaken by Grantee. Such replacement shall satisfy any and all obligations Grantee may have to the Franchise Authority or property owner pursuant to the terms of this Section

3.6 Use of Grantee's Equipment by Franchising Authority. Subject to any applicable state or federal regulations or tariffs, the Franchising Authority shall have the right to make additional use, for any public purpose, of any poles or conduits controlled or maintained exclusively by or for the Grantee in any Public Way; provided that (a) such use by the Franchising Authority does not interfere with a current or future use by the Grantee; (b) the Franchising Authority holds the Grantee harmless against and from all claims, demands, costs, or liabilities of every kind and nature whatsoever arising out of such use of said poles or conduits, including, but not limited to, reasonable attorneys' fees and costs; and (c) at Grantee's sole discretion, the Franchising Authority may be required either to pay a reasonable rental fee or otherwise reasonably compensate Grantee for the use of such poles, conduits, or equipment; provided, however, that Grantee agrees that such compensation or charge shall not exceed those paid by it to public utilities pursuant to the applicable pole attachment agreement, or other authorization, relating to the Service Area.

3.7 Safety Requirements. Construction, installation and maintenance of the Cable System shall be performed in an orderly and workmanlike manner. All such work shall be performed in substantial accordance with applicable FCC or other federal, state and local regulations. The Cable System shall not unreasonably endanger or interfere with the safety of persons or property in the Service Area.

3.8 Aerial and Underground Construction. In those areas of the Service Area where all of the transmission or distribution facilities of the respective public utilities providing telephone communications and electric services are underground, the Grantee likewise shall construct, operate and maintain all of its transmission and distribution facilities underground; provided that such facilities are actually capable of receiving Grantee's cable and other equipment without technical degradation of the Cable System's

signal quality. Cable service by Grantee shall be provided underground, except in those areas of the Service Area where the transmission or distribution facilities of the respective public utilities providing telephone communications and electric services are aerial. If placing such lines underground causes Grantee undue hardship, said Grantee may petition the Board for relief from this requirement. In granting such relief the Board may impose such conditions as are reasonable to ensure that the safety, use and appearance of the area will not be adversely effected. The cost and responsibility of the installation of service line cable and conduit, to the Grantee's specifications, from the distribution line to the home shall be the burden of the cable subscriber. Nothing contained in this Section 3.8 shall require Grantee to construct, operate, and maintain underground any ground-mounted appurtenances such as subscriber taps, line extenders, system passive devices (splitters, directional couplers), amplifiers, power supplies, pedestals, or other related equipment. Notwithstanding anything to the contrary contained in this Section 3.8, in the event that all of the transmission or distribution facilities of the respective public utilities providing telephone communications and electric services are placed underground after the effective date of this Franchise, Grantee shall only be required to construct, operate and maintain all of its transmission and distribution facilities underground if it is given sixty (60) days notice and access to the public utilities' facilities at the time that such are placed underground.

3.9 Required Extensions of Service. Grantee is hereby authorized to extend the Cable System as necessary, as desirable, or as required pursuant to the terms hereof within the Service Area. Whenever Grantee shall receive a request for service from at least fifteen (15) Subscribers within 1320 cable bearing strand feet (one-quarter cable mile) of its trunk or distribution cable, it shall extend its Cable System to such Subscribers at no cost to said Subscribers for system extension, other than the usual connection fees for all Subscribers; provided that such extension is technically feasible, pursuant to the rules and regulations of the FCC, or as provided for under Section 3.10 of this Franchise.

3.10 Subscriber Charges for Extensions of Service. No Subscriber shall be refused service arbitrarily. However, for unusual circumstances, such as a Subscriber's request to locate his cable drop underground, existence of more than one hundred fifty (150) feet of distance from distribution cable to connection of service to Subscribers, or a density of less than fifteen (15) Subscribers per 1320 cable bearing strand feet of trunk or distribution cable, Cable Service or other service may be made available on the basis of a capital contribution in aid of construction, including cost of material, labor and easements. For the purpose of determining the amount of capital contribution in aid of construction to be borne by Grantee and Subscribers in the area in which Cable Service may be expanded, Grantee will contribute an amount equal to the construction and other costs per mile multiplied by a number whose numerator equals the actual number of potential Subscribers per 1320 cable bearing strand feet of its trunks or disribution cable, and whose denominator equals fifteen (15) Subscribers. Potential Subscribers will bear the remainder of the construction and other costs on a prorata basis. Grantee may require that the payment of the capital contribution in aid of construction borne by such potential Subscribers be paid in advance.

3.11 Service to Public Buildings. The Grantee shall provide without charge one (1) outlet of Basic Service to the Franchising Authority's office building(s), fire station, police station, and public school building that is passed by its Cable System. The outlets of Basic Service shall not be used to distribute or sell Cable Services in or throughout such buildings; nor shall such outlets be located in common or public areas open to the public. Users of such outlets shall hold Grantee harmless from any and all liability or claims arising out of their use of such outlets, including but not limited to, those arising from copyright liability. Notwithstanding anything to the contrary set forth in this Section 3.11, the Grantee shall not be required to provide an outlet to such buildings where the drop line from the feeder cable to said buildings or premises exceeds one hundred fifty (150) cable feet, unless it is technically feasible and if it will not adversely affect the operation, financial condition or market development of the Cable System to do so, or unless the appropriate governmental entity agrees to pay the incremental cost of such drop line in excess of 150 cable feet. In the event that additional outlets of Basic Service are provided to such buildings, the building owner shall pay the usual installation fees associated therewith, including, but not limited to, labor and materials. Upon request of Grantee, the building owner may also be required to pay the service fees associated with the provision of Basic Service and the additional outlets relating thereto.

3.12 Emergency Override. In the case of any emergency or disaster, the Grantee shall, upon request of the Franchising Authority, make available its facilities for the Franchising Authority to provide emergency information and instructions during the emergency or disaster period. The Franchising Authority shall hold the Grantee, its agents, employees, officers, and assigns hereunder harmless from any claims arising out of the emergency use of its facilities by the Franchising Authority, including, but not limited to, reasonable attorneys' fees and costs.

3.13 Use of Existing Poles and Conduits To the extent that existing poles, posts, conduits and other such structures are not available, or not available under reasonable terms and conditions, including excessive cost or unreasonable limitations upon the use of the Grantee's cable television system, Grantee shall have the right to purchase, lease, or in any other manner acquire land, rights-of-way or public utility easements upon or under which to erect and maintain its own poles, conduits and other such structures, as may be necessary for the construction and maintenance of its cable television system.

3.14 Out of Service Credit

(A) An "out of service" condition that exists for twenty four (24) hours or more from the time it is reported by the subscriber or detected by system will result in a subscriber credit. All "out of service" periods will be measured in exact multiples of twenty four (24) hours from the time that such "out of service" condition is considered to exist. When any "out of service" period continues for a time in excess of twenty four (24) hours from

the time such condition is considered to exist, but for other than exact multiple of twenty four (24) hours, then the total period upon which to determine the credit allowance will be taken to the nearest exact multiple of twenty four (24) hours.

(B) An "out of service" condition will be considered to exist when there is complete loss of at least fifty percent (50%) of the audio or visual signals to an individual subscriber or subscribers for a period of twenty four (24) consecutive hours.

(C) Credit of an "out of service" condition is allowed in an amount equal to the total fixed monthly charge for the service multiplied by the number of days of "out of service" and divided by thirty (30). In no case will the credit allowance for any "out of service" period exceed the fixed monthly service charge. No credit is allowed where the service of facility is "out of service" for less than twenty four (24) hours or when the existence of the "out of service" condition is due to willfulness or neglect of the subscriber or the failure of any-facility provided by the subscriber.

Section IV Regulation by Franchise Authority

4.1 Franchise Fee. Grantee shall pay to the Franchising Authority a franchisee fee equal to 5% of Gross Revenues received by Grantee from the operation of the Cable System on an annual basis. For the purpose of this section, the 12-month period applicable under the Franchise for the computation of the franchise fee shall be a calendar year, unless otherwise agreed to in writing by the Franchising Authority and Grantee. The franchise fee payment shall be due and payable sixty (60) days after the close of the preceding calendar year. Each payment shall be accompanied by a brief report from a representative of Grantee showing the basis for the computation. In no event, shall the franchise fee payments required to be paid by Grantee exceed 5% of Gross Revenues received by Grantee in any 12-month period.

4.2 Rates and Charges. The Franchising Authority may not regulate the rates for the provision of Cable Service and other service, including, but not limited to, ancillary charges relating thereto, except as expressly provided herein and except as authorized pursuant to federal and state law including, but not limited to, the Cable Act and FCC Rules and Regulations relating thereto. The rates and charges charged by Grantee for Basic Service are those set forth on Schedule 1 hereto which is incorporated herein by this reference. From time to time, and at any time, Grantee has the right to modify such rates and charges including, but not limited to, the implementation of additional charges and rates; provided, however, that Grantee shall give notice to the Franchising Authority of any such modifications or additional charges thirty (30) days prior to the effective date thereof. For the purpose of this Section 4.2, the parties agree that the

rates and charges for the provision of Basic Service are not considered to be fixed. Notwithstanding anything to the contrary set forth herein, rates and charges for second outlets for Basic Service shall be deregulated.

Subject to Federal and State law, the County reserves the right to regulate rates in the future.

4.3 Renewal of Franchise. The Franchising Authority and the Grantee agree that any proceedings undertaken by the Franchising Authority that relate to the renewal of the Grantee's Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act (as such existed as of the effective date of the Cable Act), unless the procedures and substantive protections set forth therein are repealed or shall be deemed to be preempted and superseded by the provisions of any subsequent provision of federal or state law.

4.4 Conditions of Sale. If a renewal of Grantee's Franchise is denied and the Franchising Authority either lawfully acquires ownership of the Cable System or by its actions lawfully effects a transfer of ownership of the Cable System to another party, any such acquisition or transfer shall be at a fair market value, determined on the basis of the Cable System valued as a going concern, but with no value allocated to the Franchise itself.

4.5 Transfer of Franchise. Over 50% of Grantee's right, title, or interest in the Franchise shall not be sold, transferred, assigned or otherwise encumbered, without the prior consent of the Franchising Authority, such consent not to be unreasonably withheld. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, or by assignment of any rights, title, or interest of Grantee in the Franchise or Cable System in order to secure indebtedness, unless such indebtedness exceeds 50% of the value of the Franchise.

Section V Compliance and Monitoring

5.1 Testing for Compliance. The Franchising Authority may perform technical tests of the Cable System during reasonable times and in a manner which does not unreasonably interfere with the normal business operations of the Grantee or the Cable System in order to determine whether or not the Grantee is in compliance with the terms hereof and applicable state or federal laws. Except in emergency circumstances, such tests may be undertaken only after giving Grantee reasonable notice thereof, not to be less than two (2) business days, and providing a representative of Grantee an opportunity to be present during such tests. In the event that such testing demonstrates that the Grantee has substantially failed to comply with a material requirement hereof, the reasonable costs of such tests shall be borne by the Grantee. In the event that such testing demonstrates that Grantee has substantially complied with such material provisions hereof, the cost of such testing shall be borne by the Franchising Authority. Except in emergency circumstances, the Franchising Authority agrees that such testing shall be undertaken no more than two (2) times a year in the aggregate, and that the results thereof shall be made available to the Grantee upon Grantee's request.

5.2 Books and Records. The Grantee agrees that the Franchising Authority may review such of its books and records, during normal business hours and on a nondisruptive basis, as are reasonably necessary to monitor compliance with the terms hereof. Such records shall include, but shall not be limited to, any public records required to be kept by the Grantee pursuant to the rules and regulations of the FCC. Notwithstanding anything to the contrary set forth herein, Grantee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. The Franchising Authority agrees to treat any information disclosed by the Grantee to it on a confidential basis, and only to disclose it to employees, representatives, and agents thereof that have a need to know, or in order to enforce the provisions hereof.

Section VI
Insurance, Indemnification, and
Bonds or Other Surety

6.1 Insurance Requirements. Grantee shall maintain in full force and effect, at its own cost and expense, during the term of the Franchise, General Comprehensive Liability Insurance in the amount of \$1,000,000 for bodily injuries, (including accidental death) to any one person, and subject to the same limit for each person in amount not less than \$500,000 on account of any one occurrence, and Property Damage Liability Insurance in an amount not less than \$1,000,000 resulting from any one occurrence. Said insurance shall designate the Franchising Authority as an additional named insured. Such insurance shall be non-cancellable except upon thirty (30) days prior written notice to the Franchising Authority.

6.2 Indemnification. The Grantee agrees to indemnify, save and hold harmless and defend the Franchising Authority, its officers, boards and employees, from and against any liability for damages and for any liability or claims resulting from property damage or bodily injury, (including accidental death), which arise out of the Grantee's construction, operation, or maintenance of its Cable System, including, but not limited to, reasonable attorney's fees and costs.

6.3 Bonds and other Surety. Except as expressly provided herein, Grantee shall not be required to obtain or maintain bonds or other surety as a condition of being awarded the Franchise or continuing its existence. The Franchising Authority acknowledges that the legal, financial and technical qualifications of Grantee are sufficient to afford compliance with the terms of the Franchise and the enforcement thereof. Grantee and Franchising Authority recognize that the costs associated with bonds and other surety may ultimately be borne by the subscribers in the form of increased rates for Cable Services. In order to minimize such costs, the Franchising Authority agrees to require bonds and other surety only in such amounts and during such times as there is a reasonably demonstrated need therefor. The Franchise Authority shall initially require a performance bond in the amount of \$10,000 conditioned upon the substantial performance of the material terms, covenants, and conditions of the Franchise. This bond shall remain in full force and

effect for a period of five (5) years. In the event that one is again required in the future, the Franchising Authority agrees to give Grantee at least sixty (60) days prior notice thereof stating the exact reason for the requirement. Such reasons must demonstrate a change in the Grantee's legal, financial or technical qualifications which would materially prohibit or impair its ability to comply with the terms of the Franchise or afford compliance therewith.

Section VII Enforcement and Termination of Franchise

7.1 Notice of Violation. In the event that the Franchising Authority believes that the Grantee has not complied with the terms of the Franchise, it shall notify Grantee of the exact nature of the alleged non-compliance.

7.2. Grantee's Right to Cure or Respond. Grantee shall have thirty (30) days from receipt of the notice described in Section 7.1 to (a) respond to the Franchising Authority contesting the assertion of non-compliance, or (b) to cure such default or, in the event that, by the nature of default, such default cannot be cured within the thirty (30) day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that they will be completed. The Franchising Authority may require a public hearing as provided in Section 7.3 hereunder in the instance where the Grantee claims the alleged default cannot be cured within thirty (30) days.

7.3 Public Hearing. In the event that Grantee fails to respond to the notice described in Section 7.1 pursuant to the procedures set forth in Section 7.2, or in the event that the alleged default is not remedied within thirty (30) days after the Grantee is notified of the alleged default pursuant to Section 7.1, the Franchising Authority shall schedule a public meeting to investigate the default. Such public meeting shall be held at the next regularly scheduled meeting of the Franchising Authority which is scheduled at a time which is no less than five (5) business days therefrom. The Franchising Authority shall notify the Grantee of the time and place of such meeting and provide the Grantee with an opportunity to be heard.

7.4 Enforcement. Subject to applicable federal and state law, in the event the Franchising Authority, after such meeting, determines that Grantee is in default of any provision of the Franchise, the Franchising Authority may:

- a) Foreclose on all or any part of any security provided under this Franchise, if any, including, without limitation, any bonds or other surety; provided, however, the foreclosure shall only be in such a manner and in such amount as the Franchising Authority reasonably determines is necessary to remedy the default;
- b) Commence an action at law for monetary damages or seek other equitable relief;

- c) In the case of a substantial default of a material provision of the Franchise, declare the Franchise Agreement to be revoked; or
- d) Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages.

The Grantee shall not be relieved of any of its obligations to comply promptly with any provision of the Franchise by reason of any failure of the Franchising Authority to enforce prompt compliance.

7.5 Customer Service. Grantee shall maintain a business office or a toll free telephone listing within the County for purposes of receiving inquiries and complaints from its subscribers and the general public. Said business office and/or toll free telephone listing shall provide a medium for receiving complaints on a twenty-four (24) hour basis, seven (7) days a week. Grantee shall investigate all complaints within twenty-four (24) hours of their receipt and shall in good faith attempt to resolve them swiftly and equitably. In the event a subscriber is not satisfied with the proposed solution offered by the Grantee, said subscriber may file a complaint with the County by submitting same to the County Manager or his designee. The complaint must contain the following information:

- (1) A summary of the complaint of the suscriber;
- (2) A summary of the action taken by the Grantee; and
- (3) Relief requested by the subscriber.

Upon receipt and review of the complaint, the County Manager shall make an initial determination as to the apparent merit of the complaint and shall dismiss any complaint that appears frivolous or otherwise lacking in merit. Any complaint not so dismissed shall be referred to Grantee for comment and response. Grantee shall have the opportunity to review all evidence submitted and to submit evidence in its own defense. Grantee shall have ten (10) working days within which to respond, but reasonable extensions of time shall be made available where necessary. After reviewing the complaint and Grantee's response, the County Manager shall issue a written decision based upon the evidence. In the event the County Manager decides against the Grantee, he may impose an administrative fine to be assessed against the Grantee in an amount not to exceed TWO HUNDRED DOLLARS (\$200,00) per event or incident regardless of the number of subscribers filing complaints relating to such event or incident. In deciding whether to impose an administrative fine the County Manager shall consider whether the events or circumstances giving rise to the complaint were a result of a willful act of omission on the part of the Grantee. Grantee shall have the opportunity to appeal, in writing with a copy to the County Manager, any adverse decision by the County Manager to the Board of Commissioners within five (5) working days of receipt of the written decision. If the County Manager's decision is not so appealed, it shall become final and binding. If the decision is appealed, the Board shall review the evidence of the case, the County Manager's decision and the written arguments of the parties and shall then issue its own written decision on the complaint. The Grantee may appeal the decision of the Douglas County Board of

Commissioners to the District Court for a determination as to whether the record before said Board discloses sufficient evidence to support said decision.

7.6 Acts of God. The Grantee shall not be held in default or non-compliance with the provisions of the Franchise, nor suffer any enforcement or penalty relating thereto, where such non-compliance or alleged defaults are caused by acts of God, or other events reasonably beyond its ability to control.

SECTION VIII
Unauthorized Reception

8.1 Violation and Penalties.

A. Any person, whether in his individual capacity or as an agent, employee or officer of any organization, who engages in the business of conducting a cable television system without first obtaining a franchise from the County or who violates any provision of this chapter or any rule or regulation promulgated thereunder is guilty of a misdemeanor.

B. Any person who knowingly:

(1) Makes or maintains a connection or attaches any device to any line or other component of a community antenna television company;

(2) purchases or possesses any device; or

(3) makes or maintains any modification to any device installed for a community antenna television company,

to intercept or receive any program or other service provided by a community antenna television company without the authorization of the Company is guilty of a misdemeanor.

C. Any person who knowingly and without the authorization of a community antenna television company

(1) imports into this State or County;

(2) distributes; or

(3) sells, offers or advertises to sell, or possesses with the intent to sell,

any device designed to decode a signal encoded by the community antenna television company is guilty of a misdemeanor.

D. Any person who violates paragraph (1) or (3) of subsection B or any provision of subsection C of this Section VIII, is liable to the community

antenna television company injured by such conduct for three (3) times any actual damage incurred by the company and reasonable attorney's fees, but not more than the amount provided in NRS 73.010 as the jurisdictional limit for small claims in Justices' Courts. For any action brought under this Section, proof that any of the acts prohibited in subsection B were committed on or about the premises occupied by the defendant is prima facie evidence that such acts were committed by the defendant.

An owner or operator of a community antenna television company may bring an action to enjoin any violation of subsections B and C of the Section.

E. A criminal action or proceeding under subsections B, C and D of this Section, may be commenced at any time within five (5) years after the conduct in violation of the Section occurs. A civil action or proceeding under subsection D may be commenced at any time within five (5) years after the violation occurs or after the injured person sustains the injury, whichever is later.

SECTION IX Miscellaneous Provisions

9.1 Documents Incorporated and Made a Part Hereof. The following documents shall be incorporated herein by this reference:

- a) Any enabling Franchise in existence as of the date hereof; and
- b) Any franchise agreement between Grantee and Franchising Authority reflecting the renewal of the Franchise, if any.

9.2 Preemption. If the FCC, or any other federal or state body or agency shall now or hereafter exercise any paramount jurisdiction over the subject matter of the franchise, then to the extent such jurisdiction shall preempt and supersede or preclude the exercise of the like jurisdiction by the Franchising Authority, the jurisdiction of the Franchising Authority shall cease and no longer exist.

9.3 Actions of Franchising Authority. In any action by the Franchising Authority or representative thereof mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld.

9.4 Notice. Unless expressly otherwise agreed between the parties, every notice or response to be served upon the Franchising Authority or Grantee shall be in writing, and shall be deemed to have been duly given to the required party five (5) business days after having been posted in a properly sealed and correctly addressed envelope by certified or registered mail, postage prepaid, at a Post Office or branch thereof regularly maintained by the U.S. Postal Service. The notices or responses to the Franchising

0461494

Authority shall be addressed as follows: District Attorney of Douglas County, State of Nevada, P.O. Box 218, Minden, NV 89423. The notices or responses to the Grantee shall be addressed as follows: System Manager, TV Pix, Inc., P.O. Box AY, South Lake Tahoe, California 95705; with a copy to TV Pix, Inc., ATTENTION: "Legal Department," 5455 South Valentia Way, Englewood, Colorado 80111. The Franchising Authority and the Grantee may designate such other address or addresses from time to time by giving notice to the other.

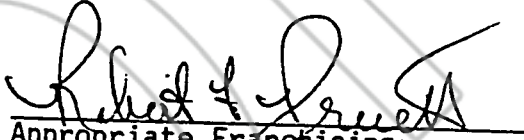
9.5 Descriptive Headings. The captions to Sections contained herein are intended solely to facilitate the reading thereof. Such captions shall not affect the meaning or interpretation of the text herein.

9.6 Severability. If any Section, sentence, paragraph, term or provision hereof is determined to be illegal, invalid or unconstitutional, by any court of common jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other Section, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise or any renewal or renewals thereof.

Passed and adopted this 11th day of September, 1986, by the following vote:

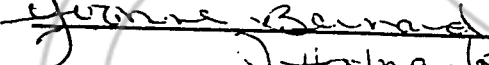
AYES: Robert L. Pruett, Barbara J. Cook, Herbert P. Witt, Jerry J. Bing
NOES: R.A. Oswald
ABSENT:

The Effective Date of this Franchise is the 2nd day of October, 1986.



Appropriate Franchising
Authority Official


ATTEST:



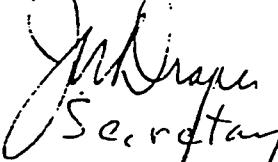
Joanne Bernard (Deputy)

TV PIX, INC.

Date: 10-13-86

By: 

J. C. Sparkman
Vice President



Secretary

SCHEDULE 1

BASIC RATES AND CHARGES

As of September 1, 1986

RESIDENTIAL BASIC (1st Outlet)	\$12.06 (22 Channels)
ADDITIONAL OUTLET	1.65 ea
INSTALLATION/RECONNECT	16.59

BULK RATES

4 OR MORE UNITS

5.95 ea

COMMERCIAL HOTEL/MOTEL

1ST OUTLET

12.06

2 - 100 OUTLETS

1.95 ea

101 - 200 OUTLETS

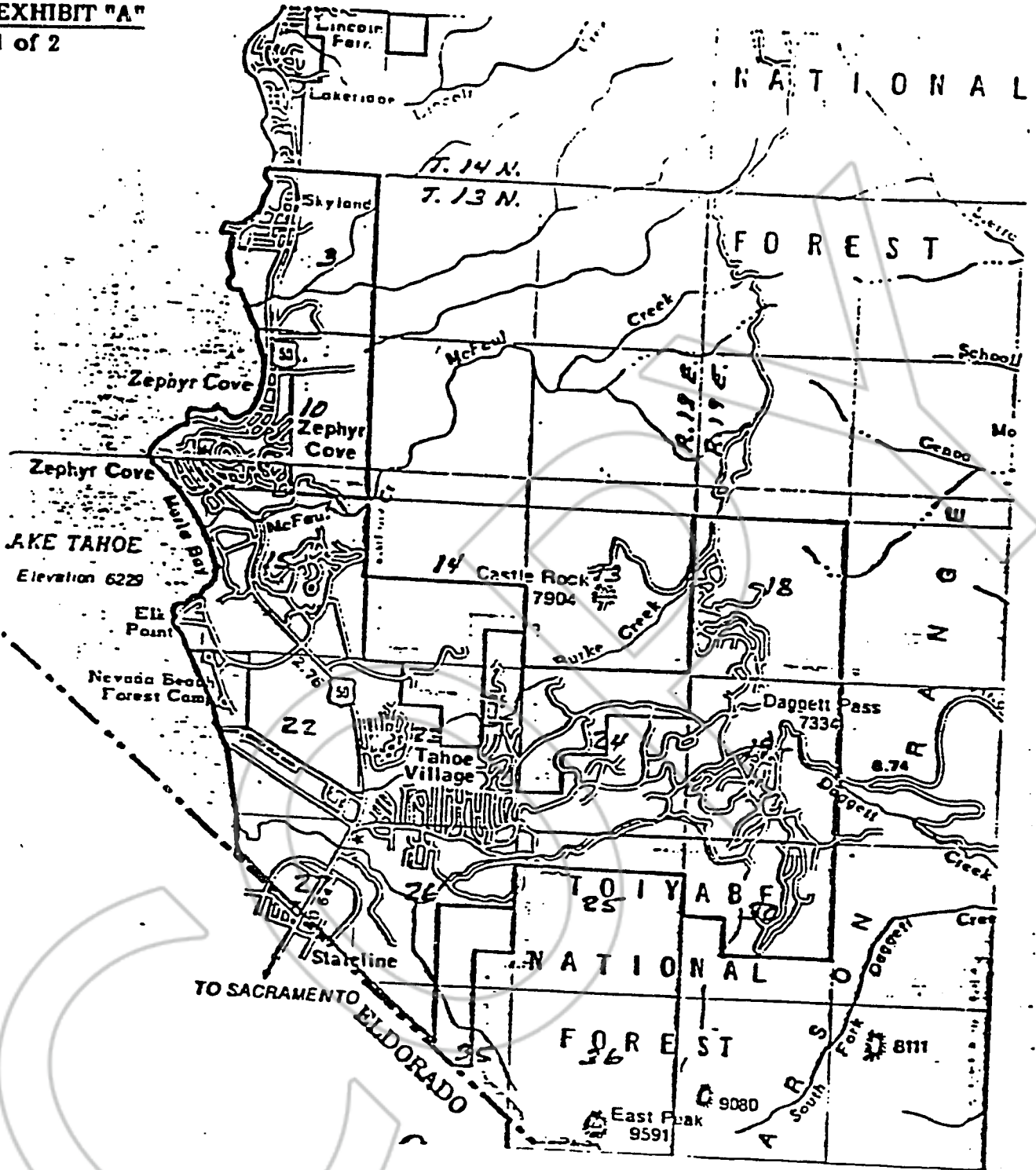
1.50 ea

200+ OUTLETS

.95 ea

EXHIBIT "A"

1 of 2



0461494

BK0299PG3946

Legal Description:

Beginning at the intersection of the Easterly shoreline of Lake Tahoe and the North line of Section 3, T13N, R18E, M. D. B. & M; thence Southerly along the Easterly shoreline of Lake Tahoe to its intersection with the California-Nevada State Line to its intersection with the West line of the East Half (E1/2) of Section 35, T13N, R18E; thence Northerly along the West line of the East Half (E1/2) of Sections 35 and 26, T13N, R18E, to the center of Section 26, T13N, R18E; thence Easterly along the East line of Section 26, T13N, R18E, to the Southeast corner of the North Half (N1/2) of the North Half (N1/2) of Section 26, T13N, R18E; thence Easterly along the South line of the North Half (N1/2) of the North Half (N1/2) of Section 25, T13N, R18E to the West line of Section 30, T13N, R19E; thence Southerly along the West line of said Section 30 to the Half Section line; thence Easterly along the Half Section line to the Northeast corner of the Northwest Quarter of the Southwest Quarter of said Section 30; thence Southerly along the East line of the West Half (W1/2) of the West Half (W1/2) of said Section 30 to the North line of the South Half (S1/2) of the South Half (S1/2) of said Section 30; thence Easterly along the North line of the South Half of the South Half of Section 30 to the East line of Section 30, T13N, R19E; thence Northerly along the East lines of Sections 30, 19 and 18, T13N, R19E, to the Northeast corner of Section 18, T13N, R19E; thence Westerly to the Northwest corner of Section 16, T13N, R18E; thence Southerly along the West line of Section 16, T13N, R19E, to the Northeast corner of Section 24, T13N, R18E, thence Westerly along the North line of Section 24 to the Southeast corner of Section 14, T13N, R18E; thence Northerly along the East line of said Section 14 to the Half Section line; thence Westerly along the Half Section line of said Section 14 to the East line of Section 15, T13N, R18E; thence Northerly along the East lines of Sections 15, 10 and 3, to the Northeast corner of Section 3; thence Westerly along the North line of Section 3, T13N, R18E, to the Point of Beginning.

0461494

BK0299PG3947

Attachment 8.1 (c)

COPY

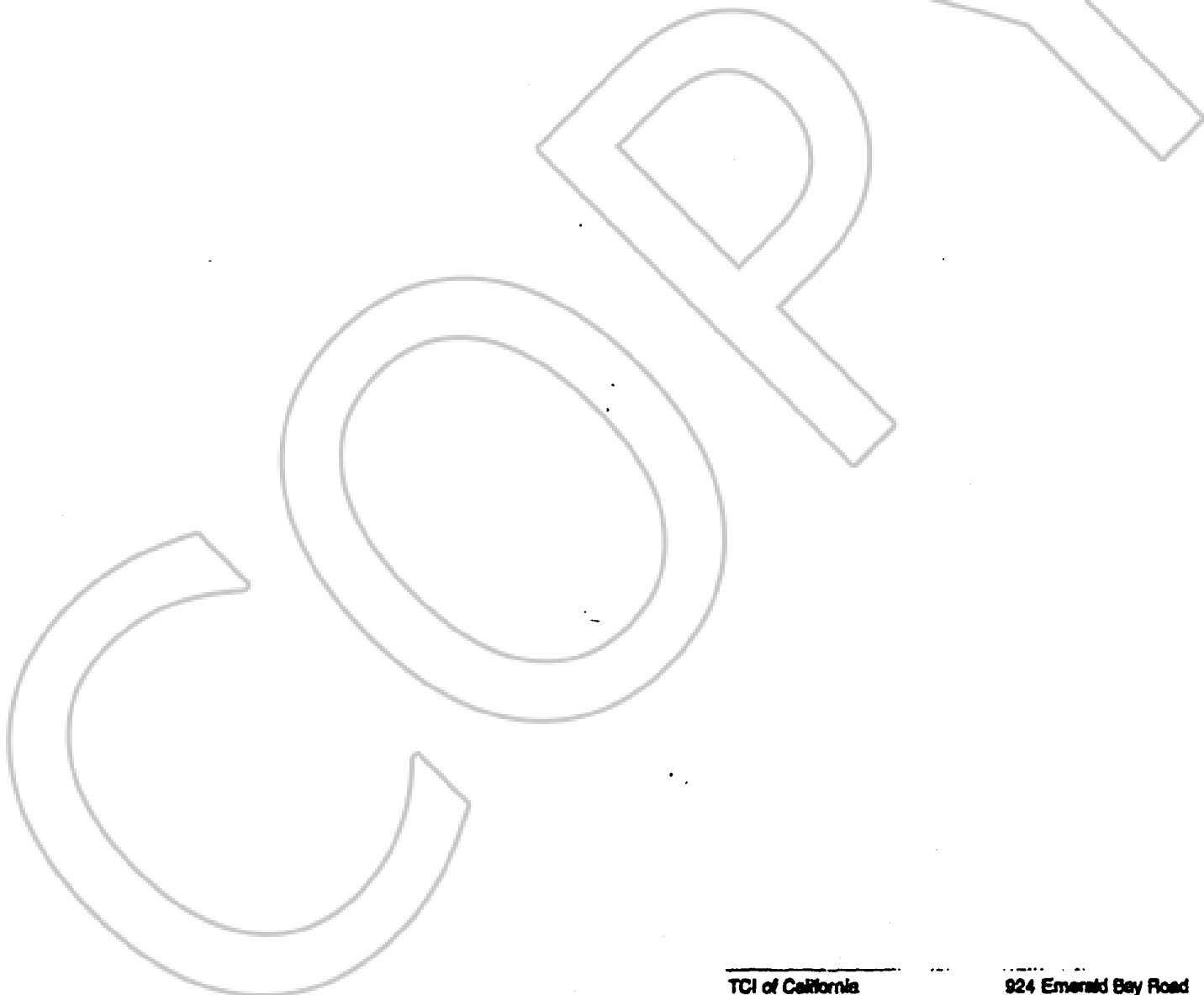
0461494

BK0299PG3948



Statement of Need
1/20/99

TCI Cablevision of California, Inc. provides cable service to 2,975 customers in the Lake Tahoe portion of Douglas County. We connect approximately 100 customers every month to the cable service.



0461494

BK0299PG3949

TCI of California
So. Lake Tahoe System Office

924 Emerald Bay Road
So. Lake Tahoe, CA 96150
(530) 544-4882
FAX (530) 544-0835

An Equal Opportunity Employer

Entity..... E0337 TCI CABLEVISION OF CALIFORNIA, INC.
Trade Name..... 1.] TCI MEDIA SERVICES
2.]

Legal File Number.....

Type..... CORP

1.) Officers

Office Held

- 1.] KOPCHIK, JOHN, JR.
- 2.] BADGER, CARL
- 3.] MOODIE, DAHLIA
- 4.] PERRON, LEE
- 5.] VANNEST, LAFAWN
- 6.] BRETT, STEPHEN M.

- PRES
- REGIONAL VP
- REGIONAL VP
- REGIONAL VP
- REGIONAL VP
- VP/ASST SEC

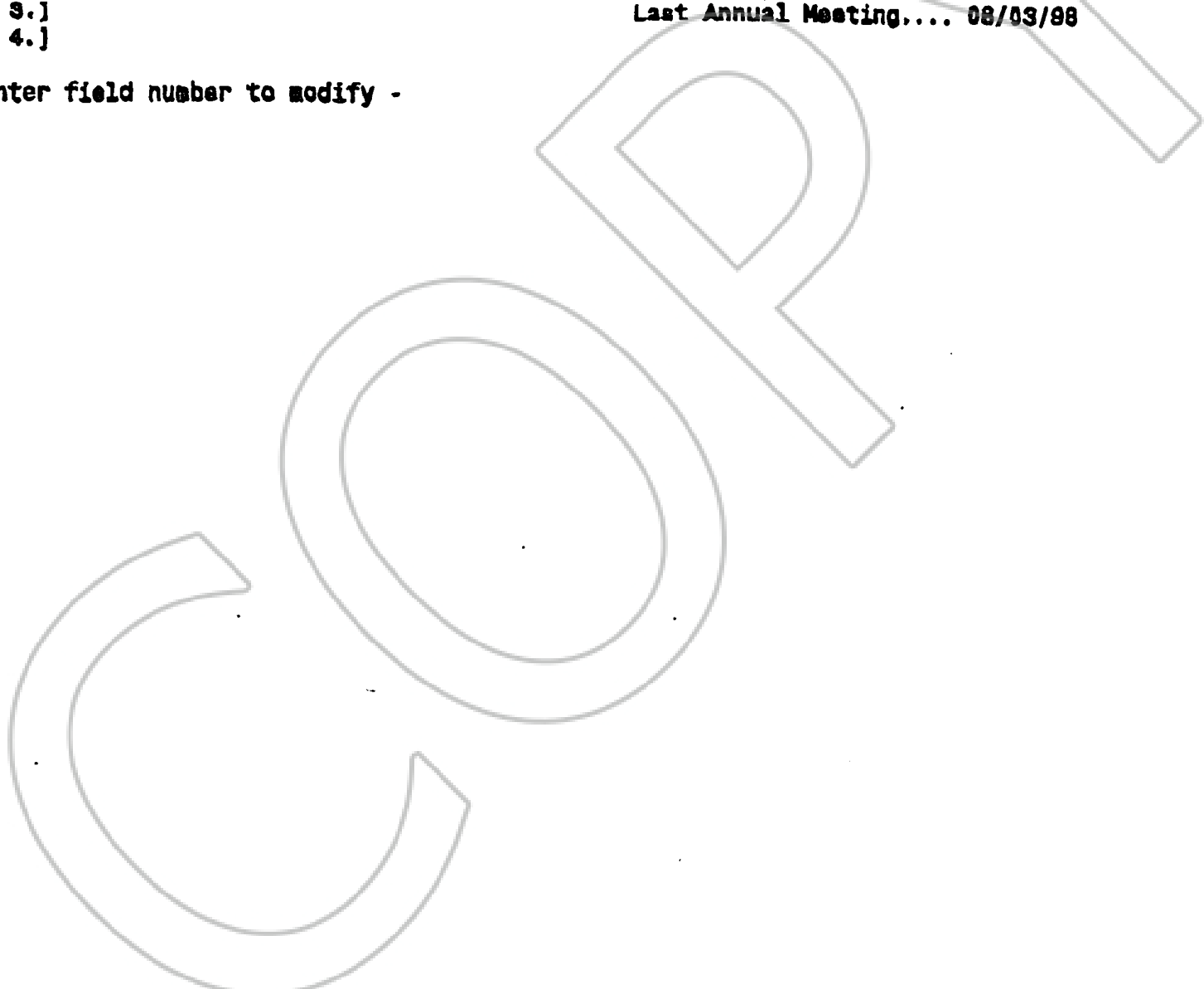
2.) Directors

- 1.] COB = FITZGERALD, WILLIAM R.
- 2.] KOPCHIK, JOHN, JR.
- 3.]
- 4.]

3.) Standard Directors Slate..... 0

4.) Slates Type..... CA-MEDIA
Last Annual Meeting.... 08/03/98

Enter field number to modify -



0461494

BK0299PG3950

0104120 DIRECTOR

Entity..... E0337 TCI CABLEVISION OF CALIFORNIA, INC.
Trade Name..... 1.] TCI MEDIA SERVICES
2.]

Legal File Number..... Type..... CORP

1.) Officers

- 7.] CHANG, DEREK
- 8.] GUENTHNER, MADONNA
- 9.] SCHOTTERS, BERNARD W., II
- 10.] WEICHERT, KENNETH B.
- 11.] WEEKS, GLEN
- 12.] GAMBLE, JOSEPH A.

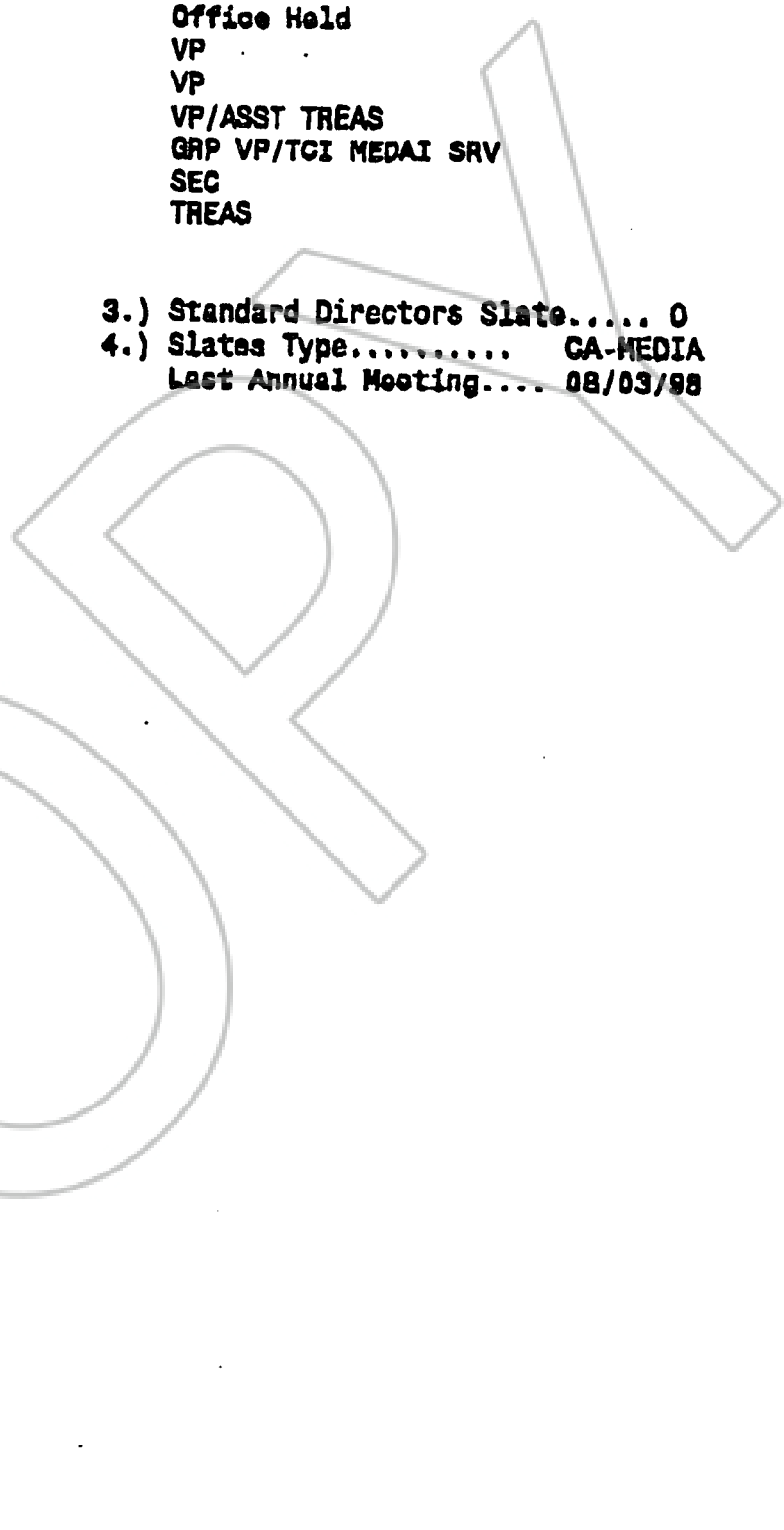
Office Held
VP
VP
VP/ASST TREAS
GRP VP/TCI MEDIA SRV
SEC
TREAS

2.) Directors

- 1.] COB = FITZGERALD, WILLIAM R.
- 2.] KOPCHIK, JOHN, JR.
- 3.]
- 4.]

3.) Standard Directors Slate..... 0
4.) Slates Type..... CA-MEDIA
Last Annual Meeting.... 08/03/98

Enter field number to modify .



0461494

BK0299PG3951

Entity..... E0337 TCI CABLEVISION OF CALIFORNIA, INC.
Trade Name..... 1.] TCI MEDIA SERVICES
2.]

Legal File Number..... Type..... CORP

1.) Officers

- 13.] BECKLEY, PATRICIA
- 14.] BLAYLOCK, GARY
- 15.] GOOKIN, NOLAN
- 16.] NOSLER, DAVE
- 17.] STONER, COLIN R.
- 18.] MCCHESENEY, MARY M.

Office Held

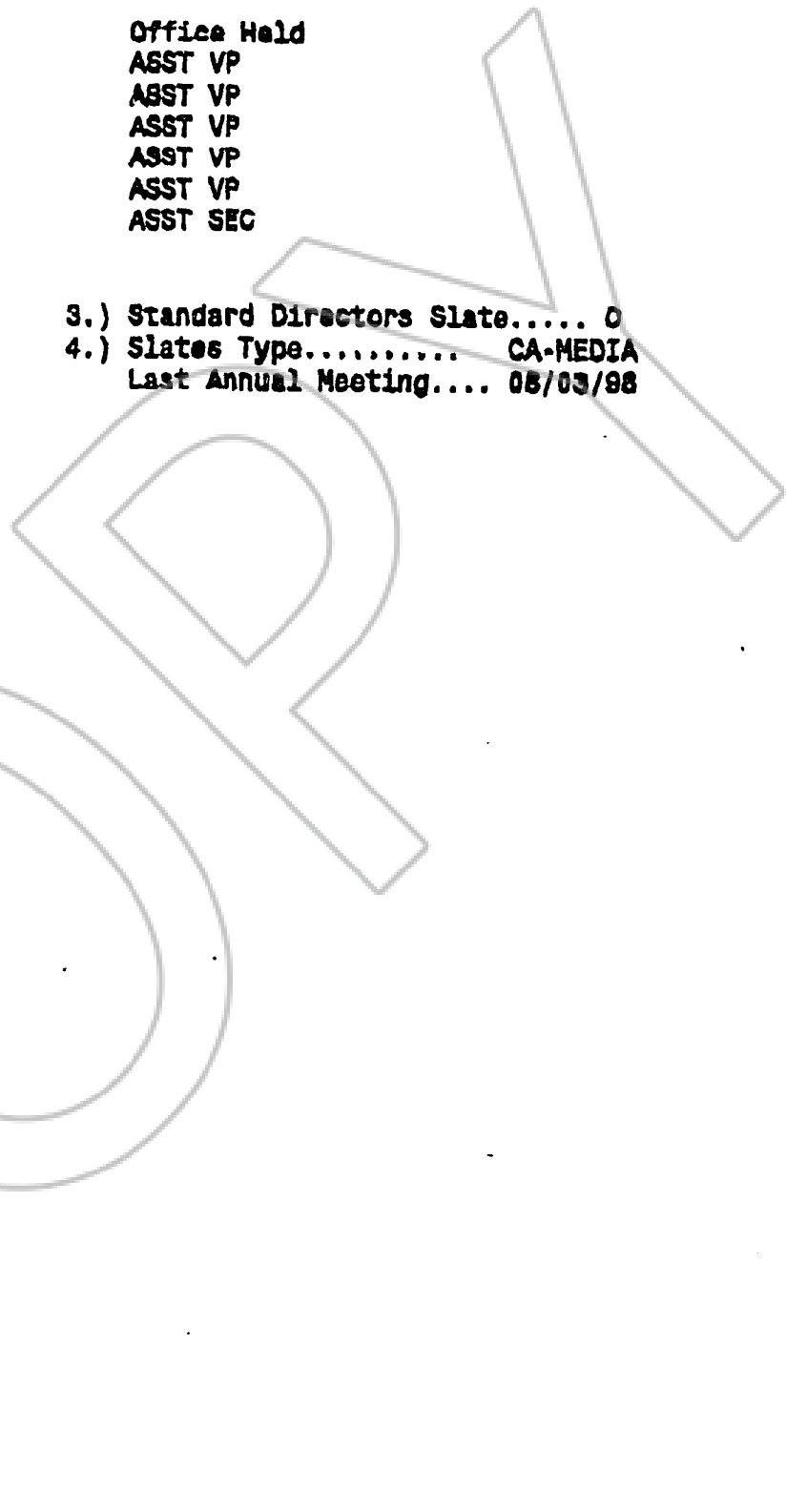
- ASST VP
- ASST VP
- ASST VP
- ASST VP
- ASST VP
- ASST SEC

2.) Directors

- 1.] COB = FITZGERALD, WILLIAM R.
- 2.] KOPCHIK, JOHN, JR.
- 3.]
- 4.]

- 3.) Standard Directors Slate..... 0
- 4.) Slates Type..... CA-MEDIA
- Last Annual Meeting.... 08/03/98

Enter field number to modify -



0461494

BK0299PG3952

Entity..... E0337 TCI CABLEVISION OF CALIFORNIA, INC.
Trade Name..... 1.] TCI MEDIA SERVICES
2.]

Legal File Number.....

Type..... CORP

1.) Officers

19.] WILLIS, MARY S.

20.]

21.]

22.]

23.]

24.]

Office Held

ASST SEC

2.) Directors

1.] COB = FITZGERALD, WILLIAM R.

2.] KOPCHIK, JOHN, JR.

3.]

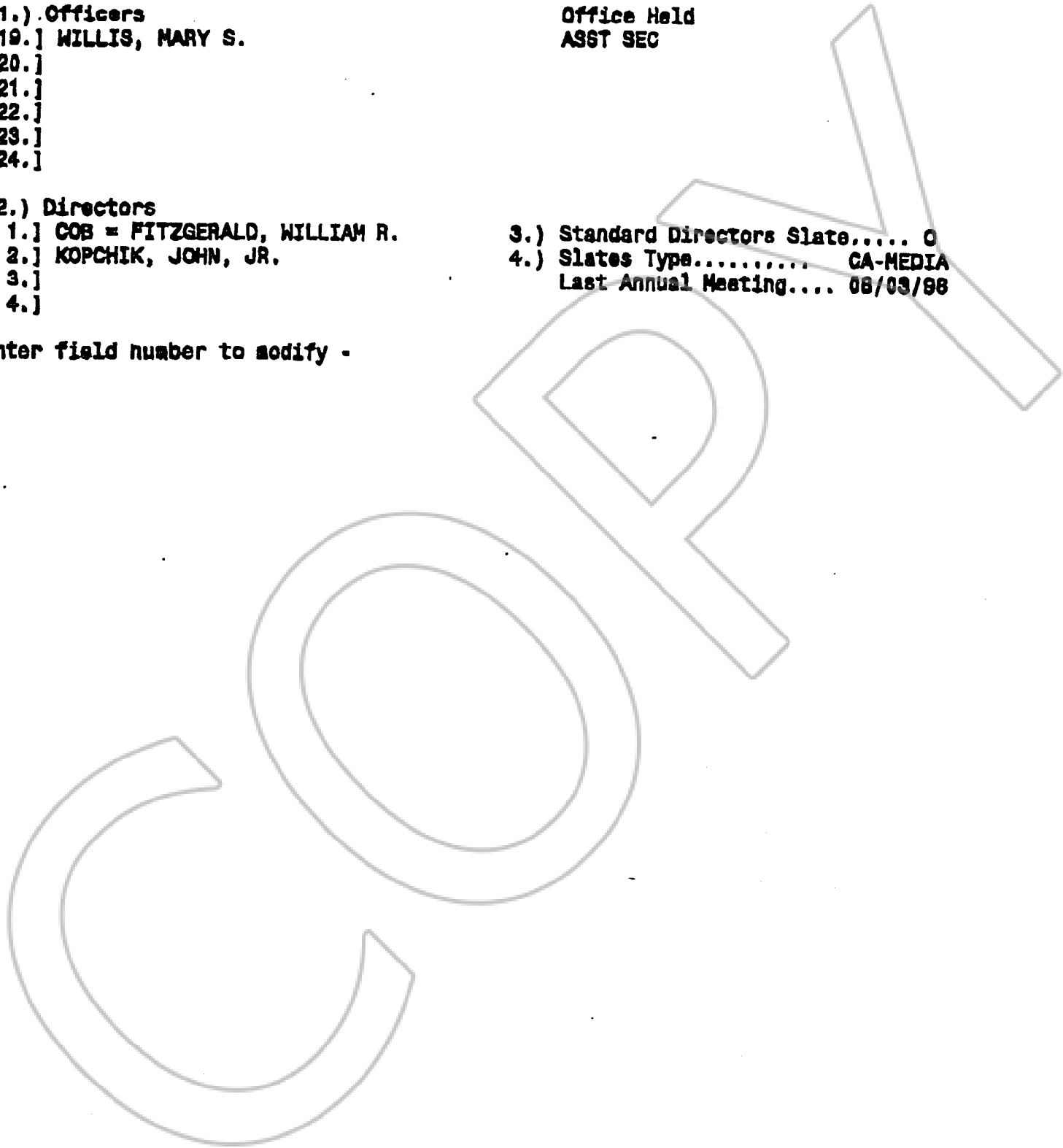
4.]

3.) Standard Directors Slate..... 0

4.) Slates Type..... CA-MEDIA

Last Annual Meeting.... 08/03/98

Enter field number to modify -



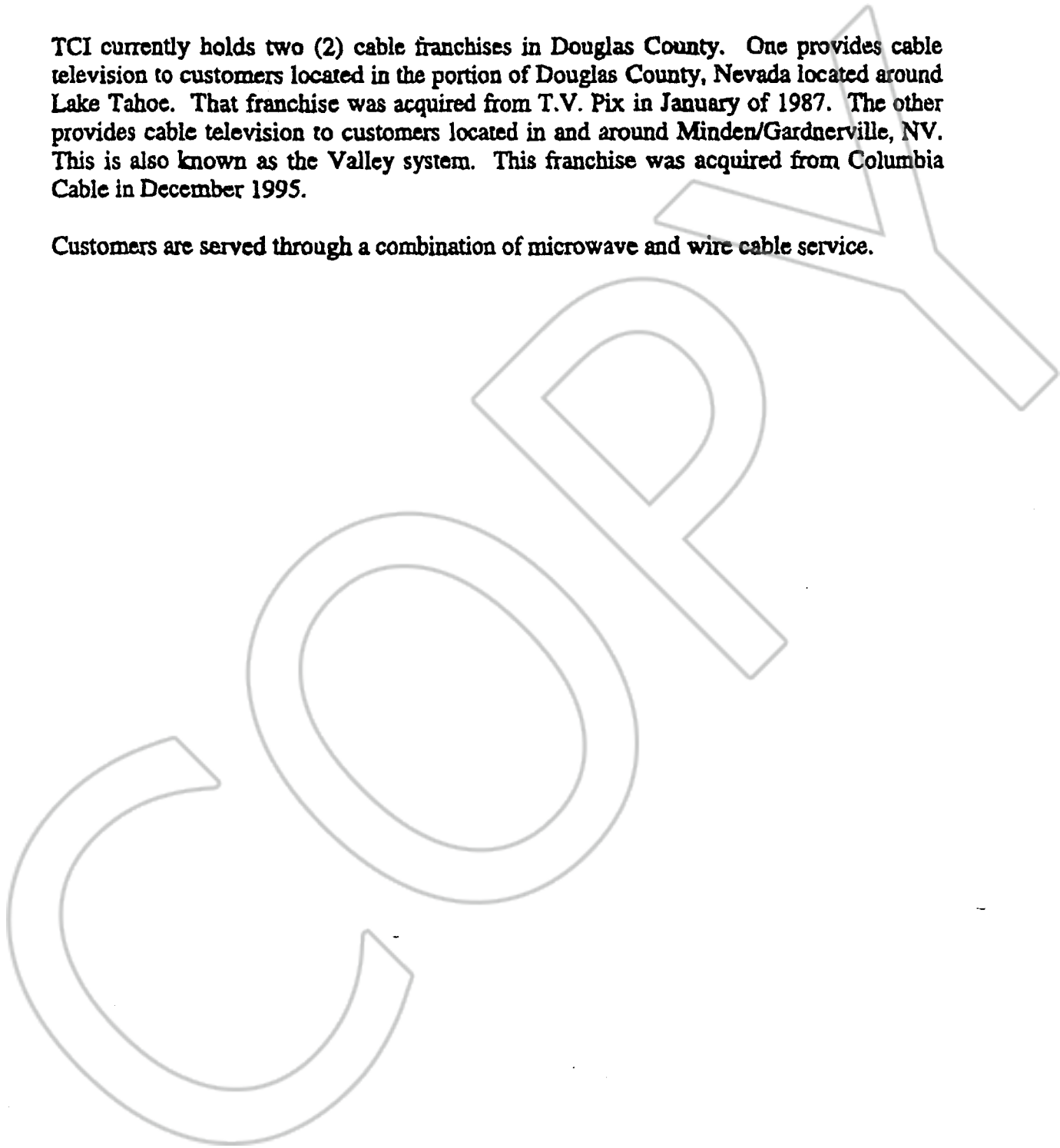
0461494

BK0299PG3953

SYSTEM HISTORY

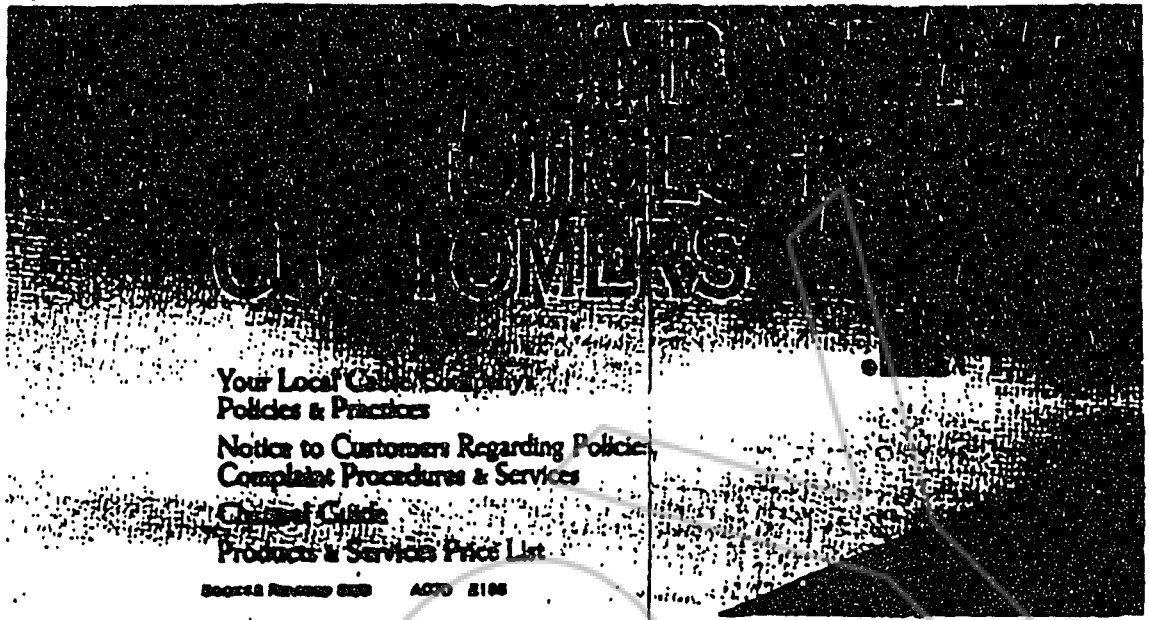
TCI currently holds two (2) cable franchises in Douglas County. One provides cable television to customers located in the portion of Douglas County, Nevada located around Lake Tahoe. That franchise was acquired from T.V. Pix in January of 1987. The other provides cable television to customers located in and around Minden/Gardnerville, NV. This is also known as the Valley system. This franchise was acquired from Columbia Cable in December 1995.

Customers are served through a combination of microwave and wire cable service.



0461494

BK0299PG3954



**NOTICE TO CUSTOMERS
REGARDING POLICIES, COMPLAINT
PROCEDURES AND SERVICES**

When the Federal Communications Commission (FCC) issued its technical and customer service standards, it adopted regulations which require all cable television operators to establish a process for resolving questions or complaints customers may have about billing for the services provided, the quality of the television signals delivered or other services we provide, and to notify customers of those procedures.

We are dedicated to providing quality cable television service to our customers and to assuring that each problem is immediately resolved to the customer's satisfaction. These customer service procedures, in addition to many other issues, are covered in material generally provided to you at the time of installation and annually thereafter once you have become a customer.

This notice summarizes some of the procedures that you need to know to help us answer questions and resolve complaints you may have about billing for the services you receive, the quality of the television signals or other services we provide.

For those of our customers receiving service through commercial accounts, bulk rate arrangements with multiple dwelling owners, or similar arrangements, some of the policies, procedures and services herein may not apply. Please refer to the terms and conditions of documents reflecting such separate arrangements. Where such documents are inconsistent with the policies, procedures and information relating to service set forth herein, the terms and conditions of such separate arrangements shall apply.

**YOUR LOCAL CABLE COMPANY'S POLICIES
AND PRACTICES**

The following policies and practices, set forth below, are used when providing you cable television and other service. We may change them in the future and will notify you if that occurs. We will continue to review our policies and practices as part of our commitment to continually review and improve the quality of services we provide. We will send you a written, electronic, or other appropriate notice informing you of any changes and the effective date. If you find the change unacceptable, you have the right to cancel your service. However, if you continue to receive service after the effective date of the change, we will consider this your acceptance of the change.

1. DEFINITIONS

As used in these Policies and Practices:

"We", "Company", "us", or "our" mean your local cable company, its employees, or its authorized agents.

"You" or "your" mean the customer identified on the work order that was signed to begin your cable TV service.

"Home" means the place you live, including a single-family home, apartment, other residence, or any other type of dwelling unit, where your service is installed.

"Hourly service charge" means the hourly charge you pay us for certain services. The hourly service charge is calculated using the rules and regulations of the Federal Communications Commission ("FCC"). It is designed to recover the costs of servicing, handling, and maintaining customer equipment.

"Installed" means either installed or activated.

"Inside Wire" or "Inside Wiring" means the cable that runs inside your home to a point 12 inches outside of your home, and includes any extra outlets, splitters, connections, fittings or wall plates attached to it.

"Equipment" means one or more of the following: digital consumer terminal, converter, converter-descrambler, remote-control unit, security device, addressable control module, A/B switch, coaxial cable ("cable") which is not inside wiring, parental lock-out device, or any other device installed in or around your home, or provided by us, necessary or convenient for you to receive cable TV programming or other services from us. Inside wiring is not equipment.

"Service" means the cable TV programming or any other service that we provide to you.

2. PAYMENT FOR SERVICE

We provide service to you on a month-to-month basis. Charges for service start within 24 hours after service is installed. The charges for one month's service, any deposits, and any installation or equipment-lease fees, are payable when service is installed. After that, we will bill you each month in advance for service (except for pay-per-view movies or events, which are sometimes billed after they are provided to you).

The bills you receive will show the total amount due and the payment due date. You agree to pay us monthly by the payment due date for that service and for any other charges due us, including any administrative late fee(s) and related fees, charges and assessments due to late payments or nonpayments, and any returned check fees, plus other separate and additional charges as described below.

0461494

BK0299PG3955

If we do not receive your payment by the due date stated on the bill, you may be charged such fees, charges and assessments, plus the other separate and additional charges.

The administrative late and related fee(s), charges and assessments related to late payment and nonpayment are intended to be reasonable advance estimates of costs resulting from late payments or nonpayments of our customers. We will tell you the amount of these fees and other separate or additional charges at or before you subscribe to and receive our services, prior to the time we implement or assess new ones, and in our annual mailings to you thereafter. You may avoid these fees and other separate or additional charges relating to late payment and nonpayment by making sure that your payment is received by us on or before the due date on the bill. If your payment is not received by the due date on the bill, you agree to voluntarily pay these fees and any other separate and additional charges, fees, and assessments as a condition of receiving our services.

We do not anticipate that you will pay your bill late and the administrative late fee(s) and other related charges, fees, and assessments related to late payment and nonpayment are set in advance because it would be difficult to know in advance: (a) whether or not you will pay your bill on time, (b) if you do pay late, when you will actually pay your bill, if ever, and (c) what costs we will incur because of your late payment or nonpayment. We do not extend credit to our customers and the administrative fee(s), related fees, charges and assessments are not interest, a credit service charge or a finance charge. Our late fee practices may be revised to comply with applicable state or local laws rules or regulations.

If you change the services you receive, we may charge you a change of service fee such as upgrade or downgrade charge. The amount of such fee may vary by office location. If you have any questions, please contact your local cable company identified on your bill, in your monthly billing mailings, or ask the representative you talk to when requesting a change in service. A listing is also provided to our customers annually in a mailing or bill stublet.

You agree to pay all taxes, franchise fees, and other charges, if any, which are now or may in the future be assessed because you receive our service.

If your service is disconnected because you do not pay your bill by the due date, we may require you to pay all past-due charges, a reconnect fee, and a minimum of one month's advance charges before we reconnect your service.

If there are any billing errors or other requests for credit, you must bring those to our attention, within six months of the time you receive the bill for which you are seeking correction.

If we are required to use a collection agency or attorney to collect money that you owe us or to assert any other right which we may have against you, you agree to pay the reasonable costs of collection or other action. These costs might include, but are not limited to, the costs of a collection agency, reasonable attorney's fees and court costs.

Payments received from you will be deemed to be voluntarily paid.

3. COMPANY CHARGES IN SERVICE AND CHARGES

Subject to applicable law, we have the right to change our service and equipment, and our prices or fees, at any time. We also may rearrange, delete, add to or otherwise change the service provided on our Basic Service or other levels of service. If the change affects you, we will provide you notice of the change and its effective date. The notice may be provided on your monthly bill, as a bill insert, or by other permitted communication. If you find the change unacceptable, you have the right to cancel your service. However, if you continue to receive service after the effective date of the change, we will consider this your acceptance of the change.

To the extent required by law, after notice to you of a reterring of our services or rate increase, you may obtain changes in service tiers at no additional charge. Otherwise, changes by you of the services you receive may result in upgrade, downgrade, or change of service charges. Please refer to the Products and Services Price List we have supplied you for details or call your local cable office if you have questions.

You may obtain information about our current fees and prices for any of our services by calling your local cable office. The office phone number is on your monthly bill or is provided elsewhere in your monthly billing mailings. A list of charges is also provided to our customers annually in a mailing or bill stublet.

4. TERMINATION OF SERVICE

Unless you have otherwise agreed (such as where you have agreed in advance to receive service over a specified period of time), you have the right to cancel your service for any reason at any time by giving us notice. We will refund any balance due to you within twenty (20) days (or upon the return of any of our equipment, if later).

Subject to applicable law, if you fail to pay your bill when it's due, we have the right to terminate your service.

You may not assign or transfer the service without our written consent.

The individual policies and practices in this document will continue and apply to your rights and those of the Company after the end of your service.

5. EQUIPMENT

Except for the Inside Wiring which we consider your property regardless of who installed it, the Equipment installed by us belongs to us or other third parties, unless you have purchased it. We may, at our option, supply new or reconditioned Equipment to you.

You must have our prior written consent to sell or give away our Equipment and our Equipment may only be used in your home.

If you cease to be our customer, you are responsible for returning the Equipment to us or our designee. If you move, do not leave the Equipment in your vacant home or with anyone else. The Equipment must be returned to us or one of our representatives in working order, normal wear and tear excepted, or else you will be charged the retail price for a new replacement and other charges for each piece of Equipment not returned.

You are responsible for preventing the loss of, or damage to, the Equipment within your home. We suggest that the Equipment in your possession be covered by your homeowners, renters, or other insurance. You will be directly responsible for repairs, replacement and other costs, damages, fees and charges if you do not return to us Equipment in an undamaged condition.

If you have us repair or maintain the Inside Wiring, we will charge you additionally for that service. You have a choice of paying the hourly service charge or, subject to availability in your area, purchasing our optional "Total Line Care Program/Inside Wire Maintenance Program" for a monthly fee. If you want more information about the program, please call your local cable office. The optional program covers most but not all Inside Wiring problems. For example, we are not responsible for problems with the operation of your television or television-related Equipment. We do not service television receivers or any other television-related Equipment (such as VCRs, home antennas, or other cable-compatible Equipment) not owned by us, even if it is attached to the cable or to our Equipment. Certain other limitations may apply to the program.

None of the Equipment supplied by us, nor any of our cable placed outside your home or property in connection with the installation of the Equipment and service shall be deemed fixtures, or in any way part of your real property, unless you purchase our cable to the extent permitted by law when service ends. The Equipment supplied by us may be removed by us, at our option, at any time during or following the termination of your service due to nonpayment for service, and you agree to allow us access to your home for such purposes. (See also paragraph 6 below.)

We consider Inside Wiring to be your property, regardless of who may have installed it. You will continue to be responsible for the repair and maintenance of the Inside Wire. You may install Inside Wiring, such as additional cable wiring and outlets. Regardless of who does the work, the internal wiring within your home must not interfere with the normal operations of your local cable system. Inside Wire maintenance may not be your responsibility if you rent your home. Contact your landlord or building manager to determine responsibility.

0461494

BK0299P63956

6. Access To Customers' Homes

You authorize us or our designees to enter into your home, in your or your representative's presence, or upon your property during normal business hours or by appointment, to install, inspect, maintain, replace, remove or otherwise deal with the equipment supplied by us and service. This authorization includes allowing us or such designees to be on your property outside your home at reasonable times even if you are not at home. You authorize us or our designees to make connections and perform other tasks which are necessary or desirable to enable us to provide service to you or others, including connecting and making necessary attachments to your inside wiring. If you are not the owner of your home, you agree to supply us or our designee, if we ask you to, with the owner's name and address, proof that you may give us access on the owner's behalf and, if needed, consent from the owner of the home.

7. PRIVATE VIEWING OF UNAUTHORIZED SERVICE AND USE OF EQUIPMENT

We provide service to you for your private home viewing, use, and enjoyment. You agree that the programming provided over the cable system will not be viewed in areas open to the public. The programming may not be rebroadcast, transmitted or performed, nor may admission be charged for its viewing without first obtaining written consent, in advance, from us and our programming supplier(s). This consent may be withheld at the sole discretion of either of us.

Your cable company may not have the right to distribute pay-per-view programming to commercial establishments. You may not order or request pay-per-view programming for receipt, exhibition or taping in a commercial establishment. You may neither exhibit nor assist in the exhibition of pay-per-view programming in a commercial establishment unless explicitly authorized to do so, in advance, by us and our program provider. You may not move your converter to another location or use it at any time at an address other than your home or location where service was installed by us without our prior written authorization. If you fail to abide by this restriction, you will be held liable for any claims made against you or your cable company on account of any unauthorized commercial exhibition.

You agree not to attach any unauthorized device to our equipment. If you make any unauthorized connection or modification to the equipment or any other part of the cable TV system, you will be in breach of these policies and practices, and we may terminate your service.

Much of the equipment and many of the devices necessary to receive our services are available both from us and others. If you purchase or lease such equipment from us, you are responsible for assuring that they do not interfere with the normal operations of your local cable system and other communications systems and devices. For example, you agree not to install anything, in intercept or receive, or to assist in intercepting or receiving, or which is capable of intercepting or receiving, any service offered over a cable system, unless specifically authorized to do so by us. You are responsible to pay for all services received or otherwise provided to your household. You also agree that you will not attach anything to the inside wire or equipment, which singly or together results in a degradation of the cable system's signal quality or strength. You may not attach any device or equipment to your inside wiring in a way that impairs the integrity of the local cable system, such as creating signal leakage, which may cause a violation of government regulations, or attaching devices or equipment, which alone or together, result in a degradation of signal quality. Further, services or signals provided by us which are carried on or transmitted through the inside wire or equipment provided by us may not be commingled with signals or services provided by others.

We can recover damages from you for tampering with any of the equipment, or any other part of the cable system, or for receiving unauthorized service.

You must return any converter we supply you which is owned by us or others when you are no longer a customer. In some cases, you may also choose to buy a converter from an independent store. Please remember, however, that converters with descrambling

capabilities should only be obtained from us. In fact, should you see advertisements for cable converters that have descramblers in them (so-called "plate boxes" or "black boxes"), you should understand that these devices may be illegal to sell or use, unless authorized by us. Because of the need to protect our scrambled services, we will not authorize the use of any converter/descramblers not provided by us. People who use illegal converters/descramblers may be seeking cable service. This practice may unfairly result in increased prices to our honest customers.

8. LIMITED 30-DAY WARRANTY AND LIMITATION OF LIABILITY

EXCEPT AS EXPLICITLY SET FORTH IN THE TERMS AND CONDITIONS OF SPECIFIC SERVICES WE PROVIDE TO YOU, WE WARRANT FOR A PERIOD OF 30 DAYS FROM THE DATE OF OUR INSTALLATION OR REPAIR THAT OUR SERVICE AND THE EQUIPMENT WE HAVE INSTALLED OR REPAIRED WILL MEET ACCEPTED INDUSTRY STANDARDS AND BE FREE FROM DEFECTS IN MATERIALS OR WORKMANSHIP. IF YOU REPORT ANY FAILURE TO CONFORM TO THIS WARRANTY TO US WITHIN THAT 30-DAY PERIOD, WE WILL REPERFORM THE NONCONFORMING SERVICES AND REPAIR OR REPLACE THE NONCONFORMING EQUIPMENT. SUCH REPERFORMANCE OF WORK OR REPAIR OR REPLACEMENT OF NONCONFORMING EQUIPMENT SHALL CONSTITUTE OUR ENTIRE LIABILITY AND YOUR SOLE REMEDY UNDER THIS WARRANTY, WHETHER CLAIMS OR REMEDIES ARE SOUGHT IN CONTRACT OR TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE).

IN NO EVENT SHALL OUR EMPLOYEES OR AGENTS HAVE ANY LIABILITY FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM OUR PROVISION OR FAILURE TO PROVIDE ANY EQUIPMENT OR SERVICES TO YOU, OR FROM ANY FAULT, FAILURE, DEFICIENCY OR DEFECT IN SERVICE, LABOR, MATERIALS, WORK OR EQUIPMENT FURNISHED TO YOU.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN OR IMPLIED, IN FACT OR IN LAW. WE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, DISCLAIM ANY AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

EXCEPT AS EXPRESSLY REQUIRED BY LAW, WE WILL NOT BE LIABLE FOR ANY DELAY OR FAILURE TO PERFORM OUR OBLIGATIONS, INCLUDING INTERRUPTIONS IN SERVICE, IF SUCH DELAY OR NONPERFORMANCE ARISES IN CONNECTION WITH ANY ACTS OF GOD, FIRES, EARTHQUAKES, FLOODS, STRIKES OR OTHER LABOR DISPUTES, UNUSUALLY SEVERE WEATHER, ACTS OF ANY GOVERNMENTAL BODY, OR ANY OTHER CAUSE BEYOND OUR REASONABLE CONTROL.

THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE, OR LOCAL COMMUNITY. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES OR DO NOT ALLOW LIMITATIONS ON IMPLIED WARRANTIES OR THEIR DURATION, SO THE ABOVE EXCLUSION MAY NOT APPLY TO YOU.

9. APPLICABLE LAW

These policies and practices, including all matters relating to their validity, construction, performance, and enforcement, are governed by applicable federal law, the rules and regulations of the FCC, and applicable laws, regulations or applicable ordinances for the state and local areas where service is provided. These policies and practices are subject to amendment, modification or termination if required by such regulations or law.

If any provision in these policies and practices is declared to be illegal or in conflict with any law or regulation, that provision may be deleted or modified, without affecting the validity of the other policies and practices.

0461494

BK0299PG3957

10. NOTICE

If we send you notice, it will be considered given when deposited in the U.S. mail, addressed to you at your last-known address, or hand delivered to you or to your home. We may provide electronic or telephone notice to you, which shall be deemed given when left with you. If you give notice to us, it will be deemed given when received by us.

11. CHANGES TO POLICIES AND PRACTICES

We will notify you of changes to these policies and practices. Any changes proposed by you will only be effective when accepted in writing by one of our senior officers, within their sole discretion.

12. PROCEDURE FOR RESOLVING CUSTOMER COMPLAINTS ABOUT SIGNAL QUALITY

If you have any complaint regarding the quality of the television signals we deliver, you should contact us by phone or in writing to inform us.

We will promptly try to resolve the problem. If you are dissatisfied with our resolution of the complaint, you may notify the responsible official for your community. Please refer to your cable bill for the agency's name and address.

SIGNAL QUALITY AND CUSTOMER SERVICE POLICIES/COMPLAINT PROCEDURES

- Our business office is open weekdays, except holidays, for customer visits and telephone calls. Our telephone number is printed on your monthly bill.
- When you call about a service problem during normal business hours, a Customer Service Representative (CSR) will attempt to determine the nature of the problem. If possible, the CSR will help you resolve the problem over the telephone. If the problem cannot be resolved during the call, the CSR will schedule a Service Technician to visit your home, usually within 24 hours of the time of the call. If our workload permits, the Service Technician will be dispatched the same day.
- We maintain a local, toll-free or collect call telephone access line which will be available to you 24 hours a day, seven days a week, every day of the year. [If you call about a service problem outside of regular business hours, the call may be answered by an answering service or answering machine. The service or machine will record your name, number and nature of the problem. Please leave both your home and work telephone numbers. We will call you during normal business hours the next working day to resolve the matter. When possible, a Service Technician will be dispatched promptly to fix the problem. In all other cases, the answering service or machine will forward the information to our office.]
- Emergencies that affect signal quality such as fallen utility poles, violent storms or very cold weather may interfere with reception of cable service. We are committed to have one of our crews promptly correct outages or other service-related problems occurring as a result of an emergency situation. We pledge a prompt response at any time if a large area of the system is experiencing technical difficulties.
- Our CSRs and Service Technicians are well-trained and have authority to attempt to resolve a customer's problem, including replacement of any non-operating equipment, in order to provide quality service.
- We offer an "appointment window" for installation, service calls, or other installation activities which are either a specific time, or, at a maximum, a four-hour time block during normal business hours.
- We commit to a policy to not cancel our appointment with you after the close of business in the business day prior to a scheduled appointment. If we are running late for an appointment, we will attempt to contact you and will, as necessary, attempt to reschedule to a time which is convenient for you.

• We will maintain complaint records for at least a one-year period. In addition, those records will be available for inspection by the Federal Authority or the FCC.

BILLING POLICIES/COMPLAINT PROCEDURES

- Your monthly cable bill or monthly billing mailing not only gives you a listing of your charges, payment and credits; it may also contain special messages, such as those regarding service or rate changes. Please take the time to read the monthly messages and to review your bill carefully to make sure your name and address are correct. You will generally be billed at the same time each month.
- We provide service to you on a month-to-month basis. Charges for service start within 24 hours after service is installed. The charge for one month's service, any deposits, and any installation or equipment-lease fees, are payable when service is installed. After that, we will bill you each month in advance for service (except for pay-per-view movies or events, which are generally billed after they are provided to you).
- The bills you receive will show the total amount due and the payment due date. You agree to pay us monthly by the payment due date for that service and for any other charges due us, including any administrative fee (fee(s)) and related fees, charges and assessments due to late payments or nonpayments, any returned check fees, and other separate and additional fees. Please refer to Paragraph 2 above for additional information.
- If you change the services you receive, we may charge you a change of service fee such as upgrade or downgrade charges. The amount of such fee may vary by office location. If you have any questions, please contact your local cable company identified on your bill or ask the representative you talk to when requesting a change in service. A listing of such charges is also provided to you annually in a mailing or bill stuffer.
- You agree to pay all taxes, franchise fees, and other charges, if any, which are now or may in the future be assessed on the services you receive from us.
- Subject to applicable law, your service may be disconnected if you do not pay your bill by the due date, and we may require you to pay all past-due charges, a reconnect fee, and a minimum of one month's advance charges before we reconnect your service. Further, if you do not reconnect, any rental equipment must be returned to us. A handling fee may be charged for returned checks.
- To the extent required by law, after notice to you of a rate change of our services or rate increase, you may obtain changes in service tiers at no additional charge. Otherwise, changes by you of the services you receive may result in upgrade, downgrade, or change of service charges. Please refer to the Products and Services Price List we have supplied you for details or call your local cable office if you have questions.
- If there are any billing errors or other requests for credit, you must bring those to our attention within six months of the time you receive the bill for which you are seeking correction.
- If we are required to use a collection agency or attorney to collect money that you owe us or to assert any other right which we may have against you, subject to applicable law, you agree to pay the reasonable costs of collection or other action. These costs might include, but are not limited to, the costs of a collection agency, reasonable attorney's fees and court costs.
- Payments received from you will be deemed to be voluntarily paid.

We urge that you call the cable office at the phone number printed on your bill any time you have questions or concerns about your service, VCR hookup questions or problems, or any other aspect of the cable television service, which we take pride in providing to you.

If you are unable to get a problem resolved to your satisfaction at the local level, you may write or call the Division or Corporate Offices with concerns and complaints. Direct your comments to:

0461494

BK0299PG3958

DIVISION OFFICE:
Customer Relations
1850 Mt. Diablo Blvd.
Suite 200
Walrus Creek, CA 94996
925-988-8500

CORPORATE OFFICE:
Customer Relations
Specialist
P.O. Box 9630
Denver, CO 80217
303-267-3500

In addition, if you are unsatisfied with our handling of your complaint, you may contact the local franchising authority. The address of the responsible officer for your franchising authority is noted below:

ASSISTANT CITY MANAGER
City of South Lake Tahoe
1052 Tasa Lane
South Lake Tahoe, CA
96150

COUNTY MANAGER
Douglas County
P.O. Box 230
Minden, NV 89423

NOTICE OF AVAILABILITY OF CONVERTERS FOR ADDITIONAL OUTLETS

Subscribers who install their own additional receiver connections may not be able to receive all broadcast stations carried on the cable system without additional equipment.

The equipment necessary to receive all broadcast stations carried on the cable system is for lease from your cable company and may be available from retail stores within your community. Instructions for installation of this equipment are also available upon request.

Additional information regarding the compatibility of converters and other equipment with the cable system, which are supplied to you by us or otherwise obtained by you, is contained in the Company's Equipment Compatibility Notice.

IMPORTANT INFORMATION

Service Area
South Lake Tahoe, CA

Phone Numbers
Billing/Repair
530-544-4882

New Service/Sales
530-544-4882

After Hours Repair
530-544-4882

Office Hours
Monday-Thursday 8:00 am - 5:00 pm
Friday 8:00 am - 6:00 pm
Saturday 8:00 am - 4:00 pm
Sunday: Closed

Mailing/Office Address
924 Emerald Bay Rd.
South Lake Tahoe, CA 96150

CHANNEL GUIDE

South Lake Tahoe, CA
Effective January, 1999

BASIC SERVICE		81 PR TV
2 KTN	(CBS)	82 COVE TV
4 KSNV	(NBC)	88 Fox Sports America
5 KSNB	(PBS)	89 FOX TV
7 KSNL	(UTV)	66 HSN
8 KQDO	(ABC)	67 Comedy
9 KSN		68 TV Food
10 KSL		72 CSPAN
11 KSN	(PBS)	
12 Local Access		PREMIUM CHANNELS
13 KSN	(NBC)	3 HBO
16 WB		6 Disney Channel
17 CSPAN2		14 Encore
19 Govt. Access		15 STARZ
20 Local Origination		18 Showtime
21 Govt. Access		22 Classics
23 KGO	(ABC)	69 Pay-Per-View 1
24 KTVU	(PBS)	70 Pay-Per-View 2
25 TBS		71 Action Pay-Per-View
26 Gallop		DIGITAL
27 Discovery Channel		181 Discovery Edge
28 ABC		180 Sci-Fi
EXPANDED BASIC		181 Game Show Network
29 USA		181 HBO
30 MTV		288 Discovery Home & Leisure
31 Weather Channel		289 International Channel
32 CNN		270 History Channel
33 CNBC		272 Discovery Science
34 FX		273 CBS Eye on People
35 TNT		271 NBC America
36 Lifetime		381 Fox Sports World
37 A&E		481 ESPN
38 Fox Family		481 Outdoor Life
39 Nickelodeon		485 Golf Channel
40 QVC		487 Classic Sports
41 TBS		488 SpeedVision
42 ESPN		476 Much Music
43 ESPN 2		501 Turner Classic Movies
44 Nickelodeon		502 Romance Channel
45 Fox Sports Bay Area		585 Independent Film Channel
46 E!		520 Encore Love
47 FOX NEWS CHANNEL		522 Encore Mystery
48 MSNBC		524 Encore Western
49 Me We Fix		534 Sport 2
50 Cartoon Network		533 HBO 2
51 An Real France		535 HBO 3
52 HGTV		528 Showtime 2
53 South Pacific		571 The Movie Channel
55 TLC		800 Pay-Per-View Classics
56 KNOWLEDGE TV		801-808 Pay-Per-View Movies
57 UNIVISION		851 Spike (Adult Pay-Per-View)

Programming is subject to change. Expanded Basic Service is a separate, optional level of service, available to local customers for an additional, separate monthly charge.

PRODUCTS AND SERVICES PRICE LIST

(all prices exclude applicable franchise fees and taxes)

The minimum level of cable service you may purchase is BASIC SERVICE. You may purchase BASIC SERVICE alone or with any other OPTIONAL SERVICE(S) LISTED BELOW. As a cable customer, currently you must purchase BASIC SERVICE to subscribe to any other video service offered by the cable company.

Services and equipment are subject to availability. Other limitations may apply. Please refer to the Customer Policies, Complaint Procedures and Services Handbook.

BASIC SERVICE \$12.94 per month
KTN, KSNV, KSNB, KSNL, KSN, KQDO, KGO, KTVU, LOCAL ACCESS, KSN, WB, C-SPAN 2, GOVT. ACCESS, LOCAL ORIG., GOVT. ACCESS, KGO, KTVU, TBS, GALLOP, DISCOVERY CHANNEL, ANC

5
0461494
BK0299PG3959

OPTIONAL CABLE SERVICES

EXPANDED BASIC \$17.19 per month
 USA, MTW, WEATHER, CHN, CHRC, FC, TVE, LIFEFORMS, AND, FOX, ANIM, NICK, NYC, TEN, ESPN, ESPN2, HEADLINE NEWS, FOX SPORTS BA, EL PASO NEWS, MANDY, MOVIEPLEX, CARTOON, ANIMAL PLANET, MOTV, BREAK TIC, KNOWLEDGE, UNIVISION, RT, COURT, FOX SPORTS AMERICA, NAX, MEX, OUTSIDE, TV FOOD, C-SPAN

TCI DIGITAL CABLE \$18.00 per month
Digital Set Top Box \$3.00 per month
Digital Remote Control \$8.30 per month
Digital Pay-Per-View Movies \$2.99 per movie

In addition to the digital transmission of the above listed services and the analog transmission of services customers may have already received, TCI Digital Cable includes access to pay-per-view and the multiplexed version, if available, of each analog premium service to which a customer separately subscribes. TCI Digital Cable currently includes, with no additional charge, the program navigator and the DMX music service. Other services to which customers may separately subscribe will continue to be transmitted in their analog format.

DIGITAL PAY-PER-VIEW ACCESS CHARGE (Primary Outlet) \$ 4.99 per month
 Provides access to digital pay-per-view. The access charge currently includes with no additional charge the program navigator and the DMX music service.

DIGITAL PROGRAMMING/PAY-PER-VIEW/ACCESS CHARGE (each additional outlet) .. \$ 4.99 per month
 Provides digital programming and pay-per-view access on additional outlets. The access charge currently includes with no additional charge the program navigator and the DMX music service.

SPANISH LANGUAGE TIER \$ 6.95 per month
 Plus equipment

Discovery En Espanol, Fox Sports, CBS Telemadrids, Cineclino, Box Tejano, Box Exito, Canal 9, CNN En Espanol.

OPTIONAL PER CHANNEL SERVICES

PREMIUM SERVICES
 Premium services may be purchased individually, or, for greater savings, buy more than one and save.

Individual Premium Service Prices

Service	Per Month
STARZI	\$ 6.75
Encore	\$ 1.75
HBO	\$ 14.19
Showtime	\$ 14.19
Disney	\$ 14.19
Cinemax	\$ 13.47

Price Packed Packages

Package	Per Month
Full Basic, 5 Premiums, STARZI, Encore	\$ 62.99
Full Basic, 4 Premiums, STARZI, Encore	\$ 60.99
Full Basic, 3 Premiums, STARZI, Encore	\$ 55.99
Full Basic, 2 Premiums, STARZI, Encore	\$ 51.99
Full Basic, 1 Premium, STARZI, Encore	\$ 45.99
Full Basic, STARZI, Encore	\$ 36.99

ANALOG PAY-PER-VIEW SERVICES
 With the use of an addressable converter (for which there is a separate monthly charge) you may call 1-800-659-7781 and order a movie or event. Your account will be charged for each movie or event you order.

DIGITAL PAY-PER-VIEW SERVICES
 With the use of a DCT and a remote control (for each of which there is a separate monthly charge) you may order movies and events directly through your DCT (for which there is a separate monthly charge). The schedule of Pay-Per-View movies and events is shown on the program navigator. Your account will be charged for each movie or event you order at the price indicated on the screen.

OTHER OPTIONAL PRODUCTS AND SERVICES

Digital Self Install Kit (one time charge) \$ 4.95
 DMX (Digital Music Express) w/DJ Remote per month \$ 9.95
 Cable Guide per month \$ 1.35

EQUIPMENT

Item	Per Month
Basic Poly Converter	\$ 1.60
Standard Converter	\$ 2.50
Addressable Converter (Non-basic only)	\$ 3.40
DCT Converter (Non-basic only)	\$ 3.40
Remote Control (All types)	\$.30

INSTALLATION & REPAIR

Install Unwired Home (Aerial and within 125' of existing cable plant)*	\$ 39.99
Install Rewired Home*	\$ 21.50
Install Additional Connect Initial*	\$ 12.50
Install Additional Connect Separate*	\$ 19.25
Other Unwired-Relocate Outlet*	\$ 19.25
Upgrade of Optional Services (Non-addressable)	\$ 13.95
Downgrade of Optional Services (Non-addressable)*	\$ 8.49
Upgrade/Downgrade of Optional Services (Addressable)*	\$ 1.99
Connect VCR Initial*	\$ 6.00
Connect VCR Separate*	\$ 12.99
Install A/B Switch at Time of Initial Installation*	\$ 6.00
Install A/B Switch Requiring Separate Installation*	\$ 12.99
Install DMX at Time of Initial Installation*	\$ 10.00
Install DMX Requiring Separate Installation*	\$ 12.99
Field Collection Fee*	\$ 10.00
Purchase A/B Switch	\$ 5.00
Digital Pay-Per-View Access Charge (for additional TV sets)	\$ 4.99
Non-Sufficient Funds Charge	\$ 25.00
Administrative Fee for Delinquent Payment	\$ 3.00
Unreturned DCT Charge	\$500.00**
Unreturned Addressable Converter Charge	\$150.00**
Unreturned Standard Converter Charge	\$ 75.00**
Hourly Service Charge	\$ 27.00

**or other damage, fees, costs, charges, and expenses designated by the Company.

OTHER IMPORTANT INFORMATION

Commercial and non-standard installation and other services not listed above will be charged at the Hourly Service Charge. For those of our customers receiving service through commercial accounts, bulk rate arrangements with multiple dwelling owners, or similar arrangements, some of the product, pricing and other information contained herein may not apply. Please refer to the terms and conditions of documents reflecting such separate arrangements. Where such are inconsistent with the information in this Products and Services Price List, the terms and conditions of such separate arrangements will apply.

Please call us for complete details about services and prices. You must subscribe to Basic Service to receive other optional video services. To receive certain optional services, you must rent a converter and remote control for a separate charge. Installation, equipment, additional outlet, change of service, programming access and other charges may apply. Franchise fees, regulatory fees, taxes and other fees may apply with the actual amount depending on location and services ordered. Pricing, programming, channel location and packaging may change. Prices do not include franchise fees or taxes.

Currently, and to the extent required by law, after notice to you of a raising of our services or rate increase, you may change your level of service at no additional charge for a period of 30 days. Otherwise changes in the services you receive which are requested or caused by you will be subject to the upgrade and downgrade charges listed above.

*These prices are formulated using the Hourly Service Charge (HSC) as prescribed by the Federal Communications Commission formula.

0461494

BK0299PG3960

COPY

REQUESTED BY
DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'99 FEB 19 AM 11:12

LINDA SLATER
RECORDER

\$ 0 PAID KJ DEPUTY

0461494

BK0299PG3961

CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE: February 19, 1999
B. REED Clerk of the 1st Judicial District Court
of the State of Nevada, in and for the County of Douglas.

By [Signature] Deputy

SEAL