

### **3. TRANSFERS**

*(a) County Approval Required.*

(1) The Grantee shall apply to the County for approval of any transaction in which any change is proposed with respect to ten percent (10%) or more for voting interests or twenty-five percent (25%) or more for non-voting interests of the ownership of the Grantee, the Cable System, the Cable System assets, or the Franchise by submitting FCC Form 394 or such other form as the FCC may prescribe for that purpose. The application shall be made at least one hundred twenty calendar days prior to the contemplated effective date of the transaction and provide complete information on the proposed transaction, including details on the legal, financial, technical, and other qualifications of the transferee. At a minimum, the following information must be included in the application:

(A) All information and forms required under federal law;

(B) Any shareholder reports or filings with the Securities and Exchange Commission that pertain to the transaction;

(C) A report detailing any changes in ownership of voting or non-voting interests of over five percent;

(D) Other information necessary to provide a complete and accurate understanding of the financial position of the Cable System before and after the proposed transaction;

(E) Complete information regarding any potential impact of the transaction on Subscriber rates and service; and

(F) Any contracts that relate to the proposed transaction and, upon request by the County, all documents and information that are related or referred to therein and

which are necessary to understand the proposed transaction. Should the Grantee believe that the requested information is confidential, then it must provide the following documentation to the County: (i) specific identification of the information; (ii) statement attesting to the reason(s) Grantee believes the information is confidential; and (iii) statement that the documents are available at the Grantee's Fairfax County offices for inspection by the County.

(G) To the extent consistent with federal law, the County may waive in writing any requirement that information be submitted as part of the application, without thereby waiving any rights the County may have to request such information after the application is filed.

(2) The Board may: (i) grant; (ii) grant subject to conditions directly related to the relevant concerns; (iii) deny any such transactions; or (iv) not take action, in which case the transaction shall be deemed granted pursuant to 47 U.S.C. § 537.

(A) For any transaction that the County determines constitutes an assignment of the franchise, Board action shall be expressed by ordinance.

(B) For any transaction that the County determines constitutes a significant transfer of control of the franchise, Board action shall be expressed by resolution. Significant change in control means any change in the ownership of: (i) twenty percent or more of the voting interests; or (ii) fifty percent or more of the non-voting interests.

(C) For any other transaction for which the Grantee has filed an application pursuant to this section, the Communications Administrator shall inform the Board not less than 30 days before such application would be deemed approved pursuant to 47 U.S.C. § 537.

(b) *Subsequent Approvals.* The approval of a transaction described in this section in one instance shall not render unnecessary approval of any subsequent transaction.

(c) *Approval Does Not Constitute Waiver.* Approval by the County of a transaction described in this section does not constitute a waiver or release of the rights of either the Grantee or the County under this Agreement or the Communications Ordinance, whether arising before or after the date of the transaction, nor does such approval constitute a waiver or release of the rights of the County and the public in and to the Public Rights-of-Way or public land, or a release of any police powers.

(d) *Notification of Certain Transactions.* Grantee will notify the County if at any time there is a mortgage or security interest granted on substantially all of the assets of Grantee's Cable System, and will provide the County with copies of all loan documents with respect to such transaction as soon as such documents become publicly available and, if such documents do not become publicly available within ten business days after loan closing, will make such documents available for inspection pursuant to Section 9(a)(1) herein within ten business days after loan closing.