

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

JONES INTERCABLE INC

CIK: **275605** | IRS No.: **840613514** | State of Incorpor.: **CO** | Fiscal Year End: **0531**
Type: **8-K** | Act: **34** | File No.: **001-09953** | Film No.: **94500910**
SIC: **4841** Cable & other pay television services

Business Address
PO BOX 3309
9697 E. MINERAL AVE
ENGLEWOOD CO 80155-3309
3037923111

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 2, 1993

JONES INTERCABLE, INC.
(Exact name of registrant as specified in its charter)

COLORADO	1-9953	84-0613514
(State of	(Commission	(IRS Employer
Organization)	File No.)	Identification No.)

P.O. BOX 3309, ENGLEWOOD, COLORADO 80155-3309	(303) 792-3111
(Address of principal executive office and Zip Code)	(Registrant's
	telephone no.
	including area code)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

(1) Letter of Intent with attached term sheets dated December 2, 1993 between, among others, BCE Telecom International and Jones Intercable, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JONES INTERCABLE, INC.

By: /s/ ELIZABETH M. STEELE

Elizabeth M. Steele,
Vice President

Dated: January 10, 1994

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EXECUTED COPY

BCE TELECOM INTERNATIONAL
1000, RUE DE LA GAUCHETIERE
MONTREAL, QUEBEC
CANADA H3B 4Y8

December 2, 1993

Glenn R. Jones

Jones International, Ltd.

Jones Intercable, Inc.
9697 East Mineral Avenue
Englewood, Colorado 80155-3309

Dear Sirs:

This will confirm our understanding with respect to the transactions described in the attached term sheets (the "Term Sheets"). The Parties acknowledge that the transactions described in the Term Sheets have been approved by the respective Boards of Directors of BCE Telecom International ("Purchaser"), Jones International, Ltd. ("International") and Jones Intercable, Inc. (the "Company"), subject to the negotiation of mutually acceptable definitive agreements and satisfactory completion of due diligence by Purchaser. For purposes of this letter agreement, "Parties" means Purchaser, International, the Company and Glenn R. Jones ("Jones").

1. Each of the Parties agrees to use its respective reasonable best efforts to negotiate definitive agreements based on the Term Sheets. Such definitive agreements shall cover all of the transactions contemplated by all of the Term Sheets and no definitive agreement shall become effective unless all of the definitive agreements contemplated by all of the Term Sheets shall have been entered into and become effective. As soon as practicable following the execution of this letter, the relevant reporting entities will file a Notification and Report Form with the Federal Trade Commission and the Department of Justice in accordance with the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

2. The Company and International acknowledge that Purchaser is entitled to conduct its own due diligence review of the business conducted by the Company and Jones Spacelink, Ltd. ("Parent") and agree to afford to Purchaser

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and its representatives full and complete access to such material as will enable them to investigate the accuracy of financial data and other information provided by or on behalf of the Company or Parent. Any such investigations by the Purchaser and its representatives will be conducted so as not to unreasonably disrupt the business operations of the Company or Parent. Purchaser acknowledges that the confidentiality agreements executed prior to the date hereof will remain in full force and effect.

3. Subject to paragraph 4, during the Term (as defined in paragraph 12 below) none of the Company, International, any Affiliated Entity and the officers, directors, employees or other agents of the Company, International and any Affiliated Entity, and the employees or agents of Jones (collectively, the "Blackhawk Persons") will, directly or indirectly, (i) take any action to solicit, initiate or encourage any Acquisition Proposal (as defined below) or (ii) subject, in the case of the Company, to the fiduciary duties of the Board of Directors of the Company under applicable law as advised by counsel to the Company, with a view to pursuing an Acquisition Proposal with any person (x) engage in negotiations with, or (y) disclose any nonpublic information relating to the Company, Parent or any entity controlled or more than 50% owned by the Company or Parent (a "Subsidiary") to, or (z) afford access to the properties, books or records of the Company, Parent or any Subsidiary to, any such person or its directors, officers, employees or agents. The Company and International will promptly notify Purchaser after receipt by a

Blackhawk Person of (A) any Acquisition Proposal or (B) actual notice that any person is giving serious consideration to making an Acquisition Proposal or (C) any request for nonpublic information relating to the Company, Parent or any Subsidiary or for access to the properties, books or records of the Company, Parent or any Subsidiary by any person that a Blackhawk Person reasonably believes is considering making or has made, an Acquisition Proposal and will keep Purchaser fully informed of the status and details of any such Acquisition Proposal, notice or request. Nothing in this paragraph 3 shall prevent a Blackhawk Person from discussing, negotiating and otherwise pursuing transactions that will involve the acquisition by the Company of businesses that are in the same line of business as the Company. For purposes of this letter of intent, (A) "Acquisition Proposal" means a bona fide offer or proposal for, or indication of interest in, a merger or other business combination involving the Company, Parent or any Subsidiary or the acquisition of any equity interest in, or a substantial portion of the assets of, the Company, Parent or any Subsidiary, other than the transactions contemplated by the Term Sheets and this letter of intent and other than the Company/Parent Business Combination (as defined in

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paragraph 11 below), and (B) "Affiliated Entity" means any entity controlled or more than 50% owned, directly or indirectly, by Jones or International, other than the Company, Parent and the Subsidiaries. In no event will International be liable under this paragraph 3 for amounts in excess of \$5,000,000 in the aggregate.

4. The Company acknowledges that its business plan does not anticipate any need to raise equity financing during the Term. If during the Term the Company believes that its sources of funds may be insufficient to meet its projected cash requirements, the Company will discuss potential sources of financing to fund such projected shortfall. If after such discussions the Company reasonably believes that equity financing is its preferred alternative, the Company may sell up to 1,500,000 shares of Class A Common Stock, provided that prior to any such sale it first offers such shares to Purchaser. Purchaser's initial investment in the Company will be reduced by the number of any shares purchased pursuant to this paragraph 4.

5. During the Term, each of International and Jones agree (i) not to directly or indirectly sell, pledge or otherwise dispose of Class B Common Stock in Parent or Common Stock in the Company, (ii) not to directly or indirectly enter into any proxy or voting arrangement with respect to any equity securities of Parent or Company or vote shares in either entity in any manner inconsistent with the transactions contemplated by the Term Sheets, (iii) to use reasonable best efforts to cause Parent not to sell, pledge or otherwise dispose of its shares of Common Stock in the Company, or enter into any proxy or voting arrangement with respect to such shares or vote such shares in any manner inconsistent with the transactions contemplated by the Term Sheets (except in each case pursuant to the Company/Parent Business Combination) and (iv) not to enter into any agreement with respect to the foregoing.

6. During the Term, Jones, International and the Company will use reasonable efforts to keep Purchaser informed as to material developments affecting the business of the Company and Parent.

7. None of the Parties shall issue (or allow their affiliates to issue) any press release or make any public statement with respect to this letter of intent or the transactions contemplated hereby without the consent of the other parties hereto, except as may be required by applicable law, listing agreement with any securities exchange or similar agreement or requirement, in which case the parties hereto shall consult on the content of any such disclosure prior to its public dissemination.

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8. The Company agrees that in the event it enters into an agreement relating to a Material Financing Transaction prior to 45 days after the termination of the Term, the Company will pay to Purchaser an amount in cash equal to \$5,000,000. "Material Financing Transaction" means any transaction pursuant to which (i) the Company issues (or is obligated to issue pursuant to the terms of a convertible or similar security) more than 1,000,000 shares of its common stock at a price greater than \$27.50 per share (not including any shares issued pursuant to paragraph 4), (ii) the Company sells substantially all of its assets to a third party, or (iii) the Company consummates a merger, recapitalization, restructuring or other business combination involving the Company pursuant to which any class of common stock of the Company is valued at a price greater than \$27.50 per share.

9. Jones and International agree that in the event they or any of their affiliates enter into an agreement relating to a Material Sale Transaction prior to 45 days after the termination of the Term, International (but not Jones) will pay, or cause to be paid, to Purchaser an amount in cash equal to \$5,000,000, provided that in no event will Purchaser be entitled to receive more than one payment pursuant to this paragraph and the immediately preceding paragraph. "Material Sale Transaction" means any transaction pursuant to which International, Parent or Jones, directly or indirectly, sell, or agree to sell, or grant an option or similar right with respect to, or enter into any voting arrangement with an unaffiliated party covering, either (x) a majority of the outstanding shares of Common Stock of the Company or (x) a majority of the outstanding shares of Class B Common Stock of Parent.

10. During the Term, none of Purchaser or any entity controlled or more than 50% owned, directly or indirectly, by Purchaser, and the officers, directors, employees or other agents of Purchaser or any such entity will, directly or indirectly, (i) take any action to solicit, initiate or encourage any Cable Acquisition Proposal (as defined below) or (ii) with a view to pursuing a Cable Acquisition Proposal with any person, engage in negotiations, or exchange information, with any such person or its directors, officers, employees or agents. Purchaser will promptly notify the Company after receipt by it of (A) a Cable Acquisition Proposal or (B) actual notice from a third party that it is seriously considering making or is interested in receiving a Cable Acquisition Proposal. Purchaser will keep the Company fully informed of the status and details of any such Cable Acquisition Proposal or notice. For purposes of this paragraph 10, "Cable Acquisition Proposal" means any bona fide offer or proposal for, or indication of interest in, (x) a merger or other

business combination involving Purchaser (or any entity controlled or more than 50% owned by Purchaser) and any of the companies listed on Schedule I hereto or any entity controlled or more than 50% owned by any such companies or (y) the acquisition of any equity interest in, or a substantial portion of the assets of, any such companies or entities.

11. The Term Sheets and this letter of intent are only statements of intent and do not constitute a contractual commitment of the parties hereto or an agreement to enter into a contractual commitment. This letter of intent and the Term Sheets do not address all matters upon which agreement must be reached in order to enter into definitive agreements or consummate the transactions contemplated by the Term Sheets. A binding commitment with respect to such transactions will be set forth only in definitive agreements mutually acceptable to the parties hereto, which agreements will not be entered into until after the proposed asset purchase transaction between Company and Parent (the "Parent/Company Business Combination") has been approved by the Board of Directors of each company, and the definitive agreement covering such transaction has been executed. The Parties agree that the definitive agreements which are the subject of this letter of intent will provide that no party shall be obligated to consummate the transactions covered by such agreements if the Parent/Company Business Combination shall not have been completed on the terms set forth in the definitive agreement covering such transaction. Notwithstanding the foregoing, the provisions of this letter of intent set forth in paragraphs 2 through 15 hereof are intended to be binding on the parties hereto.

12. This letter of intent terminates on the earliest of (i) February 18, 1993, (ii) the execution and delivery of definitive agreements and (iii) the mutual agreement of the Parties to terminate this letter agreement. For purposes of this letter agreement, "Term" means the period from the date hereof to the termination of this letter agreement.

13. This letter of intent shall be governed by the laws of the State of Colorado without regard to its conflict of law rules.

14. Except as otherwise specified herein and in the Term Sheets, all costs and expenses incurred in connection with the transactions contemplated hereby shall be paid by the Party incurring such costs or expenses.

15. This letter of intent may be executed in two or more counterparts, each of which shall be deemed an

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original, but all of which together shall constitute one and the same instrument.

If the foregoing properly sets forth our understanding, please so indicate by signing a copy of this letter in the space provided below and returning such copy us.

Very truly yours,

BCE TELECOM INTERNATIONAL

By: /s/ DEREK H. BURNEY
Name: Derek H. Burney
Title: Chairman and
Chief Executive Officer

By: /s/ DANIEL E. SOMERS
Name: Daniel E. Somers
Title: Senior Vice-President and
Chief Financial Officer

ACCEPTED AND AGREED:

JONES INTERCABLE, INC.

By: /s/ ELIZABETH M. STEELE
Name: Elizabeth M. Steele
Title: Vice President and
General Counsel

JONES INTERNATIONAL, LTD.

By: /s/ GLENN R. JONES
Name: Glenn R. Jones
Title: Chairman and
Chief Executive Officer

Only as to paragraphs 1, 5, 6, 7 and 9

/s/ GLENN R. JONES
Glenn R. Jones

SCHEDULE I

<TABLE>
<CAPTION>

MSO (MULTIPLE SYSTEM OPERATOR) -----	BASIC SUBSCRIBERS -----
<S>	<C>
Tele-Communications, Inc. (TCI)	10,171,000
Time Warner Cable	7,070,000
Continental Cablevision, Inc.	2,913,000
Comcast Corporation	2,647,000
Cablevision Systems Corporation	2,070,000
Cox Cable Communications	1,729,000
Newhouse Broadcasting Corporation	1,353,000
Cablevision Industries, Inc.	1,299,000
Times Mirror Cable Television	1,194,000
Adelphia Communications	1,183,000
Falcon Cable TV	1,099,000
Viacom Cable	1,083,000
Sammons Communications, Inc.	979,000
Century Communications Corp.	919,000
Crown Media, Inc.	823,000
Colony Communications, Inc.	765,000
TeleCable Corporation	699,000
Scripps Howard Cable	678,000
TKR Cable	608,000
Lenfest Group	591,000
KBLCOM, Inc. (Houston Industries)	589,000
InterMedia Partners	537,000
Prime Cable	520,000
Post-Newsweek Cable, Inc.	478,000
TCA Cable TV, Inc.	469,000
Tele-Media Corporation	453,000
Womelco Cable Corp.	428,000
Madison Hunter Cable TV	421,000
Multimedia Cablevision	411,000
Rifkin & Associates, Inc.	366,000
Triax Communications Corp.	334,000
Western Communications, Inc.	318,000
C-TEC Cable	257,000

</TABLE>

FINAL
DECEMBER 1, 1993

TERM SHEET
FOR
SHAREHOLDER AND
OPTION AGREEMENT

VOTING

Each of BCETI and Jones will take all action as may be required to vote for all of their respective nominees to the Board of Directors.

RIGHT TO PURCHASE
COMMON STOCK OF
BLACKHAWK

Subject to terms and conditions set forth below, at any time between the seventh and eighth anniversary of the closing, Investor will have the right (the "Control Option") to purchase from Chairman/CEO and International (collectively, the "Grantors"), all of the

shares of Common Stock of Blackhawk (the "Optioned Shares") and all options on shares of Common Stock of Blackhawk (the "Optioned Options"), in each case owned by the Grantors after consummation of the proposed transaction between Blackhawk and its immediate Parent. The parties understand that the Control Option will cover (i) approximately 2,500,000 Optioned Shares and (ii) Optioned Options exercisable into approximately 600,000 shares of Common Stock. The Optioned Shares and the Optioned Options are referred to herein as the "Optioned Securities".

At the time Grantors grant the Control Option, which is anticipated to be immediately following consummation of the proposed asset purchase transaction between Blackhawk and its immediate Parent, Investor will pay to Grantors an amount in cash equal to (i) \$20.00 for each Optioned Share and (ii) for each Optioned Option, the product of (A) the number of shares of Common Stock covered by such Optioned Option and (B) the

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difference between \$20.00 and the exercise price of such Optioned Option. Such amount shall not be applied to the purchase price for the Optioned Securities described below. Such right will be non-assignable (except as otherwise contemplated herein), may only be exercised in full, and failure to exercise such right before the eighth anniversary of the closing shall result in termination of this option.

1. In the event of death or incapacitation (an "Event") of Chairman/CEO, Investor shall have the immediate right to purchase the Optioned Securities. Such right shall be effective for a period of nine months following an Event, after which period Investor's right to purchase the Optioned Securities shall terminate.
2. In the event the Chairman/CEO resigns from the Company, Investor will have the immediate right to purchase the Optioned Securities. Such right shall be effective for a period of three months following the date of such resignation. The failure of Investor to exercise its right during such three month period will not terminate the option.
3. At any time after the fifth anniversary of the closing, the Grantors may request that Investor exercise its right to purchase the Optioned Securities. Investor shall then have a period of six months to exercise its right, after which period Investor's right to purchase the Optioned Securities shall

terminate.

PURCHASE PRICE
PER SHARE

The purchase price per share for each of the
Optioned Shares will be equal to the sum of:

(i) the product of two-thirds and the
Option Price on the Trigger Date; plus

(ii) the product of one-third and 120%
of Fair Market Value on the Trigger Date.

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The purchase price for each share covered by
an Optioned Option shall be equal to the
price per share paid for the Optioned Shares.

The purchase price shall be payable in cash
or, by mutual agreement, in shares of
Investor's Parent or ultimate Parent.

"Fair Market Value" means the average of the
reported closing prices during the 30 day
period immediately preceding the Trigger Date
for Class A Shares. If no liquid public
market for the Class A Shares exists, then
Fair Market Value shall be determined by
appraisal pursuant to an agreed process.

"Option Price" has the meaning set forth in
Schedule I.

"Trigger Date" means (i) the date of an Event
in the case of paragraph 1, (ii) the date
Chairman/CEO resigns in the case of paragraph
2, (iii) the date Grantors deliver a request
notice in the case of paragraph 3, (iv) the
date Investor delivers an exercise notice in
the case of an exercise by it after the
seventh anniversary, and (v) in the case of a
purchase of Class A Shares because of a
Change in Law, the date Investor delivers the
Offer Notice (as defined in the next
paragraph).

CHANGE IN LAW

If a Change in Law (to be defined) requires,
directly or indirectly, Investor to divest
the Control Option, or would prevent Investor
from exercising the Control Option, the
Control Option will become transferable on
the terms and conditions described herein,
provided that this provision will not apply
if it was triggered by the entry by Investor
(or its affiliates) into a new line of
business. In any such event, if Investor
elects to dispose of the Control Option and
its Class A Shares, Investor and Grantors
will use reasonable efforts to identify a
suitable partner to purchase the Control
Option and the Class A Shares held by
Investor. Investor will give Grantors written
notice of such election (the "Offer Notice").

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Prior to transferring the Control Option to a third party, Investor will first offer the Control Option to Grantors at a specified price. Grantors will then have nine months to decide whether to purchase the Control Option. If Grantors elect to purchase the Control Option, they may also elect to purchase all (but not less than all) of the shares of common stock of Blackhawk then held by Investor at a price per share equal to Fair Market Value. In the event Grantor elects not to purchase the Control Option, Investor has a period (to be agreed) during which it may sell the Control Option to a third party at a price not less than 95% of the offering price to Grantors, provided that Investor will consult with Jones before making any such sale and consider Jones' views as to the suitability of potential purchasers.

RIGHT TO PURCHASE
CLASS A COMMON
STOCK OF BLACKHAWK

Investor acknowledges that Grantors own a number of shares of Class A Common Stock of Blackhawk (the "Class A Shares"), which Grantors may wish to sell over time. Subject to the terms and conditions described below, until the eighth anniversary of the Closing Date, Grantors may not sell any Class A Shares without first offering such Class A Shares to Investor.

(i) Grantors may sell up to 15,000 Class A shares in any calendar month, without any obligation to offer such Class A Shares to Investor.

(ii) If a Grantor wishes to sell any Class A Shares in a transaction not described in paragraph (i), such Grantor will first offer such Class A Shares to Investor. Grantor shall first deliver a written offer notice to Investor specifying the number of Class A Shares offered for sale (the "Offered Shares") and the average of the closing bid and asked prices for the Class A Shares as of the last business day preceding the day the offer notice is delivered (the "Offered Price"). Investor will have 24 hours to decide whether to purchase the Offered Shares at the Offered Price, provided that Investor

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will have five business days to make such determination if the aggregate purchase price of the Offered Shares, together with any other amounts paid by Investor to the Grantors pursuant to this paragraph (ii) during the immediately preceding 30 days, exceeds \$10,000,000.

If Investor fails to deliver a written purchase notice to a Grantor within the time periods described in paragraph (b), such Grantor is free to sell the Offered Shares in open market transactions or private transactions to any company or individual not primarily engaged in North American cable

television or North American telecommunications businesses.

Investor shall have five business days to close the purchase of Offered Shares, except that such period will be extended to 30 days in the case of offers for which Investor has five business days to respond. The purchase price shall be payable in cash or, by mutual agreement, in shares of Investor's Parent or ultimate parent.

In no event will Grantors be permitted to sell more than 900,000 Class A Shares in any 12 month period without Investor's consent. If Grantors wish to sell more than 900,000 Class A Shares in any 12 month period for tax or estate planning purposes or for other unanticipated bona fide liquidity needs, Grantors, Investor and the Company will use reasonable efforts to develop a plan of orderly disposition that takes into account the Company's projected offerings of equity securities during such 12 month period, if any.

If Investor decides to purchase more than 15,000 Class A Shares in any calendar month, Investor will first give Grantors the opportunity to sell Class A Shares. Grantors will have 48 hours to respond pursuant to procedures similar to those described above.

PURCHASE OF SHARES
BY INVESTOR

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SCHEDULE I

The Option Price on any Trigger Date will be based on the following table:

<TABLE>
<CAPTION>

ANNIVERSARY OF THE CLOSING DATE	BASE PRICE
-----	-----
<S>	<C>
0	\$30.00
1	40.32
2	45.16
3	50.58
4	56.65
5	63.44
6	71.06
7	79.58
8	89.13

</TABLE>

The Option Price will equal the sum of:

- (i) the Base Price on the anniversary of the Closing Date immediately preceding the Trigger Date, and
- (ii) a pro rata portion of the difference between such Base Price and the Base Price on the immediately succeeding anniversary of the Closing Date.

The Base Price will be reduced by the amount of any special dividends paid or declared by the Company to Grantors prior to the purchase of the Optioned

FINAL
DECEMBER 1, 1993

TERM SHEET
FOR
STOCK PURCHASE AGREEMENT
BETWEEN
BCETI AND BLACKHAWK

INITIAL
TRANSACTIONS

At Closing, BCETI (the "Investor") will purchase (i) 8,400,000 shares of Class A Common Stock (the "Class A Shares") of Blackhawk (the "Company") and (ii) a number of Class A Shares equal to 30% of the Class A Shares issued pursuant to the proposed asset purchase transaction with the Parent of Blackhawk (approximately 1,600,000 Class A Shares).

The purchase price for these initial investments will be \$27.50 per Class A Share.

INVESTMENT
COMMITMENT

In addition to the initial transactions described above, Investor will subscribe for 30% of any shares sold pursuant to subsequent equity offerings by the Company, provided that this subscription obligation will terminate when the aggregate amount of Investor's purchases of equity securities from the Company (including the approximately 10,000,000 Class A shares purchased pursuant to the initial investments) equals \$400 million.

PRE-EMPTIVE
RIGHTS

Investor will have the right to maintain its then percentage equity interest in the case of all issuances by the Company of equity securities (other than routine grants of stock options and related issuances).

REGISTRATION
RIGHTS

Investor will have customary demand registration rights with respect to any equity securities of Blackhawk purchased from time to time.

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STANDSTILL
AGREEMENT

Investor will agree to vote all equity securities of the Company held by it in favor of the Company's nominees to the Board of Directors. Without the written consent of the Company, in no event will Investor solicit proxies with respect to the Company's equity securities, become a participant in any election contest or join any group seeking to acquire, hold or dispose of equity securities of the Company.

BOARD
REPRESENTATION

The Board of Directors of the Company will initially have ten directors, elected as

follows:

(i) six directors will be nominated by Glenn Jones and Jones International, Ltd. (collectively, "Jones"), one of which will not be affiliated with Jones,

(ii) three directors will be nominated by Investor, and

(iii) one unaffiliated director will be nominated jointly by Investor and Jones.

Each of Investor, Jones and the Company will use all reasonable efforts to elect the foregoing nominees to the Board. If the holders of the Class A Shares elect three directors that are not nominated by Company, (i) five of the seven remaining directors will be nominated by Jones and two by Investor and (ii) at Jones' option, the Board of Directors may be increased to twelve, in which case seven of the directors to be nominated by holders of Common Stock will be nominated by Jones and two by Investor. The Board of Directors will have an executive committee, audit committee and compensation committee and Investor will have not less than one director on each such committee. Investor undertakes, to the extent permitted by law, to vote its shares in the Company and direct its nominees to the Board so as to insure that the directors nominated by Jones will represent at least a majority of the members of the Board.

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CONSENT RIGHTS

Investor to have the right of consent to the following actions by the Company:

(i) the authorization or issuance of equity securities (including stock splits and stock dividends, but other than routine grants of stock options and related issuances),

(ii) any amendments to the Articles of Incorporation or By-Laws of the Company,

(iii) the placement of new long-term indebtedness exceeding in any single case \$100,000,000 and \$200,000,000 in the aggregate, but excluding bank credit arrangements entered into from time to time to finance general corporate purposes having a principal amount not exceeding \$500,000,000,

(iv) the acquisition or sale of any cable television system having a purchase price exceeding \$50,000,000 in any single case and \$250,000,000 in the aggregate for acquisitions and \$250,000,000 in the aggregate for sales,

(v) the acquisition or sale of any Business (as defined below) (other than a cable television system) having a purchase

price exceeding \$5,000,000 in any single case and \$50,000,000 in the aggregate for acquisitions and \$50,000,000 in the aggregate for sales,

(vi) the entry by the Company into a line of business other than a Business,

(vii) the taking of any action that would reasonably be expected to, as a result of a law or regulation, (x) require Investor to divest any of its equity interest in the Company or (y) prevent the Investor from obtaining control of the Company, or

(viii) the sale of substantially all of the assets of the Company, a liquidation, a merger where the Company is not the surviving

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corporation and such other fundamental changes as agreed by the parties.

CONSULTATION
ON BUSINESS
STRATEGIES

The Company will regularly advise and consult with Investor in respect of its strategic, operating and financial plans, including plans for system acquisitions and sales (both as they relate to managed limited partnerships and third party transactions); equity, debt, joint venture and other financing strategies; business plans for operations, marketing and technology deployment; and personnel, compensation and related decisions. Each year, management of the Company will present to the Board of Directors for approval a business plan including the elements described above.

SCOPE OF
RELATIONSHIP

Investor and Jones recognize that the cable television and telecommunications businesses are rapidly evolving. The parties will consult with each other regarding possible new converging business segments and markets, such as the delivery of value added, inter-exchange and wireless services.

OBLIGATION TO
REFER BUSINESS
OPPORTUNITIES

Each of BCETI and Jones will have an obligation to refer, and will cause entities owned or controlled by them to refer, to the Company business opportunities in (A) any Business described in paragraphs (i), (ii) and (iii) of the definition, (B) any business that has a fair market value less than the then market capitalization of the Company and is primarily engaged in wireline local exchange communications businesses in geographic markets in the United States where the Company does not own or operate a cable television or wireline local exchange communications business, and (C) such other businesses as may be agreed by the Investor and Jones. Prior to closing, Investor and Jones will review the businesses described in clause (iv) of the definition of "Business" and discuss whether any such businesses should be added to this referral obligation.

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BUSINESS

"Business" means the following lines of business in the United States of America:

- (i) cable television businesses,
- (ii) wireline local exchange communications businesses in geographic markets where the Company owns or operates a cable television business, and
- (iii) transport of broadband inter-active multi-media businesses in geographic markets where the Company owns or operates a cable television or wireline local exchange communications business, and
- (iv) any other existing businesses conducted by the Company and its immediate Parent.

The parties agree that Business does not include (i) the provision of PCS/PCN services, but includes the lease of distribution systems to PCS/PCN service providers and (ii) the provision of content (other than existing businesses described in paragraph (iv) above).

If a party votes against an investment by the Company in any of the foregoing business opportunities, such party will not independently invest in such business opportunity.

SECONDMENT OF
PERSONNEL BY
INVESTOR

Investor will have rights to second an agreed number of qualified personnel at appropriate levels of responsibility into the various business disciplines of the Company. Company to have reasonable consent rights over the identity of such secondees. The parties agree that one of such secondees to the Company will interface with FinCo to identify and pursue investment opportunities for the Company.

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EMPLOYMENT OF
CHAIRMAN/CEO

Company will enter into employment agreement with Chairman/CEO, pursuant to which he will receive annual compensation commensurate with his aggregate current compensation from the Company and its immediate Parent. The agreement will expire at the earlier of (i) the end of the eighth year after closing or (ii) the closing of the exercise of the option granted by Jones to Investor on the Common Stock of the Company. Investor agrees that Chairman/CEO will spend part of his time performing similar duties on behalf of affiliated companies.

PROGRAMMING

Programming services of affiliates of BCETI

SERVICES PROVIDED
BY AFFILIATES OF
BCETI AND JONES

and Jones will be carried on the Company's cable television systems on the following basis:

(i) Programming services provided by affiliates of Jones will be given access to six channels. Jones will have priority over Investor with respect to these channels.

(ii) Investor will have the right to two channels for programming services provided by its affiliates.

(iii) Investor will have no rights under clause (ii) to designate a programming service that has substantially similar content to the services provided by Jones in clause (i).

CABLE BROKERAGE
SERVICES

Investor and Jones will collaborate and consult on potential acquisitions and dispositions by the Company. The Company will pay fees to financial services affiliates of Jones (collectively, "FinCo") for cable brokerage services to the Company in connection with future acquisitions and/or sales that are identified or pursued on behalf of the Company by FinCo and for which it provides to the Company customary brokerage, finders and investment banking services. The fees paid in connection with such transactions will be approximately 90%

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of the fees that would be charged by unaffiliated third parties, subject to approval by the independent directors. No fees will be payable to FinCo in respect of any transactions involving the Company's managed limited partnerships.

FinCo will pay to Investor 50% of any fees received by it under this arrangement, net of reasonable and customary expenses incurred by FinCo.

TRANSACTIONS WITH
AFFILIATES
OF JONES

Investor to acknowledge that certain services have historically been provided by the Company to affiliates of Jones, and by such affiliates to the Company. Services provided by the Company principally include certain management, operational, aviation and financial and investor services in the U.S., U.K. and Spain. Services provided to the Company principally include the lease of certain real estate, the lease of satellite transponder capacity, management information services and certain financial services. Such services (which are described in the draft proxy statements delivered to Investor) will continue to be provided for a period of eight years following closing, on terms and conditions consistent with those as are currently in effect.

Transactions with affiliates of Jones other than those described in the immediately

preceding paragraph would be subject to approval by the Board, excluding directors nominated by Jones other than the unaffiliated directors.

TECHNICAL SERVICES
TO BE PROVIDED BY
INVESTOR

The Company and Investor will negotiate a technical services agreement pursuant to which Investor will receive an annual fee of \$2,000,000 for such services.

SUPPLIER
ARRANGEMENTS

The Company will give Investor and its affiliates the first opportunity to supply services, compatible network equipment and systems to the Company on competitive terms

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and conditions which will, at the Company's discretion, be made pursuant to competitive bidding or other processes. Nothing herein will adversely affect the Company's ability to obtain services, equipment and systems on open and competitive terms.

TRANSACTIONS
WITH AFFILIATES
OF INVESTOR

Transactions with affiliates of Investor would be subject to approval by the Board, excluding directors nominated by Investor.

FINANCIAL
ADVISORY
FEE

Upon closing of the initial investment, Company will pay (i) a financial advisory fee of \$2,000,000 to its financial services affiliate and (ii) \$600,000 to Investor to cover its expenses. Investor and Company will each be responsible for other brokerage, financial services or similar fees and expenses which each may incur in connection with the transaction.

INVESTMENT
ENTITY

Investor may assign its rights to a controlled affiliated entity (which entity must continue to be controlled by Investor), but no such assignment will relieve Investor of its obligations hereunder. The investing entity used by Investor will not, directly or indirectly, issue debt or equity interests to, nor invest in or lend money to, entities primarily engaged in the cable television, telecommunications or educational programming businesses. Investor will notify Jones if it issues equity interests to unaffiliated third parties.

TERMINATION
OF INVESTOR'S
RIGHTS

The rights of Investor will terminate as described in Schedule I.

TERMINATION OF
RELATIONSHIPS
WITH JONES

If Investor purchases the Optioned Securities (as defined in the other term sheet), the rights and obligations described above of Jones and its affiliates will terminate, provided that the contracts relating to programming services provided by affiliates

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of Jones will survive for fifteen years after the closing of the initial investment by Investor in the Company. After the closing of the purchase of the Optioned Securities, the rates and other terms and conditions for any such programming services will be no less favorable to Jones than those in effect immediately prior to such closing and will be subject to adjustments thereafter that are similar to adjustments obtained by Jones from other cable operators with comparable distribution, if any.

Schedule I

Termination of Investor's Rights:

<TABLE>
<CAPTION>

Paragraph	Ownership Percentage or Number of Shares	Time Period	Existence of Option	Board Seats	Consent Rights
<S>	<C>	<C>	<C>	<C>	<C>
1	Ownership of at least 10,000,000 shares	5 years	Yes or no	3	All
2	Ownership of at least 10,000,000 shares	Years 6-8	Yes	3	All
3	Ownership of at least 10,000,000 shares	Years 6-?	No	Depends on % ownership below	

</TABLE>

If Investor owns less than 10,000,000 shares, or Paragraph 3 applies, the following matrix will govern:

<TABLE>
<CAPTION>

Paragraph	Ownership Percentage or Number of Shares	Time Period	Existence of Option	Board Seats	Consent Rights
<S>	<C>	<C>	<C>	<C>	<C>
A	Ownership of at least 20% of total O/S shares	All times	Yes or No	3	All
B	Ownership of less than 20% but at least 15% of total O/S shares	All times	Yes	3	All
C	Ownership of less than 20% but at least 15% of total O/S shares	All times	No	2	(ii), (vii)
D	Ownership of less than 15%, but at least 10%, of total O/S shares	All times	Yes	1	(ii), (vii), (viii)
E	Ownership of less than 15%, but at least 10%, of total O/S shares	All times	No	1	(vii)
F	Ownership of less than				

10% of total O/S shares All times Yes 1 (ii), (vii), (viii)

G Ownership of less than 10% of total O/S shares All times No 0 None
</TABLE>

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TERM SHEET DECEMBER 1, 1993
FOR FINAL
INVESTMENTS IN
JONES LIGHTWAVE, LTD.

INVESTMENT At Closing, BCETI (the "Investor") will purchase a number of shares of Class A Common Stock of Jones Lightwave, Ltd. (the "Company") equal to 50% of the outstanding common shares of the Company.

The purchase price for the shares will be \$5,000,000.

PRE-EMPTIVE RIGHTS Investor will have the right to maintain its then percentage equity interest in the case of all issuances by the Company of equity securities (other than routine grants of stock options and related issuances).

TAG ALONG RIGHTS Investor will receive prior notice of any sales by Glenn R. Jones or Jones International, Ltd. ("Blackhawk") of equity securities in the Company. Investor will have the right to participate, on a pro rata basis, in any such sales and will receive the same price per share paid to Blackhawk.

RIGHT OF FIRST OFFER If Investor or Blackhawk elects in its discretion, to sell or dispose of its equity interest in the Company to an unaffiliated third party, the other party will have a right of first offer on the selling party's equity interest.

BOARD REPRESENTATION Blackhawk shall have the right to name the Chairman of the Board (who shall also be a Board member). Remaining Board members shall be nominated 50% by Blackhawk and 50% by Investor.

DISPUTE RESOLUTION If the parties are unable, after a reasonable period of consultation and discussion, to reach agreement on a material business issue confronting the Company, Investor agrees that it will offer to sell to Blackhawk its equity interests in the Company at fair market value pursuant to an agreed procedure.

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CONSENT RIGHTS Investor to have the right of consent to the following actions by the Company (so long as the investor owns at least 50% of equity securities of the Company or so long as investor's interests are at least equal to Blackhawk's interests):

- (i) The authorization or issuance of equity securities (including stock splits and stock dividends, but other than routine grants of stock options and related issuances),
- (ii) any amendment to the Articles of Incorporation or By-Laws of the Company,
- (iii) the placement of material new long-term indebtedness exceeding in any single case \$1,000,000 and \$2,500,000 in the aggregate, but excluding bank credit arrangements entered into from time to time to finance general corporate

purposes having a principal amount not exceeding \$2,500,000,

- (iv) any material acquisitions or sales,
- (v) the annual business plan of the Company,
- (vi) the entry by the Company into a new line of business,
- (vii) the taking of any action that would reasonably be expected to, as a result of a law of regulation, require Investor to divest any of its equity interest in the Company, or
- (viii) The sale of substantially all of the assets of the Company, a liquidation, a merger where the Company is not the surviving corporation and such other fundamental changes as agreed by the parties.

CONSULTATION ON
BUSINESS STRATEGIES

The Company will regularly advise and consult with Investor in respect of its strategic, operating and financial plans: equity, debt, joint venture and other financing strategies; business plans for operations, marketing and technology deployment; and personnel, compensation and related decisions.

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Investor acknowledges that Company currently utilizes and would anticipate continuing to utilize limited partnerships for the raising of capital for subsidiaries and affiliates of Company.

SECONDMENT OF
PERSONNEL BY INVESTOR

Investor will have rights to second an agreed number of personnel at appropriate levels of responsibility. Company will have reasonable consent rights over the identity of secondees.

TRANSACTIONS WITH
AFFILIATES OF
BLACKHAWK

Transactions with affiliates of Blackhawk would be subject to approval by the Board, excluding directors nominated by Blackhawk.

TRANSACTIONS WITH
AFFILIATES OF INVESTOR

Transactions with affiliates of Investor would be subject to approval by the Board, excluding directors nominated by Investor.

LOAN BY INVESTOR

Investor shall lend U.S.\$5,000,000 to Company at Closing on terms and conditions reasonably acceptable to Investor.

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TERM SHEET
FOR
INVESTMENT IN
JONES EDUCATION NETWORKS, INC.

December 1, 1993
FINAL

INVESTMENT

At Closing, BCETI (the "Investor") will purchase a number of shares of Class A Common Stock of Jones Education Networks, Inc. (the "Company") equal to 15% of the outstanding shares of the Company.

The purchase price of the shares will be \$18,000,000.

If during the twelve month period following Closing the Company issues new equity securities solely for cash at a price per share less than the price paid by Investor, then the Company will pay to Investor an amount in cash equal to the difference (which amount, in Company's discretion, may be paid in equity securities of the Company at the most recent valuation). If during the twelve month period following Closing the Company issues new equity securities for consideration, in whole or in part, other than cash at a price share less than 90% of the price by Investor, then the company will pay to Investor an amount in cash equal to the difference between 90% of the price paid by Investor and the value of the consideration paid by the other party (which amount, in the Company's discretion, may be paid in equity securities of the Company at the most recent valuation). The valuation of any non-cash consideration will be determined under normal and appropriate industry standards, such valuation to be approved by the Company's Board of Directors.

PRE-EMPTIVE RIGHTS

Investor will have the right to maintain its then percentage equity interest in the case of all issuances by the Company of equity securities (other than routine grants of stock options and related issuances and other than through an initial public offering).

Investor will receive registration rights subsequent to an initial public offering.

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HYPOTHECATION

Investor recognizes that Glenn R. Jones and Jones International, ("Blackhawk") reserve the right to pledge or hypothecate its ownership interests in Company for financing purposes.

BOARD REPRESENTATION

Investor will be entitled to nominate one member to the Board.

Investor will have one representative on all committees of the Board of Directors.

DIVESTITURE

In the event that Investor wishes to divest ownership in Company for any reason, Investor will offer its interests in Company to Blackhawk at a specified price. Blackhawk will have three months to accept, reject or renegotiate the purchase of Investor's interests. If Blackhawk accepts the offer it will have an additional six months to close on the purchase of the interests. If Blackhawk rejects the offer, or if Blackhawk is unable to close on the purchase, Investor may, after reasonable consultation with Blackhawk, sell its interests at a price no less than 95% of the offered price referred to above for a period of nine months subsequent to such rejection or failure to close.

MOST FAVORED NATIONS CLAUSE

For a period of five years subsequent to closing, any Board of Director consent rights granted to a subsequent 15% or less investor in Company shall also be awarded to Investor.

NOTICE OF AFFILIATE TRANSACTIONS

Company will give Investor notice of any material affiliated transactions.

AUDITED FINANCIAL STATEMENTS

Commencing with the fiscal year ended May 31, 1994, Company will deliver audited financial statements to Investor.

CONSULTATION ON

The Company will regularly advise and consult with

BUSINESS STRATEGIES

Investor in respect of its strategic operating and financial plans; equity, debt, joint venture and other financing strategies; business plans for operations, marketing and technology deployment; and personnel, compensation and related decisions. Each year, management of the Company will present to the Board of Directors for approval a business plan including the elements described above.

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TAG ALONG RIGHTS

In the event that, through a single sale or a series of sales, Blackhawk has divested or will divest more than 50% of its ownership of Company or has divested or will divest control of the Company, Investor shall have the right to (i) participate on a pro rata basis in such sales by Blackhawk, or (ii) sell all of its interests, all upon the same terms and conditions as Blackhawk. In the event that Blackhawk sells all of its interests, it may require that Investor sell all of its interests concurrently.

Tag along rights will expire upon the event of a public offering.

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