

SNOHOMISH COUNTY COUNCIL  
Snohomish County, Washington

MOTION NO. 25-138

APPROVING TRANSFER OF CONTROL OF THE  
TELECOMMUNICATIONS FRANCHISE GRANTED TO ZIPLY FIBER  
NORTHWEST, LLC BY ORDINANCE NO. 23-059 FROM NORTHWEST  
FIBER HOLDCO, LLC TO BCE HOLDING CORPORATION

WHEREAS, Snohomish County (the “County”) granted a nonexclusive telecommunications franchise to Ziplly Fiber Northwest, LLC (“Ziplly Fiber”) on July 12, 2023, by Ordinance No. 23-059, recorded under Auditor File No. 202308140141, expiring on August 10, 2043 (“the Franchise”); and

WHEREAS, Northwest Fiber Holdco, LLC (“Northwest Fiber”) is the parent company of Ziplly Fiber; and

WHEREAS, Northwest Fiber entered into an Agreement and Plan of Merger dated November 1, 2024 (the “Merger Agreement”), with BCE Holding Corporation (“BCE Holding”), in which BCE Holding will acquire ultimate ownership and control of Northwest Fiber, including Ziplly Fiber; and

WHEREAS, BCE Holding is a private corporation incorporated in Delaware and a wholly-owned United States subsidiary of Bell Canada, a Canadian corporation and Canada’s largest telephone and telecommunications company; and

WHEREAS, Bell Canada is a wholly-owned subsidiary of BCE Inc., a publicly traded Canadian corporation; and

WHEREAS, BCE Holding does not plan to change Ziplly Fiber’s operating systems, management or business plans, or contact information and Ziplly Fiber will remain responsible for all obligations under the Franchise; and

WHEREAS, franchises granted by the County, or any interest therein, may not be leased, sold, partitioned, transferred, assigned, disposed of, or otherwise subject to a change in the identity of the Grantee (each such activity, a “Transfer”), in whole or in part, in any manner, without the prior written consent of the County Council; and

WHEREAS, Ziplly Fiber requested the County Council’s consent to the Transfer of the Franchise from Ziplly’s parent company Northwest Fiber to BCE Holding in accordance with Section 22 of the Franchise; and

WHEREAS, the County also granted a nonexclusive cable franchise to Ziplly Fiber on June 10, 2024, by Ordinance No. 24-034, recorded under Auditor File No. 202408130340 (“the Cable Franchise”); and

WHEREAS, portions of Ziplly’s Cable Franchise rely on compliance with requirements in the telecommunications Franchise; and

WHEREAS, Ziplly Fiber intends to provide the County with notice of its early termination of the Cable Franchise pursuant to Section 8.3 of the Cable Franchise on or before the closure of the Merger Agreement; and

WHEREAS, the County Council finds it is in the public interest to approve a Transfer of the Franchise granted to Ziplly Fiber by Ordinance No. 23-059 from parent company Northwest Fiber to BCE Holding;

NOW, THEREFORE, ON MOTION:

Section 1. The County Council consents to and approves a Transfer of the telecommunications Franchise granted to Ziplly Fiber by Ordinance No. 23-059 from parent company Northwest Fiber to BCE Holding in connection with the Merger Agreement.

Section 2. Each and every one of the provisions, conditions, regulations and requirements contained in the Franchise shall be binding upon Ziplly Fiber as a subsidiary of BCE Holding following the closure of the Merger Agreement, and all privileges, as well as all obligations and liabilities of Ziplly Fiber shall inure to BCE Holding equally as if BCE Holding was specifically mentioned wherever Ziplly Fiber is named in the Franchise.

Section 3. The County Council’s consent to the Transfer shall not be construed to constitute a waiver or release of any rights the County may have now or in the future under federal, state or local law, the Franchise, or any separate written agreements with Ziplly Fiber. Ziplly Fiber, as owned and controlled by BCE Holding, shall remain responsible for any and all Franchise requirements (including but not limited to payment of fees and other amounts due under the Franchise, and indemnification of the County as provided in the Franchise) and non-compliance issues under the Franchise or any obligation that may now exist or may later be discovered to have existed during the term of the Franchise, even if prior to the closing of Merger Agreement.

Section 4. This consent and approval shall take effect immediately; PROVIDED this consent and approval shall become null and void in the event the proposed Merger Agreement does not close for any reason.


Section 5. This consent and approval is further conditioned upon one of the following actions: (1) Ziplly Fiber shall provide the County with a formal notice of early

termination of the Cable Franchise granted by Ordinance No. 24-034 pursuant to Section 8.3 of that franchise on or before the closing date of the Merger Agreement with a franchise termination date no later than 120 days from the closing date of the Merger Agreement; or (2) Zply Fiber shall obtain County Council approval of the Transfer of the Cable Franchise to parent company BCE Holding within 120 days of the closing date of the Merger Agreement.


Section 6. The County shall not amend, revoke or otherwise alter the consent and approval granted by this Motion without providing reasonable prior notice to Zply Fiber and BCE Holding.

PASSED this 12<sup>th</sup> day of March, 2025.

SNOHOMISH COUNTY COUNCIL  
Snohomish County, Washington

  
Chairperson

ATTEST:

  
Deputy Clerk of the Council