

ORDINANCE NO. 227

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE CITY OF BARLING, ARKANSAS, CONSENTING TO THE COLLATERAL ASSIGNMENT BY TRANSWESTERN VIDEO, INC. OF ITS RIGHTS IN THE CABLE TELEVISION SYSTEM FRANCHISE

WHEREAS, on February 11, 1992, the Board of Directors (the "Board") of the City of Barling, Arkansas granted to Transwestern Video, Inc. ("TVI") a franchise as set forth in Ordinance No. 209, to own and operate a cable television system in the City of Barling, Arkansas (the "Franchise");

WHEREAS, on February 27, 1992, the City of Barling, Arkansas, and TVI entered into an agreement pursuant to and accepting the terms of the Franchise;

WHEREAS, WT Acquisition Corporation ("WTAC"), d/b/a Classic Cable, has entered into an agreement with the shareholders of TVI to purchase all of the issued and outstanding capital stock of TVI, on or about May 31, 1994 (the "Closing Date");

WHEREAS, WTAC intends to finance its acquisition of TVI's capital stock, in part, by borrowing and causing TVI to borrow money from certain lending companies and banks (the "Banks"), and in accordance with that loan will, among other things, cause TVI to assign or mortgage its rights in the Franchise as a part of the collateral for the loan;

WHEREAS, the Banks have requested that TVI obtain the consent of the City of Barling to the collateral assignment of the Franchise in order to assure the validity of the collateral assignment; and

WHEREAS, under the Franchise the grantee is required to obtain the consent of the City of Barling in order to make a collateral assignment of the Franchise to any other person;

NOW THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF BARLING, ARKANSAS, THAT:

Section 1. The Board confirms that (a) the Franchise is currently in full force and effect and expires February 10, 2012; (b) TVI is in substantial compliance with the provisions of the Franchise, and; (c) there exists no known fact nor circumstance which constitutes or which, with the passage of time or the giving of notice or both, would constitute a default or breach under the Franchise, or would allow the Board to cancel or terminate the rights thereunder except upon the expiration of the full term thereof.

Section 2. The Board approves the assignment, mortgage, pledge, or other encumbrance of the Franchise as collateral for a loan from the Banks or any other lender.

Section 3. This Resolution shall not become effective until WTAC purchases the capital stock of TVI and assumes the obligations of TVI under the Franchise.

PASSED, ADOPTED AND APPROVED by the Board of Directors of the City of Barling, Arkansas, this \_\_\_\_ day of \_\_\_\_\_, 1994.

CITY OF BARLING, ARKANSAS

By: *Jerry Barling*  
Jerry Barling, Mayor

ATTEST:

*Myra Marshall*