

ORDINANCE NO. 228 AMENDING ORDINANCE NO. 187 AND NO.
213 OF THE VILLAGE OF GIFFORD, ILLINOIS

WHEREAS, the Village of Gifford, Illinois, (hereinafter "municipality"), did on the 6th day of October, 1983, approve Ordinance No. 187 granting to Gifford Cablevision Co., a cable television franchise; and

WHEREAS, said cable television franchise was assigned to Specchio Pay Television, Limited Partnership (hereinafter "Specchio"), the approval of said assignment by Municipality contained in Ordinance No. 213 passed and approved on the 1st day of June, 1989; and

WHEREAS, it has been requested that the franchise authorized by the above described Ordinance No. 187 be assigned to Douglas Communications V, Limited Partnership (hereinafter "Douglas"); and

WHEREAS, the Municipality believes it in the best interests of the residents of this community to allow the assignment and further to allow Douglas to finance the cable television operation with Philips Credit Corporation, a Delaware Corporation, (hereinafter "PCC"), and the undersigned specifically consent to (a) the grant by Douglas to PCC of liens on and security interests in all of Douglas' assets to secure its obligations to PCC; (b) the grant by the equity owners of Douglas to PCC of liens on and security

interests in, and pledges to PCC, of all of their respective equity interests in Douglas, and (c) the grant to PCC of a collateral assignment of all of Douglas' right, title and interest in, to and under the Agreement, upon such terms and conditions as Douglas may agree upon with PCC; and

WHEREAS, the Municipality certifies that the cable television franchise is valid and binding and in full force and effect, including the provision contained in Section 7 of said franchise agreement providing for the payment to Municipality of a franchise fee equal to three percent (3%) of the basic cable service Gross Revenues, calculated as specified in Ordinance No. 187, Section 7; and

WHEREAS, the Municipality states that any franchise fees due as the date of the closing of the sale and assignment of said cable television system to Douglas remain a liability of Specchio, and Municipality holds harmless Douglas for any liability for any franchise fees unpaid by Specchio as of the date of the closing of the sale and assignment of said cable television system to Douglas; and

WHEREAS, the Municipality consents to the extension of the existing franchise agreement for an additional term of Four (4) years expiring the 6th day of October, 2002.

NOW, THEREFORE, be it resolved by the President and Board of Trustees of Municipality as follows:

1. That Municipality does hereby confer its consent to the assignment of the cable television franchise for Municipality to Douglas.

2. That Municipality consents to Douglas' assignment and pledging of the franchise and the grant by Douglas of liens on and security interests in the cable television assets as collateral and security for any loans made by PCC to Specchio.

3. That Municipality consents to the grant by the Partners in Douglas to PCC of a lien on and security interest in and pledge to PCC of all of the equity interests in Douglas.

PASSED and APPROVED this 15th day of October, 1992.

VILLAGE OF GIFFORD, ILLINOIS

By:

Terrence Glazik
TERRENCE GLAZIK, its President

ATTEST:

Martin E. Osborn
MARTIN E. OSBORN, its Clerk