

GUARANTY

THIS AGREEMENT is made this 4th day of November, 2014 between Block Communications, Inc., an Ohio corporation (“Guarantor”), the City of Saltillo, Mississippi (“Franchising Authority”), and BCI Mississippi Broadband, LLC, an Ohio limited liability company (“Company”).

RECITALS

WHEREAS, the Franchising Authority by action of its governing body on November 4, 2014 adopted Resolution No. 11-04-2014 (“Resolution”) approving transfer of the cable television franchise (“Franchise”) from MetroCast Communications of Mississippi, LLC to the Company; and

WHEREAS, Guarantor is the direct parent of the Company; and

WHEREAS, the Resolution requires the Company to furnish a guaranty to ensure the faithful payment and performance by Company of the obligations under the Franchise; and

WHEREAS, the Guarantor desires to provide its unconditional guaranty that Company will fulfill its obligations and requirements under the Franchise.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby unconditionally guarantees Company’s due and punctual payment and performance of all of the debts, liabilities and obligations contained in the Franchise (“Indebtedness”).

This Agreement, unless terminated, substituted, or canceled, as provided herein, shall remain in full force and effect for the duration of the term of the Franchise and during any period in which the Company has outstanding obligations to the Franchising Authority, except as expressly provided otherwise in the Franchise.

Upon substitution of another Guarantor reasonably satisfactory to the Franchising Authority or upon transfer of the Franchise to another entity not under common control of Guarantor, this Agreement shall be terminated, substituted, or canceled by Guarantor upon thirty (30) days prior written notice from Guarantor to the Franchising Authority and the Company.

Such termination shall not affect liability incurred or accrued under this Agreement prior to the effective date of such termination or cancellation.

The Guarantor’s obligation to promptly and fully pay and discharge the Indebtedness shall not be contingent upon or delayed because of the Guarantor’s right, if any, to contribution, reimbursement, recourse or subrogation available to the Guarantor against the Company or any other person liable for payment of the Indebtedness or any collateral security therefor.

The Recitals are incorporated herein by reference.

The Guarantor will pay or reimburse the Franchising Authority for all reasonable costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by the Franchising Authority in connection with the enforcement of this guaranty in any arbitration, litigation or bankruptcy or insolvency proceedings.

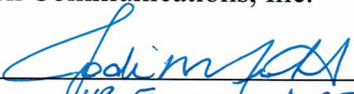
The Guarantor will not assert, plead or enforce against the Franchising Authority any defense of discharge in bankruptcy of the Company, statute of frauds, or unenforceability of this Guaranty which may be available to the Company.

Any notices given pursuant to this Agreement shall be addressed to the Guarantor and Company at 5566 Southwyck Blvd, Toledo, Ohio 43614, Attn: Vice President Business & Legal Affairs, with a copy to David Waterman, Esq., 1000 Jackson, Toledo, Ohio 43604 and to the Franchising Authority at 395 Mobile Street, Saultillo, Mississippi, 38866 Attn: Mayor.

IN WITNESS WHEREOF, the Company, Franchising Authority, and Guarantor have executed this Guaranty as of the day, month and year first above written.


GUARANTOR:

Block Communications, Inc.

By: 
Its: VP FINANCE / CFO

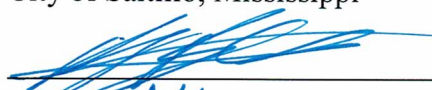
COMPANY:

BCI Mississippi Broadband, LLC

By: 
Its: SECRETARY

FRANCHISING AUTHORITY:

City of Saultillo, Mississippi


MAYOR

RESOLUTION NO. 11-04-2014
A RESOLUTION APPROVING THE ASSIGNMENT OF A
CABLE TELEVISION FRANCHISE TO BCI MISSISSIPPI BROADBAND, LLC

WHEREAS, MetroCast Communications of Mississippi, LLC (“**Grantee**”) owns, operates, and maintains a cable television system (“**System**”) serving the City of Saltillo, Mississippi (“**City**”) pursuant to the cable television franchise held by Grantee (the “**Franchise**”); and

WHEREAS, Grantee entered into an Asset Purchase Agreement dated July 1, 2014 (the “**Agreement**”) with BCI Mississippi Broadband, LLC (“**BCI Mississippi**”) and other parties in which, among other things, the Grantee proposed to sell and assign to BCI Mississippi certain of the assets, including the Franchise, held by Grantee in the operation of the System (the “**Transaction**”); and

WHEREAS, On or about July 11, 2014, Grantee filed with the City FCC Form 394-Application for Franchise Authority Consent to Assignment or Transfer of Control of Cable Television Franchise; and

WHEREAS, Grantee and BCI Mississippi reasonably anticipate the Transaction to close during the fourth quarter of 2014; and

WHEREAS, BCI Mississippi was formed on June 26, 2014 and is a wholly owned subsidiary of Block Communications, Inc., an Ohio corporation founded in 1900 (“**BC**”); and

WHEREAS, BC’s Officers and senior managers have significant operational experience and expertise in the cable television business and BCI Mississippi will rely upon BC’s experience and expertise in the cable industry; and

WHEREAS, BC owns and operates Buckeye CableSystem, serving subscribers in the Ohio and Michigan region; and

WHEREAS, City is willing to consent to the transfer of the Franchise to BCI Mississippi effective upon the satisfaction of all terms and conditions set forth herein.

NOW, THEREFORE, BE IT RESOLVED, that in consideration of the foregoing and the promises set forth herein, City resolves as follows:

1. Each of the foregoing recitals is hereby incorporated by reference.
2. The City confirms that the Franchise was properly granted or assigned to Grantee and is in full force and effect.
3. Upon the satisfaction of the terms and conditions specified in paragraph 5 below, the City consents to and approves the pledge or grant of a security interest to any

lender(s) in BCI Mississippi's assets, including, but not limited to, the Franchise, or of interests in BCI Mississippi, for purposes of securing any indebtedness.

4. The City releases Grantee, effective upon the closing date of the Transaction ("Closing Date"), from all obligations and liabilities under the Franchise relating to the period after the Closing Date; and BCI Mississippi shall be responsible for any obligations and liabilities under the Franchise relating to the period on and after the Closing Date.
5. Effective upon the date the following conditions are satisfied, the City consents to and approves of the assignment of the Franchise to BCI Mississippi:
 - a. Within ten (10) days after the adoption of this Resolution by the City, BCI Mississippi shall fully reimburse the City for all the City's reasonable costs and expenses in connection with the City's review of the proposed Transaction, including without limitation, all costs incurred by the City for experts and attorneys retained by City to assist in the review as well as any notice and publication costs ("Reimbursement"). The Reimbursement shall not be deemed to be "Franchise Fees" within the meaning of Section 622 of the Cable Act (47 U.S.C. §542), nor shall the Reimbursement be deemed to be (i) "payments in kind" or any involuntary payments chargeable against the franchise fees to be paid to the City by Grantee or BCI Mississippi pursuant to the Franchise. The Reimbursement shall be considered a requirement or charge incidental to the awarding or enforcing of the Franchise.
 - b. Within ten (10) days after adoption of this Resolution by the City, BCI Mississippi shall deliver to the City: 1) a signed acceptance of this Resolution in the form attached hereto as Exhibit A and incorporated by reference; and 2) a signed guaranty from Block Communications, Inc. in a form reasonably acceptable to the City and pursuant to which Block Communications, Inc. guarantees the payment and performance of BCI Mississippi's obligations pursuant to the Franchise.
6. In the event the Transaction contemplated by this Resolution is not completed for any reason, or in the event the conditions specified herein are not satisfied, the City's consent shall not be effective.

This Resolution shall take effect as provided herein and, continue and remain in effect, from and after the date of its passage, approval, and adoption.

A motion to approve the foregoing Resolution No. 11-04-2014 was made by City Alderman Scott Knight and duly seconded by Alderman Donald Cullum.

The following City Aldermen voted in the affirmative:

Alderman Donald Cullum Yea
Alderman Terry Glidewell Yea
Alderman Scott Knight Yea
Alderman Jewell Webb Yea
Alderman Brad Woodcock Yea

The following City Aldermen voted in the negative:

Passed and adopted by the City of Saltillo, Mississippi this 4th day of November 2014.

ATTEST:

CITY OF SALTILLO, MISSISSIPPI

By: 

By: 

Its: 



EXHIBIT A

ACCEPTANCE AGREEMENT

BCI Mississippi Broadband, LLC (“BCI Mississippi”) hereby acknowledges the City of Saltillo, Mississippi Resolution No. 11-04-2014 (“Resolution”) and hereby accepts each and every term, provision and recital of the Resolution and its attachments, and agrees that upon closing of the Transaction, BCI Mississippi shall be bound by the terms and provisions of the Franchise in accordance with the Resolution.

Dated: November 6 2014

BCI MISSISSIPPI BROADBAND, LLC

By: 

Its: SECRETARY

SWORN TO BEFORE ME this

6th day of November, 2014


NOTARY PUBLIC

SANDRA J. CHAVEZ
Notary Public, State of Ohio
My Commission Expires 11-15-2017

BLOCK COMMUNICATIONS OR MAXX SOUTH