

(Space above this line for recording purposes)

FINANCING STATEMENT

(TO BE FILED IN THE UCC RECORDS)

1. DATE. This financing statement is dated June 1, 1993.

2. DEBTOR:

COLLEGE CABLE SERVICES INCORPORATEDa Kentucky corporation
160 Hauselman Road
London, KY 40741
Tax I.D. # [REDACTED]

3. SECURED PARTY:

FIRST STATE BANK AND TRUST COMPANYa KENTUCKY banking corporation
123 TOWN SQUARE
P.O. Box 469
MANCHESTER, KENTUCKY 40962
Tax I.D. # [REDACTED]

4. COLLATERAL. This financing statement covers the following type(s) (or items) of property (Collateral), whether now owned or hereafter acquired:

Inventory, Machinery, Contracts, Personal
Property, Accounts, Collateral, Equipment, General
Intangibles, Proceeds, Documents, Instruments,
Fixtures, Real Property, Fittings, Apparatus
and other collateral.

which includes (but is not limited to) the following described property:

(1) See original security agreement attached hereto and incorporated
herein by reference. (2) Any and all cable systems existing or here
in after acquired.

The term "Collateral" further includes, but is not limited to, the following property, whether now owned or hereafter acquired, and whether or not held by a bailee for the benefit of the Debtor or owner, all: accessions, accessories, additions, cash, fittings, increases, insurance benefits and proceeds, parts, products, profits, renewals, rents, replacements, special tools and substitutions, together with all books and records pertaining to the Collateral and access to the equipment containing such books and records including computer stored information and all software relating thereto, plus all cash and non-cash proceeds and all proceeds of proceeds arising from the type(s) (items) of property listed above.

Pertaining to the inventory portion of the Collateral, the term "Collateral" shall include, but not be limited to, wherever located, Debtor's inventory, raw materials, work in process, finished goods, other tangible property held for sale or lease, and property returned, repossessed or consumed in Debtor's business, documents (including but not limited to documents of title, bills of lading and warehouse receipts), all proceeds and all proceeds of proceeds thereof. Pertaining to the portion of the Collateral that is titled under federal or state law, the term "Collateral" shall further include, wherever located, the original evidences of title or ownership, whether evidenced by a certificate of title or ownership, a manufacturer's statement of origin or otherwise.

5. PROCEEDS. All proceeds of proceeds referred to herein shall include, but not be limited to, wherever located, accounts, chattel paper, documents, equipment, farm products, general intangibles, instruments, inventory and all other goods.

6. PRODUCTS. Products of collateral are also covered.

RECEIVED
STATE OF KENTUCKY
11/15/1993-36089
11:14 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
020 MCD 34.00
1993 NOV -2 P 1:04
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809C-6661

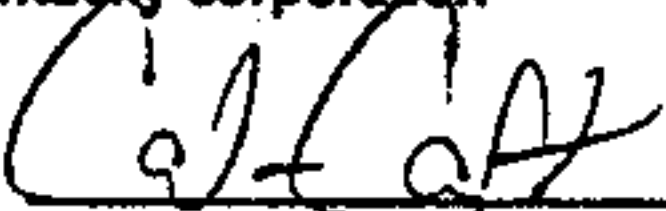
9314/6972

DEBTOR:

COLLEGE CABLE SERVICES INCORPORATED
a Kentucky corporation

[Corporate Seal*]

By:



CARLOS CARPENTER, PRESIDENT

(*Corporate seal may be affixed, but failure to affix shall not affect validity or reliance.)

PLEASE RETURN COPY TO SECURED PARTY AT THE ABOVE ADDRESS.

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is made and entered into as of the 2nd day of June, 1993, by and between (i) COLLEGE CABLE SERVICES, INC., with its principal office and place of business in London, Laurel County, Kentucky (the "Debtor"), and (ii) FIRST STATE BANK AND TRUST OF MANCHESTER, KENTUCKY, a state financial institution, with its principal office and place of business in Clay County, Kentucky (the "Bank").

IT IS AGREED BY THE PARTIES AS FOLLOWS:

1. Definitions. All terms defined in the herinafter-described Loan Agreement and not otherwise defined herein shall have the same meaning herein as in the Loan Agreement.
2. Grant of Security Interest. For value received, and to secure the indebtedness of the Debtor referred to in Section 3 hereof, the Debtor hereby pledges, sells, assigns, transfers and grants a continuing security interest in the following described collateral to the Bank, to-wit (all of which is sometimes collectively, and each item of which is sometimes individually, hereinafter referred to as the "Collateral," as that term is further defined in Section 9-105 of the Uniform Commercial Code):
 - (a) All existing and future "Accounts" of the Debtor, as that term is defined in Section 9-106 of the Uniform Commercial Code, including but not limited to all accounts receivable of the Debtor and all rights of the Debtor to receive payment for the sale of Inventory, as hereinafter defined, or goods sold or leased or services rendered, in each case

regardless whether now existing, hereafter accruing or arising and whenever and wherever acquired, created or arising, and whether or not evidenced by a note or other instruments, and including all Inventory or other goods in transit and/or returned to, or repossessed by, the Debtor and all claims against common carriers for goods lost in transit, as well as all other monies, sums and amounts whatsoever owed the Debtor by anyone and arising from whatever source (all of the Collateral described in this Subsection (a) is hereinafter collectively referred to as the "Accounts");

(b) All of the Debtor's General Intangibles, Documents, Instruments and Contracts, as those terms are defined in Sections 9-105 and 9-106 of the Uniform Commercial Code, including but not limited to all negotiable and non-negotiable bills of lading and warehouse receipts, Chattel Paper and all rights to refunds of federal, state and/or local income taxes, in each case regardless whether now existing or hereafter acquired or arising;

(c) All of the Debtor's equipment, machinery, apparatus, fittings, fixtures and articles of personal property of every kind and nature whatsoever, or any part thereof, in each case regardless whether now owned or hereafter acquired (all of which are hereinafter collectively referred to as the "Equipment");

(d) All of the Debtor's Inventory (as defined in Section 9-109 of the Uniform Commercial Code) and supplies, in each case regardless whether now owned or hereafter acquired, and any other kinds and types of tangible personal property whatsoever held for sale or lease (all of which are hereinafter collectively referred to as the "Inventory");

(e) All of the Debtor's estate and interest in and to all buildings, structures, and all other improvements of every nature whatsoever now or hereafter constructed or located on or about the real property (the "Real Property") described on Exhibit "A", attached hereto and made a part hereof, and including but not limited to satellite discs, receiving equipment, co-axial cable, amplifiers, taps, splitters, cable drops, trunk and feeder system, warranties and guaranties, books and records, government or regulatory permits, licenses and approvals now or hereafter owned by the Debtor and located in, on or about, or used or intended to be used with or in connection with the construction, operation or enjoyment of the cable system or any other improvements located thereon, including all extensions, additions, improvements, betterments, after-acquired property, renewals, replacements and substitutions, or proceeds from a sale from any of the foregoing;

(f) The proceeds (as defined in Section 9-306 of the Uniform Commercial Code), including but not limited to the proceeds payable under insurance policies covering any or all of the Collateral, and products of all the foregoing, and all substitutions or replacements therefor, and accessions or additions thereto; and

(g) There is included within the term Collateral all other property and all interests therein of any kind hereafter existing or acquired by the Debtor meeting or falling within the general description of the Collateral.

3. Obligations Secured. This Security Agreement is made as collateral security for the payment and/or performance of:

(a) All obligations of the Debtor under that certain Construction Loan Agreement of dated August 24, 1992 (hereinafter referred to as the "Loan Agreement")

between (i) the Bank, (ii) the Debtor, and (iii) Carlos Carpenter, Karen Carpenter, Cartis Carpenter, Merkie Carpenter and Shawn Carpenter (hereinafter referred to as the "Guarantor");

(b) That certain Promissory Note dated August 24, 1992, in the face principal amount of SIX HUNDRED FIFTY THOUSAND DOLLARS (\$650,000.00) (the "Note"), with interest thereon as provided therein, made by the Debtor, payable to the order of the Bank, and guaranteed by the Guarantor; and

(c) All other liabilities and obligations of whatever kind of the Debtor to the Bank, whether created directly or acquired by the Bank by assignment or otherwise, whether now existing or hereafter created, arising or acquired, absolute or contingent, joint or several, due or to become due, and including but not limited to future advances by the Bank to the Debtor.

All of the obligations of the Debtor referred to in this Section 2 are sometimes hereinafter collectively referred to as the "Secured Obligations." The Secured Obligations shall be secured by all of the Collateral in such priority as may be selected by the Bank, in its sole discretion.

4. Representations and Warranties. The Debtor represents and warrants to the Bank that:

(a) The Debtor is the owner of the Collateral free from all liens, security interests and other encumbrances, except (i) the security interest granted hereby, (ii) other security interests granted to the Bank in connection herewith, and (iii) the lien of local, state or federal taxes not yet due and payable;

(b) The Debtor has the right to enter into this Security Agreement; and

(c) The principal office of the Debtor and the office where its chief executive officers and sole accounting office are located and the office where the Debtor keeps its records concerning its Accounts, Contracts, General Intangibles, Documents, Instruments and Chattel Paper is and shall be, while any portion of the Secured Obligations remains unpaid, at London, Kentucky; all the Inventory, Equipment and other tangible Collateral shall be kept and maintained at all times in or upon the locations described on Exhibit A attached hereto and made a part hereof; and all locations of the Debtor's registered agents and registered offices and all its other offices and places of business as of the date hereof and during the five (5) years prior to the date hereof, and all trade names, assumed names, fictitious names and other names now used by the Debtor or used by the Debtor at any time during the five (5) year period are attached hereto and made a part hereof as Exhibit B.

5. Covenants of Debtor. The Debtor covenants and agrees with the Bank that the Debtor:

(a) Shall defend the Collateral against the claims and demands of all persons:

(b) Shall not without the prior written consent of the Bank permit any part of the Collateral or any of the records concerning the same to be removed from the locations referred to in Section 4 (c) hereof or any other location at which any of same may hereafter be located, and shall not move or change its principal place of business or registered office without notification to the Bank as provided in Section 5 (c) below;

(c) Shall advise the Bank in writing, at least thirty (30) days prior thereto, of any change in the Debtor's principal place of business or registered office or the opening of any new principal place of business or any change in the Debtor's name or the adoption by the Debtor of trade names, assumed names or fictitious names, and, in such event, the Debtor shall execute and deliver to the Bank (and the Debtor agrees that the Bank may execute and deliver the same as the Debtor's irrevocable attorney-in-fact) new UCC-1 Financing Statements describing the Collateral specified herein for recordation where necessary or appropriate, as determined in the Bank's discretion, to perfect and/or continue perfected the Bank's security interest in the Collateral based upon such new place of business or registered office and/or change in or adoption of name, and the Debtor shall pay all filing and recording fees and filing and recording taxes incurred in connection with the filing and/or recordation of such Financing Statements, and will immediately reimburse the Bank therefor if the Bank pays the same, with interest thereon at the highest rate specified in the Note;

(d) Shall not: (i) permit any liens or security interests (other than the liens set forth in Section 4 (a) hereof) to attach to any of the Collateral; (ii) permit any of the Collateral to be levied upon under any legal process; (iii) dispose of any of the Collateral without the prior written consent of the Bank, other than as permitted by the Loan Documents and other than the sale of Inventory and the collection of Accounts, each in the ordinary course of business (which sale and/or collection may take place only so long as no event of default, as defined in Section 7 hereof, shall have occurred); (iv) permit any of the Collateral to become an accession or improvement to other property in which the Bank does

not hold a security interest; or (v) permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded by this Security Agreement;

(e) Hereby irrevocably appoints the Bank as the Debtor's attorney-in-fact to do all acts and things which the Bank may deem necessary or appropriate to perfect and continue perfected the security interest created by this Security Agreement and to protect the Collateral, including but not limited to the execution in Debtor's name, as its attorney-in-fact, of UCC-1 and other Financing Statements covering the Collateral and the filing and recordation of same wherever the Bank deems appropriate, and the Debtor agrees to reimburse the Bank immediately for all filing and recording fees and taxes in connection therewith, with interest thereon at the highest rate specified in the Note;

(f) Shall pay and perform the Secured Obligations strictly in accordance with their respective terms;

(g) Shall insure all tangible Collateral for the benefit of the Bank (to whom loss shall be payable) in such amounts, not in excess of replacement value, in such companies, and against such risks and with such deductibles, co-insurance provisions and agreed and replacement value endorsements, as may be satisfactory to the Bank, in its discretion. In connection with such insurance:

(i) If the Debtor fails to obtain such insurance, the Bank shall have the right to obtain same at the Debtor's expense, and the Debtor shall immediately reimburse the Bank for the cost thereof with interest thereon at the Default Rate specified in the Note, which reimbursement shall be due on demand of the Bank, but such failure on the part of the Debtor shall nevertheless constitute a default hereunder even if the Bank

obtains such insurance;

(ii) The Debtor hereby assigns to the Bank all rights to receive the proceeds of such insurance not exceeding the unpaid balance of the Secured Obligations, direct any insurer to pay all proceeds of such insurance directly to the Bank, without further authorization from the Debtor, and authorizes the Bank as the Debtor's irrevocable attorney-in-fact, to (A) compromise, settle and/or receipt for, on behalf of the Debtor, any and all claims under all such insurance and (B) obtain such proceeds and endorse and negotiate any check and/or draft for such proceeds, in the Debtor's name or otherwise, and apply the same to the replacement of the damaged Collateral, pursuant to procedures satisfactory to the Bank, unless the Debtor is in default hereunder, in which event the same may, at the option of the Bank, be applied to the Secured Obligations in such order as the Bank may elect in its discretion; and

(iii) The Debtor shall deliver the original or a certificate of all such insurance policies to the Bank, with the Bank named as insured and loss-payee pursuant to a standard lender's endorsement (with full waiver of subrogation against any insureds or loss-payees), and which shall provide that: (A) the same may not be cancelled or modified, even for non-payment of premiums, except after thirty (30) days' prior written notice from the insurance company to the Bank, and (B) no act or default of the Debtor, the Bank or any other person shall affect the right of the Bank to recover under such policies of insurance in case of loss or damage, and the Debtor shall deliver to the Bank proof of renewals of all such policies at least thirty (30) days in advance of the expiration of each such policy or due date of the premiums therefor, as the case may be;

(h) Shall keep all tangible Collateral in good condition and repair, shall at all times keep accurate and complete records with respect to the Collateral and shall permit the Bank or any of its representatives to call at the Debtor's place of business to inspect the Collateral and all books, records and other data of the Debtor at any time and from time to time; and

(i) Shall, in using the Collateral, comply with all applicable federal, state and local statutes, laws, rules and regulations.

6. Instruments Evidencing Accounts. If any of the Debtor's Accounts shall be evidenced by promissory notes, trade acceptances, chattel paper, documents or other instruments for the payment of money, the Debtor will, upon request by the Bank, deliver the same to the Bank, immediately following their creation, appropriately endorsed to the order of the Bank, and the Debtor also hereby authorizes the Bank to endorse the same on the Debtor's behalf as the Debtor's irrevocable attorney-in-fact and, regardless of the form of such endorsement, the Debtor hereby waives presentment, demand, notice of dishonor, protest and notice of protest and all other notices with respect thereto.

7. Events of Default. Each of the following shall be deemed an event of default hereunder:

(a) If any "Default" or "Event of Default" occurs under the Loan Agreement or if the Debtor fails to comply fully with all the terms and provisions of the Loan Agreement or any of the other Loan Instruments;

(b) If the Debtor fails to observe or comply with any agreement, condition, or other provision of this Security Agreement (other than with respect to the full and

prompt payment of all Secured Obligations or other payments due hereunder, or under any other loan document), and the same is not fully corrected to the complete satisfaction of the Bank within thirty (30) days after the Bank has given the Debtor written notice thereof; or

(c) If any warranties or representations made herein by the Debtor or in other Loan Documents now or hereafter delivered by the Debtor to the Bank shall prove untrue or misleading.

8. Remedies Upon Default. Upon the occurrence of any event of default referred to in Section 7 above, the Bank may declare the Note and all other indebtedness and obligations of the Debtor secured hereby to be accelerated and immediately due and payable in full without demand or notice of any kind, and the Bank shall have all rights and remedies in and against the Collateral and otherwise of a secured party under the Uniform Commercial Code of Kentucky (or such other state where any part of the Collateral may be located, if applicable) and all other applicable laws and shall also have the rights provided herein and in all Loan Documents, all of which rights and remedies shall be cumulative to the fullest extent permitted by law. In connection with the foregoing:

(a) The Bank shall have the right to notify any or all account debtors and other persons obligated on any or all of the Debtor's Accounts or Contracts to make payments thereof directly to the Bank, at such addresses as are specified in any such notice(s), and to take control of all proceeds of any or all such Accounts and Contracts. The costs of such notification and collection by the Bank, including attorney's fees and out-of-pocket expenses, shall be borne solely by the Debtor. To facilitate direct collection and enforcement of such Accounts and Contracts, the Debtor hereby grants to the Bank the right

and authorizes the Bank to take over the Debtor's Post Office Boxes and to make other arrangements suitable to the Bank so that it may receive the Debtor's mail, and the Debtor grants the Bank the right to open all such mail.

(b) Upon the Bank's demand, the Debtor shall forthwith, upon receipt of all checks, drafts, cash and other remittances in payment or on account of the Debtor's Accounts and Contracts, deposit the same in a special bank account maintained with the Bank, over which the Bank alone, to the exclusion of the Debtor, shall have the power of withdrawal, and the Debtor authorizes the Bank to so deposit said funds received into the "lockbox account" referenced above. Said proceeds paid on the Debtor's Accounts and Contracts shall be deposited in precisely the form received, except for the endorsement of the Debtor where necessary to permit collection of items, which endorsement the Debtor agrees to make and which the Bank is also hereby authorized by the Debtor to make in the Debtor's name and on the Debtor's behalf. Pending such deposit, the Debtor agrees that it will not commingle any such checks, drafts, cash and other remittances with any of the Debtor's other funds or property, but will hold them separate and apart therefrom in express trust for the Bank until deposit thereof is made in said lockbox account.

(c) The Bank shall apply the whole or any part of the funds collected by the Bank pursuant to Subsections (a) and (b) above in payment of or on the Debtor's Accounts and/or Contracts against the principal of and/or interest on the Secured Obligations, the order and method of such application being in the sole discretion of the Bank.

(d) The Bank shall have the right to sell the Collateral at public and/or private sale, from time to time, as determined in its discretion.

(e) The Bank may require the Debtor, at the Debtor's sole expense, to assemble any of the Collateral and make it available to the Bank at a place reasonably convenient to the Bank and the Debtor, as is designated by the Bank in its sole discretion, and the Bank may immobilize and/or put out of operating order any of the Collateral, with or without proceeding to sell the Collateral or any part thereof.

(f) The Bank shall have the right (and the Debtor hereby authorizes the Bank) to enter any premises where any part of the Collateral may be located, to assemble and prepare said Collateral for sale, to conduct an auction sale on the premises and/or to remove said Collateral from the premises, without being deemed guilty of trespass, and all expenses incurred by the Bank in exercising its rights under this paragraph shall be chargeable to and borne by the Debtor.

(g) The requirement of reasonable notice of time and place of disposition of Collateral by the Bank shall be conclusively met if such notice is mailed, postage prepaid, to the Debtor at 400 South Main Street, London, Kentucky 40741, at least ten (10) days before the time of the sale or disposition.

(h) The Bank may bid upon and purchase any or all of the Collateral at any sale thereof, free from all rights of redemption of the Debtor.

(i) The Bank may dispose of all or any part of the Collateral at one or more times and from time to time in one or more lots or parcels, and upon such terms and conditions, including a credit sale, as it determines in its sole discretion, and the Bank shall

apply the net proceeds of any such disposition of the Collateral or any part thereof first to the Bank's costs incurred in connection therewith, or incidental to the holding, preparing for sale, in whole or part, of the Collateral, including but not limited to the Bank's attorney's, accountant's, and appraiser's fees, and then in such order as the Bank may elect, at its sole option, to the Secured Obligations, and any remaining proceeds shall be paid to the Debtor or such other party as may lawfully be entitled thereto.

(j) The Debtor shall remain liable for any deficiency in the Secured Obligations that remains due and to the extent permitted by law, the Debtor waives all rights of redemption in or with respect to the Collateral.

(k) The Debtor shall pay, as part of the indebtedness and obligations hereby secured, all amounts, including but not limited to the Bank's attorney's, accountant's, and appraiser's fees, as permitted by applicable law, with interest thereon at the Default Rate provided in the Note, that are paid or incurred by the Bank (i) for taxes and levies on the Collateral, or any part thereof, and (ii) in taking possession of, disposing of, repairing, improving or preserving the Collateral.

9. Future Advances. This Security Agreement secures all future advances on the Note, as well as any and all Advances thereunder and all future loans that may be made at any time by the Bank to the Debtor.

10. After-Acquired Property. Included with the term "Collateral," as used herein, is all other property and all interests therein of any kind hereafter acquired by the Debtor at any time meeting or falling within the general description of the Collateral set forth herein, whether acquired by purchase, lease, merger, consolidation, acquisition or otherwise,

and also the proceeds and products of all the Collateral.

11. Governing Law. The laws of the Commonwealth of Kentucky shall govern the construction of this Security Agreement and the rights, remedies and duties of the parties hereto, unless the laws of the state where the Collateral or part thereof is situated dictate that the laws of such other state shall govern.

12. Binding Agreement and Benefits. This Security Agreement shall bind the Debtor and its successors and assigns, and shall inure to the benefit of the Bank and its successors and assigns.

13. Time of Essence. Time shall be of the essence in the performance of all of the Debtor's obligations and agreements under this Security Agreement.

14. Severability. In the event that any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Security Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the parties hereto have executed this Security Agreement on the day, month and year first above written.

COLLEGE CABLE SERVICES, INC.

BY: Carlos Carpenter
CARLOS CARPENTER

ITS: PRESIDENT

FIRST STATE BANK AND TRUST
COMPANY OF MANCHESTER, KENTUCKY

BY:

Harvey E. Hensley
HARVEY HENSLEY

ITS: PRESIDENT

STATE OF KENTUCKY)

COUNTY OF LAUREL)

Personally appeared before me the undersigned authority, a Notary Public, in and for said State and County, duly commissioned and qualified, CARLOS CARPENTER, and who, upon oath, acknowledged himself to be PRESIDENT of COLLEGE CABLE SERVICES, INC., and further acknowledged that he executed the within instrument as such with full authority to so do, for the purposes therein contained and did further state that all matters set forth therein are true and correct.

Witness my hand and official seal of office on this the 2nd day of June, 1993.

Lisa Rae Johnson
NOTARY PUBLIC

My Commission Expires:

9-18-93

STATE OF KENTUCKY)
)
COUNTY OF LAUREL)

Personally appeared before me the undersigned authority, a Notary Public, in and for said State and County, duly commissioned and qualified, HARVEY HENSLEY, and who, upon oath, acknowledged himself to be PRESIDENT of FIRST STATE BANK AND TRUST COMPANY OF MANCHESTER, KENTUCKY, and further acknowledged that he executed the within instrument as such with full authority to so do, for the purposes therein contained and did further state that all matters set forth therein are true and correct.

Witness my hand and official seal of office on this the 2nd day of June, 1993.

Lisa Rae Johnson
NOTARY PUBLIC

My Commission Expires: 9-18-93.

THIS INSTRUMENT PREPARED BY:

Edward H. Adair

EDWARD H. ADAIR
REECE & LANG, P.S.C.
London Bank & Trust Building
400 South Main Street
P.O. Drawer 5087
London, Kentucky 40745-5087
(606) 864-2263

secagr.col\klg

EXHIBIT 'A'

1. Wilmington College Campus, Wilmington, Ohio 45177.
2. University of Cincinnati Campus, Cincinnati, Ohio 45221-0089.
3. Montevallo University, Birmingham, Alabama 35115.
4. DePaul University, Chicago, Illinois 60604-2287.
5. Samford University, Birmingham, Alabama 35229.

EXHIBIT "B"

(Location of Registered Agent, Office
and Trade Names)

Registered Agent: Carlos Carpenter

Principal Office: 4012 Somerset Road
London, Kentucky 40741

Trade Names: None

STATE OF ALA. JEFFERSON CO.
I CERTIFY THIS INSTRUMENT
WAS FILED ON

1993 NOV -2 P 1:04

RECORDED & INDEXED
DEED TAX HAS BEEN PAID ON THIS INSTRUMENT
Sharon A. Jefferson
JUDGE OF PROBATE

Inst # 1993-36089

11/15/1993-36089
11:14 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
020 MCD 34.00