

ORDINANCE NO. 177

AN ORDINANCE OF THE CITY OF MAGNOLIA, COUNTY OF MONTGOMERY, STATE OF TEXAS GRANTING CONSENT AND APPROVAL TO RESTRUCTURINGS RELATING TO THE GRANTEE AND THE CABLE TELEVISION FRANCHISE FOR MAGNOLIA, TEXAS

WHEREAS, THE MECA CORPORATION ("GRANTEE") HAS BEEN GRANTED AUTHORIZATION TO CONSTRUCT, OPERATE, MAINTAIN AND PROVIDE CABLE TELEVISION SERVICES ("FRANCHISE") BY THE CITY OF MAGNOLIA (GRANTOR") AND

WHEREAS, THE TERMS AND CONDITIONS OF THE FRANCHISE ARE IN FULL FORCE AND EFFECT AS OF THE DATE OF THIS RESOLUTION; AND

WHEREAS, THE GRANTEE IS INDIRECTLY CONTROLLED BY SCI HOLDINGS, INC. ("HOLDINGS") WHOSE STOCK IS HELD EQUALLY BY COMCAST STORER, INC. (COMCAST") AND TKR STORER LIMITED PARTNERSHIP ("TKR"); AND

WHEREAS, IT IS ANTICIPATED THAT HOLDINGS WILL BE MERGED INTO STORER COMMUNICATIONS, INC. ("STORER") WHICH IS CURRENTLY A WHOLLY-OWNED SUBSIDIARY THEREOF; AND

WHEREAS, COMCAST AND TKR INTEND FOR COMCAST TO BECOME THE SOLE OWNER OF STORER; AND

WHEREAS, STORER INTENDS TO SPLIT-OFF CERTAIN OF ITS ASSETS AND CABLE SYSTEMS TO TKR, INCLUDING THOSE WITH THIS COMMUNITY; AND

WHEREAS, UPON COMPLETION OF THE TRANSACTIONS, COMCAST WILL NO LONGER HAVE ANY OWNERSHIP INTEREST IN THE MECA CORPORATION AND TKR WILL DIRECTLY OR INDIRECTLY OWN ONE HUNDRED PERCENT (100%) OF THE STOCK THEREOF; AND

WHEREAS, GRANTEE HAS REQUESTED CONSENT TO THE TRANSACTIONS GRANTEE DESCRIBED ABOVE; AND

WHEREAS, THE INTEREST OF THE CITIZENS OF THE GRANTOR ARE BEST SERVED BY THE ADOPTION OF THE ORDINANCE SET FORTH HEREIN,

NOW, THEREFORE, BE IT ORDAINED, THAT TO THE EXTENT REQUIRED BY THE FRANCHISE,

1. THE GRANTOR HEREBY CONSENTS TO AND APPROVES THE CHANGE IN CONTROL OF GRANTEE SET FORTH ABOVE; AND

2. THE GRANTOR CONSENTS TO AND APPROVES SUBSEQUENT CHANGES IN CONTROL OF THE GRANTEE PROVIDED ULTIMATE CONTROL OF THE GRANTEE REMAINS UNCHANGED.


3. THE GRANTOR HEREBY AFFIRMS THAT, AS OF THE DATE OF THIS RESOLUTION, THE FRANCHISE IS VALID AND REMAINS IN FULL FORCE AND EFFECT AND THE FRANCHISE AUTHORITY IS AWARE OF NO CONDUCT BY THE GRANTEE OR A PREDECESSOR, AS APPLICABLE, WHICH WOULD RESULT IN DEFAULT UNDER THE FRANCHISE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MAGNOLIA, COUNTY OF MONTGOMERY, STATE OF TEXAS:

PASSED AND APPROVED THIS 13TH DAY OF OCTOBER, 1992

  
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JOHN BRAMLETT, MAYOR

ATTEST:

  
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CITY SECRETARY