

Cash: as to any Person, such Person's cash and cash equivalents, as defined in accordance with generally accepted accounting principles consistently applied.

Indebtedness: with respect to any Person, all:

(i) liabilities or obligations, direct and contingent, that in accordance with generally accepted accounting principles would be included in determining total liabilities as shown on the liability side of a balance sheet of such Person at the date as of which Indebtedness is to be determined, including, without limitation, contingent liabilities that, in accordance with such principles, would be set forth in a specific Dollar amount on the liability side of such balance sheet, and Capitalized Lease Obligations of such Person; (ii) liabilities or obligations of others for which such Person is directly or indirectly liable, by way of guaranty (whether by direct guaranty, suretyship, discount, endorsement, take-or-pay agreement, agreement to purchase or advance or keep in funds or other agreement having the effect of a guaranty) or otherwise; and (iii) liabilities or obligations secured by Liens on any assets of such Person, whether or not such liabilities or obligations shall have been assumed by it.

Investment: by any Person:

(i) the amount paid or committed to be paid, or the value of property or services contributed or committed to be contributed, by such Person for or in connection with the acquisition by such Person of any stock, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person; and

(ii) the amount of any advance, loan or extension of credit by such Person, to any other Person, or guaranty or other

similar obligation of such Person with respect to any
Indebtedness of such other Person, and (without duplication) any
amount committed to be advanced, loaned, or extended by such
Person to any other Person, or any amount the payment of which is
committed to be assured by a guaranty or similar obligation by
such Person for the benefit of, such other Person.

Systems: collectively, the Carlisle System, the Waynesboro System, the Inwood System, the Avis System and the Hughesville System.

TV40: television station W40AF, Channel 40, in Dillsburg, Pennsylvania.

Section 2.7 Use of Proceeds.

The proceeds of the Loans shall be used by the Borrower solely for the following purposes:

(a) The Initial Loan shall be used, simultaneously with the execution and delivery of this Agreement, to prepay in full the total outstanding Indebtedness of the Borrower to ^ the UNUM Subordinated Note Holder as evidenced by a certain Subordinated Secured Note in the principal amount of \$5,000,000 due October 31, 1996 (the "UNUM Subordinated Note")^, for the payment of fees and expenses related to the consummation of the transactions contemplated hereby, and for the working capital purposes of the Borrower in connection with the operation of ^ TV40 (to the extent permitted hereunder) and the Systems; and

(b) The Additional Loans shall be used for the working capital purposes of the Borrower and for Capital Expenditures in connection with the operation of ^ TV40 (to the extent permitted hereunder) and the Systems ^;

and for no other purpose whatsoever.

Section 8.1 Indebtedness.

Create, incur, permit to exist or have outstanding any Indebtedness, except:

(a) Indebtedness of the Borrower to the Lender under this Agreement and the Note;

(b) Taxes, assessments and governmental charges, non-interest bearing accounts payable and accrued liabilities, in any case not more than 90 days past due from the original due date thereof, and non-interest bearing deferred liabilities other than for borrowed money (e.g., deferred compensation and deferred taxes), in each case incurred and continuing in the ordinary course of business;

(c) Indebtedness secured by the security interests referred to in subsection 8.2(c) hereof and Capitalized Lease Obligations, in each case incurred only if, after giving effect thereto, the limit on Capital Expenditures set forth in Section 8.13 hereof would not be breached;

(d) Indebtedness in respect of guaranties and other similar obligations to the extent permitted by Section 8.3 hereof;

(e) Subject to the terms of the Intercreditor Agreement, Indebtedness of the Borrower to UNUM under the UNUM Note Purchase Documents; and

(f) The existing Indebtedness of the Borrower as set forth on Schedule 8.1 hereto, in not more than the respective unpaid principal amounts thereof specified on Schedule 8.1.

Section 8.7 Changes in Business.

Make any material change in its business, or in the nature of its operation, or liquidate or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of any of its property, assets or business (other than the assets constituting TV40) except in the ordinary course of business and for a fair consideration or dispose of any shares of stock or any Indebtedness, whether now owned or hereafter acquired, or discount, sell, pledge, hypothecate or otherwise dispose of accounts receivable.

Section 8.9 Investments.

Make, or suffer to exist, any Investment in any Person, including, without limitation, any shareholder, director, officer or employee of the Borrower, except:

(a) Investments in:

(i) obligations issued or guaranteed by the United States of America;

(ii) certificates of deposit, bankers acceptances and other "money market instruments" issued by any bank or trust company organized under the laws of the United States of America or any State thereof and having a combined capital and surplus in an aggregate amount of not less than \$100,000,000;

(iii) open market commercial paper bearing the highest credit rating issued by Standard & Poor's Corporation or by another nationally recognized credit rating agency;

(iv) repurchase agreements entered into with any bank or trust company organized under the laws of the United States of America or any State thereof and having a combined capital and surplus in an aggregate amount not less than \$100,000,000 relating to United States of America government obligations; and

(v) shares of "money market funds", each having net assets of not less than \$100,000,000,

in each case maturing or being due or payable in full not more than one hundred eighty (180) days after the Borrower's acquisition thereof;

Rate Contracts; [^][(b) Entering into and maintaining Interest

(c) The investment by the Borrower in connection with its ownership of limited partnership interests in GH Cable Arizona and GH Cable Mississippi; and

(d) Investments in the form of loans to Gardner, provided that the aggregate outstanding principal amount of all such loans made during any fiscal year, when added to the amount of all salary and/or other direct or indirect remuneration (including Management Fees and/or other similar fees and expenses) paid to Gardner or any member of his immediate family during such fiscal year, would not exceed \$ in the aggregate.

Section 8.13 Capital Expenditures.

Make or be or become obligated to make Capital Expenditures if, after giving effect thereto, the aggregate amount of all such expenditures during the periods referred to below would exceed the amount set forth opposite the applicable period:

<u>Period</u>	<u>Maximum Capital Expenditures</u>
November 1, 1991 through October 31, 1992	^ \$
November 1, 1992 through October 31, 1993	^ \$
November 1, 1993 through October 31, 1994	^ \$
November 1, 1994 through October 31, 1995	^ \$
November 1, 1995 through October 31, 1996	^ \$
November 1, 1996 through October 31, 1997	^ \$
November 1, 1997 through October 31, 1998	^ \$;

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 Agreed

provided, however that any amount permitted to be expended for Capital Expenditures during any period shall ^ be used in connection with the Systems and shall not be used in connection with ^ TV40 (other than as permitted in the proviso contained in Section 8.15 hereof).

Section 8.15 Use of Cash.

Use, or permit to be used, in any manner or to any extent, any of the Borrower's Cash for the benefit of any Person, except: (a) in connection with the payment or prepayment of expenses (other than Capital Expenditures) directly incurred for the benefit of the Borrower in the maintenance and operation of its business, in each case only in the ordinary course of its business, (b) for Capital Expenditures permitted by Section 8.13 hereof, (c) for the payment (but not prepayment, except to the extent permitted by this Agreement) of scheduled, required payments of principal and interest on Indebtedness of the Borrow-

er permitted to exist hereunder, and (d) for uses that are otherwise specifically permitted by this Agreement;

Section 8.17 Transactions with Affiliates.

Except as expressly permitted by this Agreement, directly or indirectly: (a) make any Investment in an Affiliate; (b) transfer, sell, lease, assign or otherwise dispose of any assets (other than the assets constituting TV40 or any of the low-power television construction permits issued to the Borrower referred to on Schedule 4.15 hereto) to an Affiliate;

LOAN AGREEMENT

BY AND BETWEEN

RAYSTAY CO.

AND

GREYHOUND FINANCIAL CORPORATION

July 31, 1992

Federal Communications Commission

Docket No. 93-75 Exhibit No. 10E264

Presented by Emura

Disposition { Identified 12/22/93
Received 12/22/93
Rejected _____

Reporter W. W. W. W.

Date 12/22/93

LOAN AGREEMENT

AGREEMENT, made and executed this 31st day of July, 1992, by and between:

RAYSTAY CO., a Pennsylvania corporation, having an office at 469 East North Street, Post Office Box 38, Carlisle, Pennsylvania 17013, as borrower (hereinafter referred to as the "**Borrower**"); and

GREYHOUND FINANCIAL CORPORATION, a Delaware corporation, having an office at Dial Tower, Dial Corporate Center, Phoenix, Arizona 85077, as lender (hereinafter referred to as the "**Lender**").

Affiliate: as to any Person, any other Person that directly or indirectly controls, or is under common control with, or is controlled by, such Person. As used in this definition, "control" (including, with its correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise), provided that, in any event: (i) any Person that owns directly or indirectly 5% or more of the securities having ordinary voting power for the election of directors or other governing body of a corporation or 5% or more of the partnership or other ownership interests of any other Person (other than as a limited partner of such other Person) will be deemed to control such corporation or other Person; and (ii) each shareholder,

director and officer of the Borrower shall be deemed to be an Affiliate of the Borrower.

Capital Expenditures: for any period, the amount of all payments made during such period by any Person directly or indirectly for the purpose of acquiring, constructing or maintaining fixed assets, real property or equipment that, in accordance with generally accepted accounting principles, would be added as a debit to the fixed asset account of such Person, including, without limitation, all amounts paid or payable during such period with respect to Capitalized Lease Obligations and interest that are required to be capitalized in accordance with generally accepted accounting principles.

Capitalized Lease: any lease the obligations to pay rent or other amounts under which constitute Capitalized Lease Obligations.

Capitalized Lease Obligations: as to any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real and/or personal property which obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under generally accepted accounting principles and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with generally accepted accounting principles.

Cash: as to any Person, such Person's cash and cash equivalents, as defined in accordance with generally accepted accounting principles consistently applied.

Indebtedness: with respect to any Person, all:

(i) liabilities or obligations, direct and contingent, that in accordance with generally accepted accounting principles would be included in determining total liabilities as shown on the liability side of a balance sheet of such Person at the date as of which Indebtedness is to be determined, including, without limitation, contingent liabilities that, in accordance with such principles, would be set forth in a specific Dollar amount on the liability side of such balance sheet, and Capitalized Lease Obligations of such Person; (ii) liabilities or obligations of others for which such Person is directly or indirectly liable, by way of guaranty (whether by direct guaranty, suretyship, discount, endorsement, take-or-pay agreement, agreement to purchase or advance or keep in funds or other agreement having the effect of a guaranty) or otherwise; and (iii) liabilities or obligations secured by Liens on any assets of such Person, whether or not such liabilities or obligations shall have been assumed by it.

Investment: by any Person:

(i) the amount paid or committed to be paid, or the value of property or services contributed or committed to be contributed, by such Person for or in connection with the acquisition by such Person of any stock, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person; and

(ii) the amount of any advance, loan or extension of credit by such Person, to any other Person, or guaranty or other similar obligation of such Person with respect to any Indebtedness of such other Person, and (without duplication) any amount committed to be advanced, loaned, or extended by such Person to any other Person, or any amount the payment of which is committed to be assured by a guaranty or similar obligation by such Person for the benefit of, such other Person.

Person: an individual, a corporation, a partnership, a joint venture, a trust or unincorporated organization, a joint stock company or other similar organization, a government or any political subdivision thereof, a court, or any other legal entity, whether acting in an individual, fiduciary or other capacity.

Systems: collectively, the Carlisle System, the Waynesboro System, the Inwood System, the Avis System and the Hughesville System.

TV40: television station W40AF, Channel 40, in
Dillsburg, Pennsylvania.

Article 2. Loans and Note.

Section 2.1 Loans.

(a) Subject to the terms and conditions of this Agreement, the Lender hereby agrees to advance to the Borrower an aggregate principal sum of up to Dollars as follows:

(i) The Lender shall lend to the Borrower and the Borrower shall borrow from the Lender, simultaneously with the execution and delivery of this Agreement, the principal sum of Dollars (the "Initial Loan").

(ii) In addition, the Lender shall, during the Additional Loan Period, make available to the Borrower and the Borrower may, from time to time during the Additional Loan Period, borrow from the Lender, additional loans in the aggregate principal amount of up to

Dollars (each, an "Additional Loan" and collectively the "Additional Loans"; the Initial Loan and the Additional Loans are hereinafter sometimes referred to individually as a "Loan" and collectively as the "Loans")

Section 2.7 Use of Proceeds.

The proceeds of the Loans shall be used by the Borrower solely for the following purposes:

(a) The Initial Loan shall be used, simultaneously with the execution and delivery of this Agreement, to prepay in full the total outstanding Indebtedness of the Borrower to UNUM as evidenced by a certain Subordinated Secured Note in the principal amount of \$5,000,000 due October 31, 1996 (the "**UNUM Subordinated Note**"), for the payment of fees and expenses related to the consummation of the transactions contemplated hereby, and for the working capital purposes of the Borrower in connection with the operation of TV40 (to the extent permitted hereunder) and the Systems; and

(b) The Additional Loans shall be used for the working capital purposes of the Borrower and for Capital Expenditures in connection with the operation of TV40 (to the extent permitted hereunder) and the Systems;

and for no other purpose whatsoever.