

DOCKET FILE COPY ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
) FO Docket No. 91-301
Petition for Waiver of the Commission's) FO Docket No. 91-171
Emergency Alert Requirements for)
Cable Television Systems)

RECEIVED

JUL 18 2002

To: Joseph Casey
Chief, Technical & Public Safety Division
Enforcement Bureau

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

AMENDMENT TO PETITION FOR WAIVER

Classic Communications, Inc., Debtor-in-Possession ("Classic"), hereby amends its petition for waiver or extension of time (Petition) filed with the Commission on March 26, 2002. Specifically, Classic is filing a corrected Attachment A (enclosed) which includes the list of Classic Cable Systems (by headend with subscriber counts). Classic is also providing a copy of its most recent Securities and Exchange Commission Form 10-K to provide additional financial information (filed as new Attachment C).

Classic is making 4 changes to update and correct its original Attachment A. First, the originally filed Attachment A included 4 entries for Lubbock, TX. This filing clarifies that the original 4 Lubbock, TX entries are all part of the same headend. The 4 separate entries were erroneously made based on the community units in Lubbock, TX. Therefore, Attachment A has been corrected to list only one (1) entry for Lubbock, TX. The number of subscribers from the 4 prior entries have been combined to reflect 843 subscribers at the Lubbock, TX headend.

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Second, the entry on the original Attachment A for Royse City, TX (527 subscribers) has been deleted from Attachment A. Since Classic filed its Petition in March, the Royse City, TX headend has been combined with a larger system that has a total of more than 5,000 subscribers. Accordingly, Royse City is no longer a separate headend eligible for an EAS hardship waiver.

Third, the entry on the original Attachment A for Higginson, AR has been deleted because it is actually part of the McRae, AR headend. Finally, the entry for the McRae, AR headend has been changed to indicate 295 subscribers, the number that had been listed under the Higginson, AR entry. Previously, no subscribers were listed for the McRae, AR headend. All other entries in Attachment A are by headend and are correct.

Please contact the undersigned if you have any questions regarding this filing or if any additional information is required to support approval of this waiver request.

Respectfully submitted,

CLASSIC COMMUNICATIONS INC.,
DEBTOR-IN-POSSESSION

By:



Robert L. James
Timothy P. Tobin
COLE, RAYWID & BRAVERMAN, LLP
1919 Pennsylvania Avenue, NW – Suite 200
Washington, DC 20006
202.659.9750

July 18, 2002

Attachment A: Corrected List of systems by headend including subscriber numbers
Attachment C: SEC Form 10-K

ATTACHMENT A

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
LEESVILLE	LA	4504
NEW IBERIA	LA	4079
WOODWARD	OK	3805
NELSON	OH	3786
WEATHERFORD	OK	3547
MARYVILLE	MO	3475
CLARKSVILLE	TX	3130
MOREAUVILLE(transmit)	LA	3121
EASTLAND	TX	3086
BURKBURNETT	TX	3019
PURCELL(transmit)	OK	3019
FORT SCOTT	KS	2671
VERNON	TX	2623
PAOLA	KS	2622
FORT POLK	LA	2605
SALLISAW	OK	2589
STUTTGART	AR	2572
PECOS	TX	2470
ABILENE	KS	2339
PILOT POINT(transmit)	TX	2275
LEBANON	MO	2267
MAURICEVILLE	TX	2258
BRECKENRIDGE	TX	2246
DAINGERFIELD	TX	2223
MONAHANS	TX	2212
NEOSHO	MO	2133
LAMPASAS	TX	2095
POTEAU	OK	2074
MT BELVIEU	TX	2047
CENTER	TX	2045
LAKE CHEROKEE	TX	2005
HUGO	OK	1976
QUINLAN	TX	1927
BRAZORIA	TX	1914
LE COMPETE(transmit)	LA	1872
IDABEL	OK	1831
JOE BALD/HWY DD	MO	1823
MULESHOE	TX	1815
WHITEHALL	AR	1792
CONCORDIA	KS	1778
BOONVILLE	MO	1742
ROCKDALE	TX	1722
COLE COUNTY	MO	1720
SIBLEY	LA	1710
INGRAM	TX	1683
TRENTON	MO	1656
BRADY	TX	1653
KERMIT	TX	1646
MAHONING	OH	1635
ARP(transmit)	TX	1563
CHILDRESS	TX	1545

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
CRYSTAL BEACH	TX	1507
ANADARKO	OK	1474
EUFAULA	OK	1469
CLAY CENTER	KS	1436
THOMPSON	OH	1428
DANVILLE	AR	1407
FORT SILL	OK	1406
MONTGOMERY	TX	1387
MILLER COUNTY	AR	1367
SHERIDAN	AR	1365
BELOIT	KS	1344
BROOKFIELD	MO	1279
NASHVILLE	AR	1225
RUSK	TX	1204
SMACKOVER	AR	1159
HEALDTON(transmit)	OK	1155
KENEDY	TX	1125
LEXINGTON	MO	1109
TRINITY	TX	1084
VAN ZANDT	TX	1053
DIMMITT	TX	1046
GOODRICH	TX	1025
WALDRON	AR	1025
KINGFISHER	OK	1009
TULIA	TX	1004
SEYMOUR	TX	985
OLNEY	TX	980
SONORA	TX	975
CALDWELL	TX	959
DE WITT	AR	946
CRANE	TX	945
HAWKINS	TX	933
POST	TX	919
ELLSWORTH	KS	912
BIG LAKE	TX	896
MT IDA	AR	890
NOCONA	TX	876
QUANAH	TX	874
SPEARMAN	TX	871
PHILLIPSBURG	KS	859
REDWATER	TX	840
WALTERS	OK	824
TYLER COUNTY	TX	816
BLOOMINGDALE	OH	813
FAIRVIEW	OK	813
FANNETT/LABELLE	TX	812
LEWISVILLE	AR	806
SPIRO	OK	795
LOST PINES	TX	791
HOLLIS(transmit)	OK	789
MEMPHIS	TX	774

Classic Cable Systems (by headend)
2/28/02

City	State	Number of Subscribers
HAZEN	AR	770
WATONGA	OK	764
WELLINGTON	TX	753
HAMBURG	AR	736
CANADIAN	TX	735
SHAMROCK	TX	734
JUNCTION	TX	729
LAMPE/PERSIMMON	MO	721
LUBBOCK	TX	843
LINDSBORG	KS	708
HUGHES	AR	707
ALBANY	TX	694
HAMLIN	TX	685
SMITH CENTER	KS	671
ANSON	TX	656
ANTHONY	KS	654
DELEON	TX	652
PINEBERGEN	AR	648
NAPLES	TX	646
HENRIETTA	TX	643
CLIFTON	TX	641
MAYFLOWER	AR	632
COMANCHE	OK	624
PLAINVILLE	KS	611
OBERLIN	KS	607
SAN SABA	TX	600
ST. JOSEPH	LA	598
SHATTUCK	OK	597
NOEL	MO	595
HULL	TX	594
PORTER MILL	MO	593
GRAPELAND	TX	589
ATKINS	AR	578
CHARLESTON	AR	577
CACHE	OK	576
GRAVOIS MILL	MO	571
MASON	TX	569
SPRING HILL	KS	559
CHEROKEE	OK	557
BEAVER(transmit)	OK	551
BOYCE	LA	551
ROCK CREEK	OH	550
LUCAS	TX	549
BERNICE	LA	546
OKLAHOMA	TX	543
MARKSVILLE	LA	541
YORKTOWN	TX	531
SPLENDORA	TX	528
PADUCAH	TX	527
CLARENDON	TX	522
HEAVENER	OK	522

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
LANSING	TX	521
WEST	TX	517
LOWRY CROSSING	TX	516
DENMARK	OH	508
MART	TX	497
SAINT FRANCIS	KS	495
KIOWA (transmit)	KS	494
ROTAN	TX	490
KNOX CITY	TX	483
COITSVILLE	OH	480
FAYETTE	MO	475
CLARENDON	AR	474
PLEASANTON	KS	471
LIVERPOOL	TX	467
KNOXVILLE	OH	464
LONOKE	AR	461
FLETCHER	OK	459
VERNON	OH	459
LYONS	TX	458
ELDORADO	TX	457
MENARD	TX	457
LOUISBURG	KS	455
VELMA	OK	454
DOVER	AR	450
ELECTRA	TX	444
DRY PRONG	LA	443
KENEFICK	TX	441
FRIONA(transmit)	TX	440
BUFFALO	OK	432
LAVERNE	OK	425
PORTER	TX	425
BONO	AR	423
SANTA ROSA	NM	420
LEOTI	KS	419
MAGNOLIA/CONROE	TX	419
CALDWELL	KS	417
HOOKER	OK	414
BOISE CITY	OK	411
COTTON VALLEY	LA	406
STOCKTON	KS	404
ABERNATHY	TX	401
ANAHUAC	TX	400
LINDEN	TX	400
COFFMAN BEND	MO	396
LINCOLN	KS	393
CENTER POINT	TX	391
CROSBYTON	TX	387
SAINT JOHN	KS	386
COLFAX	LA	383
WAURIKA	OK	382
LEONARD	TX	374

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
KROTZ SPRINGS	LA	371
SPUR	TX	369
ALMA	NE	367
PLAINVIEW	AR	367
SAN LEON	TX	367
THOMAS	OK	366
SENECA	MO	363
HOMER	TX	362
HENNESSEY	OK	360
NORTH SILSBEE	TX	360
LOCKNEY	TX	358
ENGLAND	AR	357
GORMAN	TX	353
OYSTER CREEK	TX	352
OLTON	TX	350
WOLFE CITY	TX	349
WRAY	CO	347
LAS GALLINAS	TX	346
EDEN	TX	345
BURNS FLAT	OK	344
POWDERLY	TX	344
VICTORIA	KS	337
ERICK	OK	335
DES ARC	AR	330
RAYWOOD	TX	330
COAL HILL	AR	329
CENTRAL	TX	328
BLOOMINGTON	TX	325
HALE CENTER	TX	321
RED CLOUD	NE	321
FRONTENAC	KS	317
CROWELL	TX	311
MELVILLE	LA	311
TANNEYVILLE	MO	311
HEIGHTS	TX	308
ATASCOSA	TX	301
NEWELLTON	LA	299
IDALOU	TX	298
ASHLAND	KS	297
NIXON	TX	297
FRANKLIN	NE	294
ORE CITY	TX	291
PLAINS	TX	289
RALLS	TX	289
PLEAK	TX	283
OKEENE	OK	282
RUSH SPRINGS	OK	280
TURKEY CREEK	LA	280
BEACH CITY	TX	278
STERLING CITY	TX	278
ALTO	TX	277

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
ZAVALLA	TX	273
FLATONIA	TX	272
MISSIONARY	MO	271
NESS CITY	KS	266
WILDWOOD	TX	266
BOOKER	TX	264
ANNA	TX	262
WESTERN GROVE	AR	260
COLDWATER	KS	258
NORTON	KS	257
NATCHEZ	LA	255
STERLING	KS	255
WINK	TX	252
SEILING	OK	248
WALLIS	TX	248
POTTSBORO	TX	246
SUNDOWN	TX	246
SIMPSON	LA	244
MATADOR	TX	241
OXFORD	NE	241
CYPRESS	TX	240
GLASGOW	MO	240
BAXTER	AR	238
PLUM GROVE	TX	237
HART	TX	235
JETMORE	KS	235
JUNCTION CITY	AR	235
STEPHENS	AR	234
SW JOPLIN	MO	234
BUCKLIN	KS	233
MERTZON	TX	230
LAKE CLAIBORNE-N	LA	227
CYRIL	OK	226
KENSINGTON	KS	225
SHARON SPRINGS	KS	222
TRIBUNE	KS	221
CLAYTON	LA	217
RENO	TX	217
TIMPSON	TX	213
GARRISON	TX	212
KRUM	TX	209
JASPER	AR	207
OKARCHE	OK	207
EFFIE	LA	206
VICI	OK	202
SARGENT	TX	200
DIANA	TX	199
NIANGUA BRIDGE	MO	197
FORT SUMNER	NM	195
BEARDEN	AR	194
CHILLICOTHE	TX	194

Classic Cable Systems (by headend)
2/28/02

City	State	Number of Subscribers
CLAUDE	TX	194
DELIGHT	AR	194
STRATFORD	TX	194
LACYGNE	KS	193
NORTHSHORE	MO	192
SHERWOOD SHORES	TX	189
GIBSLAND	LA	188
ADKINS	TX	182
MCDONALD	KS	181
WILSON BEND	MO	181
WATERPROOF	LA	178
CADDO PEAK	TX	176
DREXEL	MO	176
LEFORS	TX	176
WAUKOMIS	OK	173
POND CREEK	OK	172
SANTE FE	TX	171
SILVERTON	TX	171
GEARY	OK	170
KILGORE	TX	167
PIEDMONT	OK	167
GROVETON	TX	165
MAGAZINE	AR	163
MONTGOMERY	LA	163
MOSS BLUFF/LIBE	TX	163
LONDON	AR	162
CUSHING	TX	161
HARMONY GROVE	AR	160
MELROSE	NM	160
SAINT JO	TX	160
ATTICA	KS	159
ARAPAHO	OK	157
PROTECTION	KS	157
TENAHA	TX	154
BURKEVILLE	TX	153
GAINESVILLE	MO	153
BEAUMONT COLONY	TX	152
INDIAN SPRINGS	TX	147
ROBY	TX	147
RYAN	OK	147
COLLIN COUNTY	TX	146
BINGER	OK	145
NEWCASTLE	OK	145
IVY BEND	MO	143
LOVELADY	TX	142
PALESTINE	AR	142
INDIANOLA	NE	141
CHRISTOVAL	TX	138
FAIRGROVE	MO	138
DILL CITY	OK	137
WALLACE RIDGE	LA	137

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
CHIDESTER	AR	136
COLMESNEIL	TX	136
KRESS	TX	136
ALTHEIMER	AR	134
EAST CONWAY	AR	133
HOLLY GROVE	AR	133
LAHOMA	OK	133
ROCKSPRINGS	TX	133
BEAVER CITY	NE	132
CULBERTSON	NE	132
HECTOR	AR	132
MONTEREY	LA	132
WODEN	TX	132
RUNGE	TX	129
ANTON	TX	128
GOLDEN	TX	128
BROOKELAND	TX	124
GARDEN PLAIN	KS	124
LAKE ST. JOHN	LA	123
ALGOA	TX	122
GARY/LAKE MURVA	TX	122
LESLIE	AR	121
JONES	OK	120
NW JOPLIN	MO	120
RIVERSIDE	TX	118
ARNETT	OK	117
EMMET	AR	117
HAUGHTON	LA	116
ARCOLA	TX	113
LEEDEY	OK	113
MACKSVILLE	KS	113
SE LUBBOCK COUNTY	TX	113
VAUGHN	NM	113
FOLLETT	TX	112
PETERSBURG	TX	112
COLWICH	KS	111
CORN	OK	109
DOWNS	KS	108
EGAN	TX	108
GROOM	TX	107
ORLEANS	NE	106
SOUTH KATY	TX	105
RODESSA	LA	103
HIGGINS	TX	101
OZARK ACRES	AR	101
ROBELINE	LA	101
SOUTH VIDOR	TX	101
ECTOR	TX	98
ARGONIA	KS	95
HAPPY	TX	95
ALBA	TX	92

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
CUMBY	TX	92
CANUTE	OK	91
CARMEN	OK	90
WOODROW	TX	89
GALENA	MO	88
NOME	TX	88
FREEDOM	OK	87
MOUNT HOPE	KS	86
SYLVAN GROVE	KS	86
TATUM	NM	85
BISCOE	AR	84
BRADLEY	AR	84
CUSTER CITY	OK	84
LORENZO	TX	83
WELLS	TX	83
WICKETT	TX	82
BILLINGS	OK	81
BARSTOW	TX	80
BAZINE	KS	78
FAIRPLAY	CO	78
ROARING SPRINGS	TX	78
WILMAR	AR	78
BROUILLETTE	LA	77
GEORGETOWN	LA	77
NEW SUMMERFIELD	TX	77
TERRAL	OK	77
DIGHTON	KS	76
HELENA	OK	76
DARROUZETT	TX	75
NATOMA	KS	75
HAMMON	OK	74
TAYLOR	AR	74
SOUTH HAVEN	KS	73
ANDALE	KS	72
HEDLEY	TX	72
ARLINGTON	KS	71
HUMPHREY	AR	70
LYNN	AR	69
AVINGER	TX	68
ROOSEVELT	OK	68
WHEATLEY	AR	68
CHEEK	TX	67
DICKENS	TX	67
HOWARDWICK	TX	67
WAKITA	OK	67
ALLENDALE	TX	66
DAMON-GUY	TX	66
SKELLYTOWN	TX	66
BOLING	TX	65
BUFFALO SPRINGS LAKE	TX	65
CAMP WOOD	TX	65

Classic Cable Systems (by headend)

2/28/02

City	State	Number of Subscribers
FRUITVALE	TX	65
NORWICH	KS	64
MT ENTERPRISE	TX	63
AQUA VISTA	TX	62
CLOUTIERVILLE	LA	62
COVINGTON	OK	62
MACKS CREEK	MO	62
ROSE CITY	TX	62
CLEVER	MO	61
SO. PINE BLUFF	AR	60
CEDAR SPRINGS	TX	57
GENESEO	KS	57
LURAY	KS	57
BOKOSHE	OK	56
PAOLI	OK	56
GRADY	AR	55
PRETTY PRAIRIE	KS	55
SPARTA	MO	55
AZTEC	TX	53
TURRELL	AR	53
CALUMET	OK	52
LOCUST BAYOU	AR	52
MCINTYRE	LA	52
CARTHAGE	AR	51
HERMITAGE	AR	51
PRICE	TX	50
CHESTER	TX	49
EMERSON	AR	49
QUITAQUE	TX	49
WHITEFACE	TX	49
ELMO	TX	48
SOUTH SILSBEE	TX	47
DOVER	OK	46
GRANDFALLS	TX	45
BURRTON	KS	44
COMFORT	TX	44
CRAWFORDSVILLE	AR	41
MCDUGAL	AR	41
HARRELL	AR	40
UNION CITY	OK	40
CAMARGO	OK	39
HARTVILLE	MO	39
AMES	OK	38
LEOLA	AR	38
NASH	OK	38
BESSIE	OK	37
FARGO	OK	37
LAKE EARLING	AR	37
THORNTON	AR	37
TIPTON	KS	37
CONWAY	MO	36

Classic Cable Systems (by headend)
2/28/02

City	State	Number of Subscribers
RINGWOOD	OK	36
HOLIDAY LAKES	TX	35
LANEVILLE	TX	35
FORDLAND	MO	34
MYRTLE SPRINGS	TX	33
SHELDON	MO	33
DRUMMOND	OK	32
PLEASANT HOPE	MO	32
TRASKWOOD	AR	32
KNOBEL	AR	31
ALMYRA	AR	30
GOLTRY	OK	30
NORWOOD	MO	29
FOUNTAIN HILL	AR	27
HUMNOKE	AR	27
GARLAND CITY	AR	26
REKLAW	TX	26
SEDGWICK	AR	26
URBANA	MO	26
MONTAGUE	TX	25
CASHION	OK	24
DACOMA	OK	23
IMPERIAL	TX	23
KREMLIN	OK	22
BRECKENRIDGE	OK	21
COUNTRY HAVEN	TX	21
CALVIN	LA	20
JET	OK	20
BELLEVUE	TX	19
BYARS	OK	19
RAVENDEN SPRING	AR	19
CARLSBAD	TX	18
HARDESTY	OK	18
HUNTER	OK	17
MINDENMINES	MO	17
BARNHART	TX	15
WANETTE	OK	15
NIANGUA	MO	14
STOTTS CITY	MO	14
FAIRPLAY	MO	13
GARDENDALE	TX	13
GOLDSMITH	TX	13
OKEAN	AR	13
ALMENA	KS	11
MARSHALL	OK	11
DODSON	LA	10
WASHINGTON	OK	9
ARMSTRONG	MO	8
MCRAE	AR	295
Totals		278786

ATTACHMENT C

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CLASSIC COMMUNICATIONS INC filed this 10-K on 04/01/2002.

FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission file number 1-15427
[CLASSIC COMMUNICATIONS LOGO]

CLASSIC COMMUNICATIONS, INC.
(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

74-2630019
(I.R.S. Employer Identification No.)

6151 PALUXY ROAD, BUILDING A, TYLER, TEXAS 75703
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (903) 581-2121

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT: NONE

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
Class A Voting Common Stock, \$0.01 par value

Indicate by check mark whether the Registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
Registrant was required to file such reports) and (2) has been subject to such
filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendments to this Form 10-K. { }

As of February 28, 2002, the aggregate market value of the Class A Voting Common Stock, the Class B Voting Common Stock and the Nonvoting Common Stock held by non-affiliates of the Registrant was \$334,718.

As of February 28, 2002, there were 10,618,392 shares of Class A Voting Common Stock, 7,116,973 shares of Class B Voting Common Stock and 56,928 shares of Nonvoting Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE
None

CLASSIC COMMUNICATIONS, INC.
2001 FORM 10-K ANNUAL REPORT
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This Annual Report on Form 10-K is for the year ended December 31, 2001. This Annual Report modifies and supersedes documents filed prior to this Annual Report. The SEC allows us to "incorporate by reference" information that we file with them, which means we can disclose important information to you by referring you directly to those documents. Information incorporated by reference is considered to be part of this Annual Report. In addition, information we file with the SEC in the future will automatically update and supersede information contained in this Annual Report. In this Annual Report, "Classic," "we," "us" and "our" refer to Classic Communications, Inc. and its subsidiaries.

You should carefully review the information contained in this Annual Report, but should particularly consider any risk factors that we set forth in this Annual Report and in other reports or documents that we file from time to time with the SEC. The statements, other than statements of historical fact, included in this Annual Report on Form 10-K are forward-looking statements. These statements include, but are not limited to:

- o statements regarding our bankruptcy proceedings;
- o statements regarding future financing transactions;
- o statements regarding our plans to obtain waivers and amendments to our current financing arrangements;
- o statements regarding our planned capital expenditures and system upgrades; and

- o statements regarding the offering of video and Internet access on our systems.

Forward-looking statements generally can also be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "seek," or "believe." We believe the expectations reflected in such forward-looking statements are accurate.

However, we cannot assure you such expectations will occur. Our actual future performance could differ materially from such statements. Factors that could cause such or contribute to such differences include, but are not limited to:

- o the uncertainties and/or potential delays associated with our bankruptcy proceedings;
- o the uncertainties and/or potential delays associated with integrating past and future acquisitions;
- o our ability to acquire additional cable systems on terms favorable to us;
- o the passage of legislation or court decisions adversely affecting the cable industry;
- o our ability to repay or refinance our outstanding indebtedness;
- o the timing, actual cost and allocation of our capital expenditures and system upgrades;
- o our potential need for additional capital;
- o competition in the cable industry; and
- o the advent of new technology.

You should not unduly rely on these forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K. Except as required by law, we are not obligated to publicly release any revisions to these forward-looking statements to reflect events or circumstances occurring after the date of this Annual Report on Form 10-K or to reflect the occurrence of unanticipated events.

PART I

ITEM 1. BUSINESS

COMPANY OVERVIEW

We are a cable operator focused on non-metropolitan markets in the United States. In pursuing our business strategy, we have focused our efforts, including acquisitions, on cable television systems in non-metropolitan markets and have sought to build geographic clusters of these systems. Because of poor reception of broadcast television signals, customers often use cable television service in these markets to receive a full complement of off-air broadcast stations, such as ABC, NBC, CBS, and FOX. In addition, there are typically fewer competitive entertainment alternatives in these markets.

We are building a regional platform for the delivery of digital cable and high-speed Internet access to the homes and businesses of our customers. We believe that our strategy combines the attractive characteristics of the non-metropolitan cable market segment with the growth opportunity of broadband services and the Internet.

As of December 31, 2001, our consolidated cable operations served approximately 331,000 basic subscribers and passed approximately 722,000 homes in the United States.

We are a Delaware corporation that was organized in 1992. Our principal executive offices are located at 6151 Paluxy Road, Building A, Tyler, Texas 75703. Our telephone number is (903) 581-2121, and our Internet website is www.classic-cable.com. The information on our website is not a part of this report.

OUR STRATEGY

FOCUS ON ATTRACTIVE NON-METROPOLITAN MARKETS

We have followed a systematic approach to acquiring, consolidating, operating and developing cable television systems based on the primary goal of increasing our operating cash flow while maintaining the quality of our services. Our business strategy is to focus on serving growing non-metropolitan communities in the United States.

CLUSTERING OF CABLE SYSTEMS

Historically, we have sought to acquire cable television systems in communities that are in close geographic proximity to other cable television systems owned or managed by us in order to maximize the economies of scale and operating efficiencies associated with "clusters" of systems. We have created clusters of cable television systems around these markets and believe that clustering cable systems provides significant operating and cost advantages.

INCREASE THE REVENUE-GENERATING CAPACITY OF OUR CABLE PLANT

Through our capital improvement program, we plan to upgrade the capabilities of our cable plant and systematically utilize cost-effective and appropriate technology for the market served. These upgrades include:

- o Electronic upgrades to at least 450 MHz bandwidth capacity in selected systems;
- o The deployment of digital compression services such as Headend in The Sky(R), known as HITS and Quick Take, a digital compression service developed by National Digital Television Center, Inc.;
- o The deployment of Hits to the Home, a medium power satellite digital service developed by National Television Center, Inc.; and
- o The deployment of fiber optic cable.

We seek to benefit from the capital improvement program by generating additional revenue from:

- o Expanded tiers of basic programming;
- o Multiplexed premium services;
- o Pay-per-view movies and events;
- o Digital music;
- o On-screen navigators;
- o Home shopping services;
- o High-speed data services;
- o Internet access; and
- o Advertising.

IMPLEMENT OUR BROADBAND SERVICES

DIGITAL SERVICES. Depending on the size of the system, we offer or intend to offer digital video services through either a digital headend or through a direct-to-home solution. In larger systems, we provide enhanced digital video in our upgraded and certain other systems using HITS or Quick Take. HITS enables us to deliver video services such as:

- o pay-per-view programming;
- o on-screen programming navigators;
- o multiplexed premium channels such as HBO-Family and HBO-Signature;
- o digital music; and
- o multiple tiers of niche satellite basic programming.

For systems with fewer than 2,000 subscribers, or other systems whose headends are uneconomical to upgrade, we intend to use a digital satellite alternative to provide a more robust cable product offering. For example, HITS has developed a seamlessly delivered digital satellite programming overlay product direct to the home. This product, HITS-2-Home, offers customers a programming selection comparable to that currently offered by HITS to the headend.

INTERNET SERVICES. We believe that additional revenue opportunities exist in non-metropolitan markets by providing advanced telecommunication services, such as Internet access and the delivery of high-speed data services, including local- and wide-area network applications, for residential and commercial customers.

SALE OF CERTAIN ASSETS. We believe that our business objectives could be furthered by the sale or exchange of certain of our small cable systems and, possibly, a limited number of selected other systems. Additionally, we are considering the value of selling or leasing all or part of our communications towers that are located throughout our ten state service area.

FOCUS ON COMMUNITY RELATIONS AND CUSTOMER SATISFACTION

We believe that providing superior customer service and enhancing the quality of life in the communities we serve are the key elements to our ultimate long-term success. Our high level of service enables us to maintain subscribers and support our rates. It is our goal to achieve a high level of customer satisfaction by employing a well-trained staff of customer service representatives and experienced field technicians.

We are dedicated to fostering strong community relations in the communities we serve. We install and provide free cable television service and Internet access to public schools, government buildings, and public libraries in our franchise areas. We believe that our relations with the communities we serve are good.

PROGRAMMING

Our cable systems offer our customers a wide range of programming options including local network, independent and educational, public access, pay-per-view, digital music, and satellite-delivered non-broadcast channels such as CNN, MTV, USA, ESPN, and TNT. Premium offerings are available on a per-channel basis and in many systems as part of premium service packages. The programming offered varies among the cable systems due to the channel capacity and viewer interest.

We have various contracts to obtain basic, satellite and premium programming for our cable systems from program suppliers, including, in limited circumstances, some broadcast stations, with compensation generally based on a fixed fee per customer or a percentage of the gross receipts for the particular service. Some program suppliers provide volume and/or penetration discount pricing structures and/or offer marketing support. In addition, we are a member of a programming consortium consisting of small to medium sized multiple cable systems operators and individual cable systems serving, in the aggregate, over ten million cable subscribers. The consortium helps create efficiencies in the areas of securing and administering programming contracts, as well as establishing more favorable programming rates and contract terms for small and medium sized cable operators. We do not have long-term programming contracts for the supply of a substantial amount of our programming. In cases where we do have such contracts, they are generally for fixed periods of time ranging from one to five years and are subject to negotiated renewal. The loss of contracts with certain of our

programming suppliers would have a material adverse effect on our results of operations. Our bankruptcy proceedings, discussed in the General Developments section, may significantly impact the status of our programming contracts. Cable programming costs are expected to continue to increase due to additional programming being provided to customers, increased costs to purchase cable programming, inflationary increases and other factors. We cannot assure you that our programming costs will