

Exhibit "A", attached hereto and by this reference incorporated herein.

Owner reserves the right to select the actual physical facilities used to carry Lessee's broadcast signals and replace or modify said facilities in its sole discretion, provided the bandwidth capacity and quality of transmission provided to Lessee is not impaired.

Lessee was aware, prior to seeking a CATV contract, and remains aware that lease of pole attachment and/or conduit space from Owner, for Lessee's own distribution facilities, at reasonable rates and without undue usage restrictions, was an available alternative to the instant Agreement.

2. Rent. The Lessee shall pay the Owner as rent for the use of said bandwidth capacity the monthly sum described in Exhibit "B", attached hereto and by this reference incorporated herein. A late payment charge equal to 1.5% per month, or the maximum rate allowed by law, whichever is less, will apply to each rental payment which is received by Owner more than five (5) days after the payment due date shown on Owner's monthly statements.

3. Term. This Lease Agreement shall commence as of the date indicated above and shall continue for a period of fifteen (15) years from the date Lessee receives the written notice of the availability of said bandwidth capacity (as set forth in paragraph 16 of that certain Construction Agreement between the Owner and T. L. Robak, Inc., dated the 22nd day of January, 1987, and by this reference incorporated herein), unless sooner terminated by the provisions of this Lease Agreement.

4. Use of Coaxial Facilities Capacity. The bandwidth capacity leased by Lessee hereunder shall be used and operated by Lessee pursuant to and in compliance with the provisions of that certain CATV Contract between Lessee and the City of Cerritos, and by this reference incorporated herein. Lessee's use and operation also shall comply with all applicable federal, state and local laws, rules and ordinances.

5. Option to Renew Lease. Owner hereby grants Lessee an option to renew this Lease coextensive with any extensions granted by the City of Cerritos to Lessee pursuant to the CATV Contract referred to in paragraph 4, at a rent to be agreed between the parties.

6. Title. The parties agree that the title to the System (including the Coaxial Facilities used to provide CATV service) lies exclusively in Owner and the Lessee has no rights or property interest therein other than the rights of a lessee pursuant to the terms of this Lease Agreement. The parties further agree, however, that the items of equipment described on Exhibit "C" which is attached hereto and by this reference incorporated herein, comprise certain elements of the CATV operating system that are owned by Lessee. Owner has no rights or property interest in such specified items.

7. Risk of Loss; Insurance; and Indemnity. The parties agree that all risk of loss or damage to the System (including the Coaxial Facilities) shall be borne by the Owner. The Lessee shall, however, furnish the Owner with general and

public liability insurance in amounts not less than \$2,000,000.00 for any one person, and \$2,000,000.00 per occurrence; property damage liability insurance of not less than \$2,000,000.00; and liability insurance to indemnify and hold Owner harmless from any loss, claim, liability or demand, including attorneys' fees, arising out of Lessee's use of the bandwidth provided by Owner. Lessee shall provide Owner with certificates of said insurance naming Owner as loss payee as its interest may appear as to each of the foregoing insurance policies. The certificates shall further state that Owner shall be given at least thirty (30) days prior written notice of any proposed cancellation of said policies. Lessee shall also maintain workers' compensation insurance covering its employees as required by law for all work performed on the System, including the Coaxial Facilities pursuant to this Agreement. In addition, to the foregoing insurance contract obligations of Lessee, Lessee agrees that it shall indemnify and hold Owner harmless from any and all liability, claims, and demands whatsoever, including attorney's fees, as a result of the negligence or other wrongdoing on the part of any employee, agent, servant or representative of Lessee, in connection with the operation of the Coaxial Facilities.

8. Taxes, Licenses and Franchise Fees. The Lessee shall pay all license fees, taxes, and all other governmental charges, franchise fees, fines, or penalties arising out of Owner's provision of cable bandwidth to Lessee for the provision of CATV services in the City of Cerritos, California, except fines or penalties imposed as a result of Owner's conduct. Upon demand,

the Lessee shall reimburse the Owner for any such taxes, charges, fees, fines or penalties which the Owner may be compelled to pay on Lessee's behalf in connection with this Lease Agreement prior to the termination thereof. The parties further agree to cooperate with one another and furnish each other with any information reasonably required in connection with the parties' obligations under this paragraph.

9. Assignment and Sublease. Subject to the provisions of the CATV Contract between Lessee and the City of Cerritos, and with the approval of Owner (which approval shall not be unreasonably withheld), the Lessee may assign and/or sublease all or any part of its interest under this Lease Agreement; provided, however, such assignments and/or sublease agreements shall not release Lessee from any of its obligations to the Owner hereunder. Subject to the provisions of the Franchise Agreement between Owner and the City of Cerritos, the parties further agree that the Owner may assign all or any part of its right, title and interest in and to the System. In such event, all the provisions of this Lease Agreement for the benefit of the Owner shall inure to the benefit of and may be exercised by or on behalf of the successor in interest of the Owner, and all rental payments due or to become due under this Agreement assigned to such successor in interest shall be paid directly to such successor in interest commencing on the first day of the month following Lessee's receipt of notification of such assignment.

10. Owner's Warranties. As to the cable bandwidth leased hereunder, the Owner warrants that:

(a) It is and will be the sole and absolute Owner of the Facilities used to provide said capacity;

(b) Subject to any necessary regulatory approvals, Owner has the right to lease the same to Lessee;

(c) The same is free of all encumbrances at the time this Lease Agreement commences;

(d) The Owner will keep the Coaxial Facilities used to provide said bandwidth free of all liens, security interests and encumbrances; and

(e) It will do nothing to disturb the Lessee's full right of possession and enjoyment thereof and exercise of all the Lessee's rights with respect thereto as provided by this Agreement.

11. Lessee's Default. Time is of the essence under this Agreement and any of the following events shall constitute default on the part of the Lessee hereunder:

(a) The failure of the Lessee to pay any installment of rental within thirty (30) days after the date on which the same shall become due;

(b) Any breach or failure of the Lessee to observe or perform any of its other obligations hereunder and the continuance of such default for sixty (60) days after notice in writing to Lessee of the existence of such default;

(c) The insolvency or bankruptcy of the Lessee or the making by the Lessee of an assignment for the benefit of creditors, or the consent of the Lessee to the appointment of a Trustee or Receiver, or the appointment without its consent of a

Trustee or Receiver for the Lessee or for a substantial part of its property;

(d) The institution by or against the Lessee of bankruptcy, reorganization, arrangement, or insolvency proceedings; or

(e) The termination of the CATV Contract between Lessee and the City of Cerritos, California.

12. Remedies. Upon the occurrence of any default by Lessee as specified in paragraph 11, the Owner may, at its option:

(a) Declare this Lease Agreement in default and thereupon the cable bandwidth leased to Lessee and all rights of the Lessee therein shall be surrendered to the Owner;

(b) By its agents, take possession of (i) the Coaxial Facilities, (ii) the bandwidth provided pursuant hereto, and (iii) the equipment that is attached to or part of the System, as identified in Exhibit "C" to this Agreement that is owned by Lessee and is used in the transport of the CATV signals. (Any equipment taken shall be subject to all relevant liabilities and, where appropriate, Owner shall compensate Lessee for Lessee's equity interest, if any, in said equipment.) For this purpose Owner may enter upon any premises of the Lessee without liability for suit, action, or other proceeding by the Lessee, so long as no breach of the peace results; or

(c) Subject to its duty to mitigate damages and to any necessary regulatory approvals, Owner may hold, use, sell, lease or otherwise dispose of the Coaxial Facilities and/or bandwidth provided to Lessee at Owner's discretion.

(d) If Lessee breaches this Lease and ceases using the leased cable bandwidth before the end of the Lease term, or if Lessee's right to possession is terminated by Owner because of Lessee's breach of this Lease, this Lease, at the option of Owner, shall terminate. On such termination, Owner may recover from Lessee:

(1) The worth at the time of award of the unpaid rent which had been earned at the time of termination;

(2) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Lessee proves could have been reasonably avoided;

(3) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss for such period that Lessee proves could be reasonably avoided; and

(4) Any other amount necessary to compensate owner for all the detriment proximately caused by Lessee's failure to perform its obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom.

(e) The "worth at the time of award" of the amount referred to in subparagraphs (1) and (2) of Section (d) hereinabove is computed by allowing interest at the legal rate. The worth at the time of award of the amount referred to in subparagraph (3) of Section (d) is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent.

(f) Efforts by Owner to mitigate the damages caused by Lessee's breach of this Lease do not waive Owner's right to recover damages under this article.

(g) Even though Lessee has breached this Lease and has ceased using the leased capacity, this Lease continues in effect so long as Owner does not terminate Lessee's right to possession; and Owner may enforce all its rights and remedies under this Lease, including the right to recover the rent as it becomes due under this Lease.

13. Invalid Provision. Any provision of this Agreement found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the rest of this Agreement.

14. Construction. The validity, construction and enforcement of this Agreement shall be governed by the laws of the State of California.

15. Complete Agreement. This Agreement and the exhibits attached hereto contain the entire understanding of the parties, and such understanding may not be modified or terminated except in writing signed by the parties.

16. Waiver of Default; Recovery of Costs of Suit. A waiver of default by Owner shall not be a waiver of any other or subsequent default. In the event either party hereto initiates an appropriate legal action to enforce the terms and provisions of this Lease Agreement, the prevailing party in such action may recover its costs of suit, including reasonable attorneys' fees.

17. Prepayment of Rental. The parties agree that the Lessee may, at any time during the term of this Lease, prepay in whole or in part the "Owner's Recoverable Construction Cost" (as specified on Exhibit "B") at its then present value. If the full unpaid balance is paid, Lessee shall have no further rental payments due under the terms of this Lease Agreement. If less than all of the Owner's Recoverable Construction Cost is prepaid pursuant to this provision, then the subsequent annual rental shall be redetermined pursuant to the formula set forth in Exhibit "B".

18. Testing of New Communications Technologies. Lessee is aware that GTE Service Corporation will be using a portion of the System for the purpose of testing new communications technologies. Lessee further understands that one of the test projects that GTE Service Corporation intends to undertake may involve the transmission of CATV signals over fiber optic cable. Lessee agrees to permit GTE Service Corporation from time to time to use its test bed facilities, including but not limited to fiber optic cable, to carry all or a portion of Lessee's CATV signals, provided Lessee receives adequate assurances from GTE Service Corporation that the CATV service provided by Lessee to its customers will not be disrupted thereby, and further provided that Lessee receives advance notice of any such test activity. Owner agrees to permit Lessee to observe and/or participate in such uses of fiber optic cable in its test bed facilities, provided Owner: (i) receives adequate assurances that such observation and/or participation of Lessee will not disrupt the test bed activities,

and (ii) is not in violation of any agreement between Owner (or any related entity of Owner) and any other party.

19. Assertion of Regulatory Jurisdiction. Lessee understands that the bandwidth capacity subject to this Agreement is provided on a non-common carrier basis, individually negotiated and tailored to meet the particular needs of Lessee and characterized by a long-term Lease with a customer expected to operate a stable business. Therefore, the service by Owner under the Agreement is not subject to regulation by the Public Utilities Commission of the State of California (CPUC) or the Title II authority of the Federal Communications Commission (FCC). If the CPUC should assert jurisdiction or the FCC claim Title II jurisdiction over the service provided by Owner, Lessee shall be subject to the rates, terms and conditions such agency may impose.

20. Express Contingencies. This Agreement is contingent upon the satisfactory completion of the construction of the System by T. L. Robak, Inc., the award of the CATV Contract in the City of Cerritos to Lessee, the award of a franchise agreement in the City of Cerritos to Owner and any necessary regulatory agency approvals.

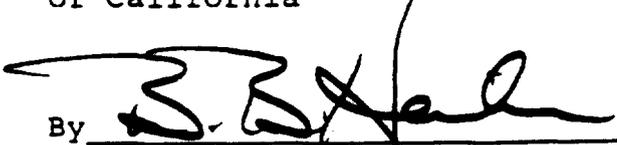
21. Increase in Bandwidth Capacity. Owner agrees that if bandwidth capacity in excess of 275 MHz should become available, Lessee, or its successor, is hereby granted a right of first refusal to the use of any such increase in capacity at such terms and subject to such provisions as are mutually agreed to by the parties.

22. Repair and Maintenance of the Coaxial Facilities.

If Owner fails to maintain and/or repair the Coaxial Facilities in a manner sufficient to meet the performance standards established by the Franchise Agreement between the City of Cerritos and Owner, then Lessee may undertake such work. All costs incurred by the Lessee shall be billed to the Owner by Lessee. Lessee shall, prior to performing any such work, give Owner reasonable notice of the work required and at least 10 days in which to complete such work; provided, however, that in the event immediate repair is required to restore CATV service or prevent impairment of the required quality of transmission of CATV signals, Lessee may undertake commencement of such work prior to giving such notice. Lessee will, however, provide such notice as soon as is reasonably practicable under the circumstances.

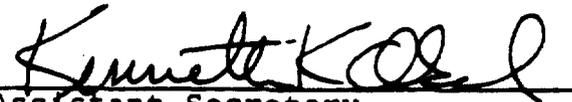
IN WITNESS WHEREOF, this Lease Agreement is executed on the day and year indicated below.

OWNER
General Telephone Company
of California

By 

Dated: 122/, 1987

Attest:


Assistant Secretary

LESSEE
Apollo Cablevision, Inc.

By Tom Kalach

Dated: _____, 1987

Attest:

Corporate Secretary

EXHIBIT "A"

TO THE LEASE AGREEMENT OF THE
COAXIAL FACILITIES, CERRITOS, CALIFORNIA

Description of the Coaxial Facilities.

The Coaxial Facilities leased to Apollo Cablevision, Inc. is composed of the following elements:

Table of Contents

Appendix "1"	Map of Coaxial Facilities
Appendix "2"	Description of Component Parts of Coaxial Facilities

[These Appendices are to be completed as the System design is generated and as the System is constructed.]

EXHIBIT "B"

TO THE LEASE AGREEMENT OF THE
COAXIAL FACILITIES, CERRITOS, CALIFORNIA

Lease Payment

1. The parties agree that the Lessee's obligation to pay rent has been determined pursuant to the following agreed formula;

(a) Lessee shall pay Owner, over the term of this Lease, a principal sum equal to one-half of Owner's cost of constructing the CATV portion of the System ("Owner's Recoverable Construction Cost") which the parties presently estimate to be the sum of \$3,639,006.00. (See Investment Estimate Table attached hereto as Exhibit "B-1" and by this reference incorporated herein.)

(b) The annual rental payment is agreed to be the sum necessary to amortize the Owner's Recoverable Construction Cost and provide the Owner an annual economic rate of return on the Owner's Recoverable Construction Cost over the initial 15 year term of this Lease payable in monthly installments.

(c) Based upon the estimated Owner's Recoverable Construction Cost specified in paragraph 1(a), that annual payment is equal to a maximum of \$790,000 per year.

2. During the period of construction of the System, the parties agree that the Owner's Recoverable Construction Cost shall be paid on a monthly basis by Lessee based on the Owner's total estimated cost for the System. Said monthly payments as specified in Exhibit "B-2" attached hereto and by this reference incorporated herein shall commence on the first day of the ninth month following (i) the execution of this Agreement, (ii) an award of the Franchise Agreement between the City of Cerritos and Owner, (iii) an award of the CATV Contract between the City of Cerritos and Lessee, or (iv) the commencement of the construction of the System, whichever occurs later.

3. Upon completion of the System, the parties agree to determine the actual Owner's Recoverable Construction Cost (with appropriate adjustments for rent paid during the period of construction) and to determine the actual annual rental pursuant to Exhibits "B-1" and "B-2" as revised to incorporate the actual costs of construction upon completion of the System. Until and unless that actual annual figure has been determined, the parties agree that the annual rent payable by Lessee to Owner shall be the sum specified in Exhibit "B-2."

EXHIBIT "B-1"

TO THE LEASE AGREEMENT OF THE
COAXIAL FACILITIES, CERRITOS, CALIFORNIA

INVESTMENT ESTIMATE TABLE

	<u>Quoted Price</u>	<u>Less: 12% Profit</u>	<u>Net Cost</u>	<u>Owner's Estimated Recoverable Construction Cost</u>	<u>Non- Recoverable Portion</u>
A. Engineering/Design	\$ 128,000	-0-	\$ 128,000	\$ 64,000	\$ 64,000
B. Underground Trenching \$4.59/foot x 5,280 feet x 170 miles =	4,131,000	(495,720)	3,635,280	1,817,640	1,817,640
C. CATV Materials \$1.55/foot x 5,280 feet x 170 miles =	1,395,000	(167,400)	1,227,600	613,800	613,800
ADDITIONAL COST \$.45/foot x 5,280 feet x 170 miles =	405,000	(48,600)	356,400	178,200	178,200
D. Head-End Building	8,000	-0-	8,000	8,000	-0-
E. Head-End Equipment and Installation	191,396	³⁷⁸ -0-	191,396	191,396	-0-
F. Head-End Computer for Addressability	53,050	-0-	53,050	53,050	-0-
G. Underground Drops - labor and materials \$80.00/each x 9,600 units	<u>768,000</u>	<u>(92,160)</u>	<u>675,840</u>	<u>337,920</u>	<u>337,920</u>
	<u>\$7,079,446</u>	<u>\$(803,880)</u>	<u>\$6,275,566</u>	<u>\$3,264,006</u>	<u>\$3,011,560</u>
Advance:	<u>750,000</u>		<u>750,000</u>	<u>375,000</u>	<u>375,000</u>
TOTALS:	<u>\$7,829,446</u>		<u>\$7,025,566</u>	<u>\$3,639,006</u>	<u>\$3,386,560</u>

EXHIBIT "B-2"

TO THE LEASE AGREEMENT OF THE
COAXIAL FACILITIES, CERRITOS, CALIFORNIA

MONTHLY PAYMENT SCHEDULE

(000)

<u>Month</u>	<u>Projected Investment</u>	<u>Lease Rate</u>	<u>Monthly Payment</u>	<u>Annual Payment</u>
1	439	N/A	\$0	
2	447	N/A	\$0	
3	697	N/A	\$0	
4	964	N/A	\$0	
5	1,109	N/A	\$0	
6	1,296	N/A	\$0	
7	1,497	N/A	\$0	
8	1,635	N/A	\$0	
9	1,792	N/A	\$15	
10	1,920	N/A	\$15	
11	2,087	N/A	\$15	
12	2,304	N/A	\$15	\$60
13	2,522	N/A	\$20	
14	2,739	N/A	\$20	
15	2,899	N/A	\$20	
16	3,154	N/A	\$20	
17	3,345	N/A	\$20	
18	3,569	N/A	\$20	
19	3,639	N/A	\$20	
20	3,639	N/A	\$20	
21	3,639	N/A	\$20	
22	3,639	N/A	\$20	
23	3,639	N/A	\$20	
24	3,639	N/A	\$20	\$240
25	3,639	N/A	\$39	
26	3,639	N/A	\$39	
27	3,639	N/A	\$39	
28	3,639	N/A	\$39	
29	3,639	N/A	\$39	
30	3,639	N/A	\$39	
31	3,639	N/A	\$39	
32	3,639	N/A	\$39	
33	3,639	N/A	\$39	
34	3,639	N/A	\$39	
35	3,639	N/A	\$39	
36	3,639	N/A	\$39	\$468
37	3,639	1.81%	\$66	
38	3,639	1.81%	\$66	

<u>Month</u>	<u>Projected Investment</u>	<u>Lease Rate</u>	<u>Monthly Payment</u>	<u>Annual Payment</u>
39	3,639	1.81%	\$66	
40	3,639	1.81%	\$66	
41	3,639	1.81%	\$66	
42	3,639	1.81%	\$66	
43	3,639	1.81%	\$66	
44	3,639	1.81%	\$66	
45	3,639	1.81%	\$66	
46	3,639	1.81%	\$66	
47	3,639	1.81%	\$66	
48	3,639	1.81%	\$66	\$790
49	3,639	1.81%	\$66	
50	3,639	1.81%	\$66	
51	3,639	1.81%	\$66	
52	3,639	1.81%	\$66	
53	3,639	1.81%	\$66	
54	3,639	1.81%	\$66	
55	3,639	1.81%	\$66	
56	3,639	1.81%	\$66	
57	3,639	1.81%	\$66	
58	3,639	1.81%	\$66	
59	3,639	1.81%	\$66	
60	3,639	1.81%	\$66	\$790
61	3,639	1.81%	\$66	
62	3,639	1.81%	\$66	
63	3,639	1.81%	\$66	
64	3,639	1.81%	\$66	
65	3,639	1.81%	\$66	
66	3,639	1.81%	\$66	
67	3,639	1.81%	\$66	
68	3,639	1.81%	\$66	
69	3,639	1.81%	\$66	
70	3,639	1.81%	\$66	
71	3,639	1.81%	\$66	
72	3,639	1.81%	\$66	\$790
73	3,639	1.81%	\$66	
74	3,639	1.81%	\$66	
75	3,639	1.81%	\$66	
76	3,639	1.81%	\$66	
77	3,639	1.81%	\$66	
78	3,639	1.81%	\$66	
79	3,639	1.81%	\$66	
80	3,639	1.81%	\$66	
81	3,639	1.81%	\$66	
82	3,639	1.81%	\$66	
83	3,639	1.81%	\$66	
84	3,639	1.81%	\$66	\$790
85	3,639	1.81%	\$66	
86	3,639	1.81%	\$66	
87	3,639	1.81%	\$66	

<u>Month</u>	<u>Projected Investment</u>	<u>Lease Rate</u>	<u>Monthly Payment</u>	<u>Annual Payment</u>
88	3,639	1.81%	\$66	
89	3,639	1.81%	\$66	
90	3,639	1.81%	\$66	
91	3,639	1.81%	\$66	
92	3,639	1.81%	\$66	
93	3,639	1.81%	\$66	
94	3,639	1.81%	\$66	
95	3,639	1.81%	\$66	
96	3,639	1.81%	\$66	\$790
97	3,639	1.81%	\$66	
98	3,639	1.81%	\$66	
99	3,639	1.81%	\$66	
100	3,639	1.81%	\$66	
101	3,639	1.81%	\$66	
102	3,639	1.81%	\$66	
103	3,639	1.81%	\$66	
104	3,639	1.81%	\$66	
105	3,639	1.81%	\$66	
106	3,639	1.81%	\$66	
107	3,639	1.81%	\$66	
108	3,639	1.81%	\$66	\$790
109	3,639	1.81%	\$66	
110	3,639	1.81%	\$66	
111	3,639	1.81%	\$66	
112	3,639	1.81%	\$66	
113	3,639	1.81%	\$66	
114	3,639	1.81%	\$66	
115	3,639	1.81%	\$66	
116	3,639	1.81%	\$66	
117	3,639	1.81%	\$66	
118	3,639	1.81%	\$66	
119	3,639	1.81%	\$66	
120	3,639	1.81%	\$66	\$790
121	3,639	1.81%	\$66	
122	3,639	1.81%	\$66	
123	3,639	1.81%	\$66	
124	3,639	1.81%	\$66	
125	3,639	1.81%	\$66	
126	3,639	1.81%	\$66	
127	3,639	1.81%	\$66	
128	3,639	1.81%	\$66	
129	3,639	1.81%	\$66	
130	3,639	1.81%	\$66	
131	3,639	1.81%	\$66	
132	3,639	1.81%	\$66	\$790
133	3,639	1.81%	\$66	
134	3,639	1.81%	\$66	
135	3,639	1.81%	\$66	
136	3,639	1.81%	\$66	

<u>Month</u>	<u>Projected Investment</u>	<u>Lease Rate</u>	<u>Monthly Payment</u>	<u>Annual Payment</u>
137	3,639	1.81%	\$66	
138	3,639	1.81%	\$66	
139	3,639	1.81%	\$66	
140	3,639	1.81%	\$66	
141	3,639	1.81%	\$66	
142	3,639	1.81%	\$66	
143	3,639	1.81%	\$66	
144	3,639	1.81%	\$66	\$790
145	3,639	1.81%	\$66	
146	3,639	1.81%	\$66	
147	3,639	1.81%	\$66	
148	3,639	1.81%	\$66	
149	3,639	1.81%	\$66	
150	3,639	1.81%	\$66	
151	3,639	1.81%	\$66	
152	3,639	1.81%	\$66	
153	3,639	1.81%	\$66	
154	3,639	1.81%	\$66	
155	3,639	1.81%	\$66	
156	3,639	1.81%	\$66	\$790
157	3,639	1.81%	\$66	
158	3,639	1.81%	\$66	
159	3,639	1.81%	\$66	
160	3,639	1.81%	\$66	
161	3,639	1.81%	\$66	
162	3,639	1.81%	\$66	
163	3,639	1.81%	\$66	
164	3,639	1.81%	\$66	
165	3,639	1.81%	\$66	
166	3,639	1.81%	\$66	
167	3,639	1.81%	\$66	
168	3,639	1.81%	\$66	\$790
169	3,639	1.81%	\$66	
170	3,639	1.81%	\$66	
171	3,639	1.81%	\$66	
172	3,639	1.81%	\$66	
173	3,639	1.81%	\$66	
174	3,639	1.81%	\$66	
175	3,639	1.81%	\$66	
176	3,639	1.81%	\$66	
177	3,639	1.81%	\$66	
178	3,639	1.81%	\$66	
179	3,639	1.81%	\$66	
180	3,639	1.81%	\$66	\$790

EXHIBIT "C"

TO THE LEASE AGREEMENT OF THE
COAXIAL FACILITIES, CERRITOS, CALIFORNIA

Schedule of Items of the CATV Operating
Franchise Owned by Lessee

[List those items of the operating system such as the antenna,
receiving dishes, all converter boxes, etc. owned by Apollo
Cablevision, Inc.]

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AUG 15 1988

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

AMENDMENT NO. 1 TO
LEASE AGREEMENT

This Agreement is entered into as of the 26 day of May, 1988, between GTE California Incorporated, formerly known as General Telephone Company of California ("GTEC" or "Owner") and Apollo Cablevision, Inc. ("Apollo" or "Lessee").

Recitals

This Agreement is entered into with reference to the following agreed facts:

A. T. L. Robak, Inc. ("Robak") entered into a Construction Agreement with GTEC on January 22, 1987 (the "Construction Agreement") to construct an underground electrical signal transmission facility (the "System") in the City of Cerritos, California (the "City"). A portion of the System to be constructed is to be used in part to provide cable television ("CATV") service in the City pursuant to a CATV contract between the City and Apollo.

B. Apollo entered into a Lease Agreement with GTEC dated January 22, 1987 (the "Lease Agreement") which specified the terms and conditions under which GTEC, as Owner, will lease to Apollo, as Lessee, the bandwidth required by it to provide CATV service to Apollo's customers in the City.

C. Paragraph 17 of the Construction Agreement and paragraph 20 of the Lease Agreement stated that those agreements were expressly contingent upon "any necessary regulatory agency approvals." In order to seek such regulatory agency approvals,

GTEC filed an Application for authority pursuant to Section 214 of the Communications Act of 1934 with the Federal Communications Commission (the "FCC") to construct and maintain broadband transport facilities in the City. In a Memorandum Opinion, Order and Certificate issued by the Chief, Common Carrier Bureau of the FCC adopted April 8, 1988 and released April 12, 1988 (File No. W-P-C-5927), the requisite regulatory agency approvals were obtained.

D. The parties are aware, however, that the California Cable Television Association ("CCTA") and the National Cable Television Association, Inc. ("NCTA") (which entities filed petitions before the FCC to deny the application of GTEC for authority) have appealed the order issued by the Chief, Common Carrier Bureau to the full FCC and have publicly announced that they will pursue their appeal through appellate judicial action if necessary. Both the CCTA and the NCTA have indicated that they will seek to enjoin the construction of the System during the pendency of these appeals.

E. While neither GTEC nor Apollo believes that the CCTA and/or the NCTA will prevail in their attempt to enjoin construction of the System by their threatened appeal, the parties acknowledge that such appellate action could result in an unforeseen delay of indeterminate length which could create serious economic and practical problems for Apollo as Apollo may have a rental obligation due before completion of enough of the CATV portion of the System to market its service.

F. Exhibit B of the Lease Agreement specifies the rent (pursuant to an agreed formula) to be paid by Apollo to GTEC for the lease of the bandwidth. Paragraph 2 of Exhibit B states in relevant part that the monthly payments "shall commence on the first day of the ninth month following ... the commencement of the construction of the System...." The formula for the computation of the amount of the rent to be paid by Apollo did not include Apollo's share of the operating expenses that necessarily will be incurred by GTEC in making the bandwidth available to Apollo for lease.

G. Apollo acknowledges that the Lease Agreement inadvertently omitted a provision requiring Apollo to remit to GTEC Apollo's pro rata share of the operating expenses associated with the leasing of the bandwidth. Apollo further recognizes that both GTEC and Apollo contemplated that Apollo would be responsible for Apollo's pro rata share of the operating expenses arising out of the leasing of the bandwidth.

H. GTEC and Apollo desire that the Lease Agreement remain and continue in effect, but further desire that the Lease Agreement be amended, ratified and confirmed as herein provided.

NOW, THEREFORE, the parties agree as follows:

1. Paragraph 23 shall be added to the Lease Agreement and shall provide as follows:

Operating Expenses

Lessee will be responsible for payment of one-half (½) of the power and utility expenses of the Coaxial Facilities, which sums shall be remitted to Owner within thirty (30) days of

Lessee's receipt of a billing statement from Owner.

2. Paragraph 24 shall be added to the Lease Agreement and shall provide as follows:

Suspension of Rent Payments

In the event any restraining order, injunction or other order by the FCC or a court of competent jurisdiction ("Restraining Order") is issued, which results in a delay in construction of the System, the parties agree that the payment schedule specified on Exhibit B of the Lease Agreement shall be tolled or suspended during the period such Restraining Order is in effect.

3. The Lease Agreement, as amended, shall in all respects remain in full force and effect without modification or revision except to the extent and in the manner herein specifically provided.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

OWNER
GTE California Incorporated

By 

Attest:


KENNETH K. OUEL
Assistant Secretary

LESSEE
Apollo Cablevision, Inc.

By 

Attest:


Corporate Secretary