

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

	Quoted Price	Less: 12% Profit	Net Cost	Owner's Estimated Recoverable Construction Cost	Non- Recoverable Portion
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	-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>
	\$7,079,446	<u><u>\$(803,880)</u></u>	\$6,275,566	\$3,264,006	\$3,011,560
Advance:	<u>750,000</u>		<u>750,000</u>	<u>375,000</u>	<u>375,000</u>
TOTALS:	<u><u>\$7,829,446</u></u>		<u><u>\$7,025,566</u></u>	<u><u>\$3,639,006</u></u>	<u><u>\$3,386,560</u></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	1.818	\$66	
38	3,639	1.818	\$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.]

**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 Carritos, 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. OKEL
Assistant Secretary

LESSEE
Apollo Cablevision, Inc.

By  _____

Attest:



Corporate Secretary

**AMENDMENT NO. 2 TO LEASE AGREEMENT BETWEEN
APOLLO AND GTEC FOR COAXIAL BANDWIDTH LEASE**

This Agreement is entered into as of the date last appearing on the signature page of this Agreement 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. Apollo entered into a Lease Agreement with GTEC dated January 22, 1987, which Lease Agreement was modified by the Amendment No. 1 to Lease Agreement dated May 26, 1988 signed by Apollo and GTEC. All references to the "Lease" shall hereinafter refer to the January 22, 1987 Lease Agreement as modified by the May 26, 1988 Amendment thereto. The Lease specifies the terms and conditions under which GTEC, as Owner of an underground electrical signal transmission facility (the "System"), will lease to Apollo as Lessee, bandwidth in the System required by Apollo to provide Video Programming (as that phrase is used in the Cable Communications Policy Act of 1984) to Apollo's customers in the City of Cerritos, California ("City").

B. Apollo has entered into contractual arrangements to acquire decoders ("converter boxes"), which decoders are

suitable for Apollo's current Video Programming, as defined at Recital paragraph F. Apollo has installed, or has in inventory, approximately 3,000 decoders as of the date of this Agreement.

C. GTEC has approved the head end design as prepared by T. L. Robak, Inc., Apollo's parent company, in accordance with a design agreement between GTEC and T. L. Robak. The design specified encoders, computer, and decoders manufactured and provided by Scientific Atlanta, which met the criteria known at the time.

D. GTEC has entered into a separate agreement with GTE Service Corporation ("GTESC") to lease bandwidth in the System to GTESC for testing technology and services in the City. It was understood by all parties at the time of initial leasing that GTESC would be seeking to develop services useful to Apollo and the City. GTESC has determined that the decoders purchased by Apollo do not have the capabilities desired by GTESC, which is attempting to develop new services for Apollo and the City. GTESC has requested GTEC to provide additional System capabilities that necessitate the replacement of the existing decoders, encoder and computer presently installed in the System. The parties agree that this will require Apollo's current installed supply and inventory of decoders to be eliminated and will require

the use of a different decoder throughout the entire system.

E. It is understood that Apollo is concurrently entering into a separate agreement with GTEEC regarding the financial impact on Apollo as a result of the replacement of the decoders Apollo has installed or has in inventory as a result of the System change.

F. The parties agree that Apollo's essential business objective and economic expectation in the Lease is the provision of Video Programming to its customers in the City. The parties further agree that the decoders are an integral element of the System, of which the ownership and future commercial use (other than the provision of Video Programming) are essential business objectives and economic expectations of GTEEC. It is also agreed that the most efficient way of accomplishing the desired decoder exchange is for GTEEC to provide and own all of the decoders (and related wiring and other materials) to be installed in the System. The parties agree that such an approach provides greater flexibility for the testing of new communications technologies as contemplated in paragraph 18 of the Lease, and is not intended to change Apollo's control over, or essential economic expectations of, its provision of Video Programming as set forth in the Cable Communications Policy Act of 1984 and in Apollo's franchise with the City of Cerritos. This

requires certain amendments and modifications to the Lease. The purpose of this agreement is to express such modifications to the Lease.

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

NOW THEREFORE the parties hereby agree as follows:

1. Exhibit C to the initial Lease is hereby modified to delete all reference to "decoders" or "converter boxes". Henceforth, the decoders (converter boxes) and the related wiring and other materials shall be deemed to be a part of the System and will be the property of GTEC. The parties further agree to enter into a separate agreement which will specify the terms and provisions under which Apollo will be reimbursed for its costs (including labor and materials) for the wiring of the structures in which the decoders are to be installed and for the performance of certain other services such as the connection of the telephone interface module of the decoders to the telephone network.

2. Within a reasonable time following: (i) the required System changes; (ii) the execution of this Agreement; and, (iii) the agreement with GTEC referred to in recital paragraph E; Apollo hereby agrees to commence replacement of the existing decoders installed in homes in the City with decoders provided by GTEC. In addition, Apollo agrees to

install such decoders provided by GTEC for all installations in the System, at no cost to GTEC other than the reimbursement for wiring the structures in which the decoders are installed pursuant to the separate agreement referred to in paragraph 1.

3. GTEC agrees to provide Apollo with a quantity of decoders, as specified by Apollo, to meet Apollo's ongoing service requirements, as well as those decoders needed to replace existing inventory and installed decoders. Apollo's duty to commence the replacement of the existing decoders installed on the System shall not arise until GTEC provides Apollo with replacement decoders.

4. The parties understand that GTEC's involvement in the new Video services made possible by replacement of decoders is subject to regulatory and judicial review, and, if GTEC's involvement is disallowed, this may require further revision of the Lease and this modification. The parties agree to negotiate any further modifications in good faith. Such negotiations shall be based on the essential business objectives and economic expectations of the parties as specified in Recital paragraph F and, with reference to the decoders, on the principle of relative commercial utility of the decoder to each party.

5. Apollo agrees that one half of GTEC's reasonably incurred costs of acquiring all decoders for initial, but not subsequent replacement, installation in the System (including

one half of the reimbursement for wiring the structures in which the decoders are installed pursuant to the separate agreement referred to paragraph 1) shall be included in the "Owner's Recoverable Construction Cost", as that phrase is defined in Exhibit B to the initial Lease. In the event GTEC is subsequently requested to incorporate in the System a decoder with different capabilities that is more expensive than the currently specified decoder, the parties agree to negotiate responsibility for any additional cost that may be incurred in good faith.

6. That paragraph 5, found at page 3 of the Lease shall now read as follows:

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 reasonable market rent that includes any future investments in the System and/or operational costs needed to continue the level of service quality required by the City and the FCC.

7. (a) GTEC agrees not to compete with Apollo, or any permitted successor or assignee, in the provision of Video Programming in the City during the term of the lease (including any extensions thereof not in excess of seven (7)

years beyond the initial term).

(b) Provided, however, that GTEC shall not be prevented by subsection (a) from complying, as a carrier, with any access obligations to video programmers imposed on it by the FCC, other regulatory bodies, or the courts.

8. To delete paragraph 21 of the Lease and to substitute the following in lieu thereof:

"21. Increase in Bandwidth Capacity or Utilization of Other Portions of the System for the Transmission of CATV Signals.

(a) Owner agrees that if bandwidth capacity in the Coaxial facilities 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 the then reasonable market rent for such bandwidth.

(b) Owner further agrees that if bandwidth capacity in its Fiber Network Facilities (as that term is defined in the lease agreement between GTEC and GTEC dated May 26, 1988): (i) is available for the commercial--as opposed to the initially experimental--provision of Video Programming in the City; and, (ii) such capacity is offered by Owner to any other party for the purpose of commercially providing Video Programming; then in such event, Lessee, or its successor, is hereby granted a right of first refusal to the partial use of any such portion of the Fiber Network

Facilities that is available for the provision of Video Programming at the then reasonable market rent for such bandwidth. Provided, however, that the right shall not extend to more bandwidth than is represented by the total of: (i) Apollo's current usage of Coaxial System bandwidth; and, (ii) amounts of Fiber Network Facilities bandwidth offered to other parties for Video Programming.

(c) In the event Lessee switches all or a portion of its Video Programming to any of Owner's facilities other than the coaxial facilities, the parties agree to negotiate in good faith the rescheduling of the rent to be paid by the Lessee for the initial term of the Lease based upon the essential business objectives and economic expectations of the parties as specified in Recital paragraph F to Amendment No. 2 to this Lease.

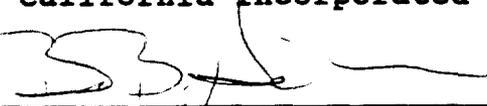
(d) Owner agrees not to lease any portion of the System for the purpose of providing Video Programming to another party at a rental rate that is less than the reasonable market rent offered by Owner to Lessee pursuant to the rights of first refusal specified in subparagraphs (a) and (b) of this paragraph 21."

9. The Lease 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 dates indicated below.

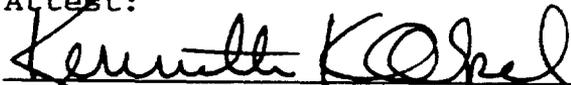
OWNER

GTE California Incorporated

By 

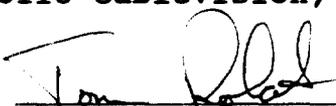
DATED: 6/26/89, 1989

Attest:


KENNETH K. OKEL
Assistant Secretary

LESSEE

Apollo Cablevision, Inc.

By  President

DATED: 6/19/89, 1989

Attest:


Corporate Secretary

102/D001

**AMENDMENT NO. 3 TO LEASE AGREEMENT
BETWEEN GTE CALIFORNIA INCORPORATED
AND APOLLO CABLEVISION, INC.**

This Agreement is entered into as of the 3rd day of May, 1991, 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. Apollo entered into a Lease Agreement with GTEC dated January 22, 1987, which Lease Agreement was modified by Amendment No. 1 to Lease Agreement dated May 26, 1988 signed by Apollo and GTEC, and by Amendment No. 2 to Lease Agreement dated June 26, 1989 signed by Apollo and GTEC. All references to the "Lease" shall hereinafter refer to the January 22, 1987 Lease as modified by the May 26, 1988 and June 26, 1989 amendments thereto. The Lease specifies the terms and conditions under which GTEC, as Owner of an underground electrical signal transmission facility (the "System"), will lease to Apollo as Lessee, bandwidth in the System required by Apollo to provide Video Programming (as that phrase is used in the Cable

Communications Policy Act of 1984) to Apollo's customers in the City of Cerritos, California ("City").

B. The purpose of Amendment No. 3 is to establish Apollo's current obligation to pay rent in recognition that the System will be deemed to be completed upon the signing of the Notice of Partial Completion.

NOW, THEREFORE, the parties hereby agree that:

1. Paragraph 2 of the January 22, 1987 Lease Agreement is hereby modified to read as follows:

"2. Rent. The Lessee shall pay the Owner as rent for the use of said bandwidth capacity the monthly sum of \$95,265.00 described in Exhibit "A" to Amendment No. 3. 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. The Attributable Owner's Recoverable Cost incurred after this Amendment No. 3 is signed shall appear as a separately identified entry on the Lessee's monthly bill, and is a cost payable to Lessee in addition to that monthly sum of \$95,265.00. For the purpose of this Lease, the phrase "Attributable Owner's Recoverable Cost" means one-half (1/2) of Owner's direct capital costs incurred in the completion or extension of the 550 MHz CATV System as defined in the Maintenance Agreement (as amended), including but not limited to the connection of the 550 MHz CATV System to

certain schools in the City of Cerritos, which is currently being accomplished, the addition of new subscribers (including residential and business users) to the 550 MHz CATV System or any extension of the 550 MHz CATV System required by the City of Cerritos. Attributable Owner's Recoverable Cost does not include extraordinary repair or capital replacement of existing investment as replacement and maintenance is the subject of a separate agreement between the parties, or Owner's indirect costs, including but not limited to overhead and legal costs or interest on sums expended."

2. Paragraph 3 of the January 22, 1987 Lease Agreement is hereby modified to read as follows:

"3. ~~TERM~~. This Lease Agreement shall commence as of the date the Notice of Partial Completion is signed by the Owner, T. L. Robak, Inc. as Contractor, and City, which for purposes of the lease payment constitutes the date that the System is deemed to be completed. The Lease Agreement shall continue for a period of fifteen (15) years from the date the Notice of Partial Completion is signed by the Owner, Contractor and City which constitutes written notice of the availability of said bandwidth capacity to Lessee (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 provision of this Lease Agreement. The first monthly lease payment shall be due and payable on the date the Notice of Partial Completion is signed by the Owner, Contractor and the City and on the same day of each month thereafter for a total (including payment number one) of 180 months."

3. Paragraph 17 of the January 22, 1987 Lease Agreement is hereby modified to read as follows:

"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 "Owners Recoverable Construction Cost" (as specified on Exhibit "A" to Amendment No. 3) 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, except the Attributable Owner's Recoverable Cost not identified as a part of the 180 month Lease Payment Schedule."

4. Exhibit "B" to the Initial Lease of January 22, 1987 is hereby amended to read as follows:

"(a) Lessee shall pay Owner, over the term of this Lease, a principal sum equal to the sum of \$5,685,500 ("Owner's Recoverable Construction Cost") (See Summary of Owner's Recoverable Construction