EXHIBIT B

Asset Purchase Agreement, dated as of April 20, 2005, between
Adelphia Communications Corporation and Comcast Corporation

Exhibit 2.1

EXECUTION COPY

ASSET PURCHASE AGREEMENT

between

ADELPHIA COMMUNICATIONS CORPORATION

and

COMCAST CORPORATION

Dated as of April 20, 2005

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ANNEXES

Annex A	-	Seller Disclosure Schedule
Annex B	-	Buyer Disclosure Schedule

ASSET PURCHASE AGREEMENT, dated as of April 20, 2005, between Adelphia Communications Corporation, a Delaware corporation ("Seller"), and Comcast Corporation, a Pennsylvania corporation ("Buyer"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in Article I.

WITNESSETH:

WHEREAS, Seller and certain of its Affiliates are debtors and debtors in possession (the "Debtors") under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§101 *et seq.* (the "Bankruptcy Code"), having each commenced voluntary cases (jointly

administered as No. 02-41729 (REG)) (the "Reorganization Case") on or after June 10, 2002 (the "Petition Date") in the Bankruptcy Court;

WHEREAS, Seller and its Affiliates are engaged in the business of operating Systems providing customers with analog and digital video services, high-speed Internet access and other services, including telephony services, in the geographical areas listed on Schedule A of the Seller Disclosure Schedule and on Schedule A of the Seller Disclosure Schedule (as defined in the Friendco Purchase Agreement) to the Friendco Purchase Agreement and are engaged in the other businesses and have such other holdings as are set forth on Schedule B of the Seller Disclosure Schedule (together, the "Business");

WHEREAS, Seller desires to sell and assign and to cause certain of its Affiliates to sell and assign to Buyer and Buyer desires to purchase and assume from Seller and such Affiliates, directly or indirectly by the purchase of the JV Interests, certain Assets and Liabilities of the Business, as more particularly set forth herein, including the Systems servicing the geographical areas listed in Part 1 of Schedule A of the Seller Disclosure Schedule (the "Group 1 Systems") and Part 2 of Schedule A of the Seller Disclosure Schedule (the "Group 2 Systems" and together with the Group 1 Systems, the "Acquired Systems");

WHEREAS, simultaneously with the execution hereof, Seller and Time Warner NY Cable LLC, a Delaware limited liability company ("Friendco"), are entering into an Asset Purchase Agreement (together with the schedules and exhibits thereto, all as amended from time to time with the approval of Buyer and disregarding the effectiveness of any waiver by Friendco not approved by Buyer and any waiver by Seller not approved by Buyer to the extent it adversely affects Buyer, the "Friendco Purchase Agreement") pursuant to which Seller has agreed to sell and assign, and to cause certain of its Affiliates to sell and assign, to Friendco and Friendco has agreed to purchase and assume from Seller and such Affiliates on the terms set forth therein, certain Assets and Liabilities of the Business, as more particularly set forth therein (the "Friendco Business");

WHEREAS, simultaneously with the execution hereof, Buyer, Time Warner Cable Inc., a Delaware corporation ("Friendco Parent"), and certain of their Affiliates are entering into the Exchange Agreement, pursuant to which Buyer and/or certain of its

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Affiliates will convey to Friendco Parent and/or certain of its Affiliates and Friendco Parent and/or certain of its Affiliates will assume from Buyer and/or certain of its Affiliates the Business Related to the Group 1 Systems and the Group 1 Shared Assets and Liabilities (the "Group 1 Business"), together with additional Systems owned and managed by Buyer and/or certain of Buyer's Subsidiaries, in exchange for a portion of the Friendco Business, together with additional Systems owned and managed by Friendco Parent or its Affiliates, all as more specifically set forth in the Exchange Agreement (the "Exchange");

WHEREAS, upon consummation of the Transaction and the Exchange, the portion of the Business retained by Buyer will be (a) that portion of the Business Related to the Group 2 Systems and (b) the Group 2 Shared Assets and Liabilities (collectively, the "Group 2 Business" and together with the Group 1 Business, the "Acquired Business"); provided, however, that the Acquired Business shall exclude the Assets and Liabilities identified in Schedule C of the Seller Disclosure Schedule;

WHEREAS, prior to or at the Closing, Seller, Buyer and an escrow agent to be mutually selected by Buyer and Seller (the "Escrow Agent") will enter into an escrow agreement in form and substance reasonably acceptable to Buyer and Seller (the "Escrow Agreement");

WHEREAS, in connection with the Transaction, Seller and/or its Affiliates, on the one hand, and Buyer and/or certain of its Controlled Affiliates, on the other hand, shall enter into the other Ancillary Agreements; and

WHEREAS, the Debtors have agreed to file the Plan with the Bankruptcy Court to implement the Transaction upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and undertakings contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS AND TERMS

Section 1.1 Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

"Accounts Receivable" means, with respect to each Specified Business, all Subscriber, trade and other accounts and notes receivable, and other miscellaneous receivables of such Specified Business arising out of the sale or other disposition of goods or services of such Specified Business.

"Acquire" means to directly or indirectly acquire, receive in exchange or redemption, subscribe for, purchase (by merger, consolidation, combination,

recapitalization or other reorganization) or otherwise obtain an interest in, by operation of Law or otherwise.

"Acquired Business" has the meaning set forth in the Recitals.

"Acquired Systems" has the meaning set forth in the Recitals.

"Acquisition" has the meaning set forth in Section 5.8.

"Acquisition Proposal" has the meaning set forth in Section 5.8.

"Additional Discharge" means, with respect to any Person, except as otherwise provided in the Plan and the Confirmation Order (or, to the extent approved by Buyer (such approval not to be unreasonably withheld), such other plan that includes such Person as a debtor and the confirmation order of the Bankruptcy Court approving such plan and effecting the Additional Discharge), the discharge and/or equivalent effect granted pursuant to such confirmation order and sections 363, 1123 and 1141 of the Bankruptcy Code, and in each case prior to or at the Closing, (i) of such Person, as a debtor in possession, from all Liabilities, (ii) of interests of, and rights, interests and Claims of the holders of Claims against and interests in, such Person and (iii) of Encumbrances on, or interests of other Persons (other than Seller and its Affiliates) in, the Transferred Assets that are related to such Person; it being understood that an Additional Discharge may occur pursuant to the Plan.

"Additional Financial Statements" has the meaning set forth in Section 5.9(b).

"Additional Reorganization Case" has the meaning set forth in Section 5.11(h).

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by contract or otherwise. For purposes of this Agreement, (i) none of Seller or any of its Affiliates shall be deemed to be an Affiliate of any of Buyer, Friendco Parent, TWX, Friendco or any of their respective Affiliates, (ii) none of Buyer or any of its Affiliates shall be deemed to be an Affiliate of any of Seller, Friendco Parent, TWX, Friendco or any of their respective Affiliates, (iii) none of Friendco Parent, TWX, Friendco or any of their Affiliates shall be deemed to be an Affiliate of any of Seller, Buyer or any of their respective Affiliates, (iv) each Transferred Joint Venture Entity shall be deemed to be an Affiliate of Seller (and not be deemed to be an Affiliate of Buyer) until Closing is completed and an Affiliate of Buyer (and not an Affiliate of Seller) after Closing is completed, (v) each Managed Cable Entity shall be deemed to be an Affiliate of Seller and (vi) no member of the family of John Rigas shall be deemed to control Seller or any of its Affiliates.

"Aggregate Buyer Discharge Amount" means the sum of the Buyer Discharge Amounts for the three Transferred Joint Venture Parents.

"Aggregate Value of the Purchase Shares" means $4,960,000,000.

"Agreement" means this Asset Purchase Agreement.

"Alternate Plan" has the meaning set forth in Section 5.8(b).

"Ancillary Agreements" means the Escrow Agreement, each MCE Management Agreement, and the instruments and other agreements required to be delivered pursuant to Sections 2.11 and 2.12, including any Bill of Sale.

"Applicable Employees" has the meaning set forth in Section 5.5(e).

"Applicable Monthly Rate" has the meaning set forth in the definition of "Permitted Promotion".

"Asset Transferring Subsidiary" means those Subsidiaries of Seller (other than any Transferred Joint Venture Entity or Palm Beach Joint Venture) that have any right, title or other interest in, to or under the Transferred Assets.

"Assets" means any asset, property or right, wherever located (including in the possession of vendors or other third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person, and all right, title, interest and claims therein.

"Assigned Contracts" has the meaning set forth in Section 5.11(b).

"Assignment and Assumption Agreement" means, with respect to each of the Group 1 Remainder Business and the Group 2 Business, an agreement in form and substance reasonably acceptable to Seller and Buyer, providing for the effective assignment of any Assigned Contracts or other Transferred Assets Related to the Group 1 Remainder Business or to the Group 2 Business, as applicable, and the assumption of the Assumed Liabilities Related to the Group 1 Remainder Business or to the Group 2 Business, as applicable, other than, in each case, the Transferred Real Property Leases.

"Assumed Cure Costs" means the amounts designated as Assumed Cure Costs pursuant to Section 5.11(d) and the Cure Costs related to the Franchises for each of the localities listed on Schedule A of the Seller Disclosure Schedule.

"Assumed Liabilities" means, with respect to each Specified Business and each Joint Venture Business, only the following Liabilities of Seller or any of its Affiliates that are Debtors (or which become subject to an MCE Discharge or an Additional Discharge) that are Related to such Specified Business or Joint Venture Business, in each case to the extent allocated to such Specified Business or Joint Venture Business as required by Section 2.5: (i) Liabilities attributable to actions, omissions, circumstances or conditions

to the extent occurring following the Closing to the extent so allocated to such Specified Business or Joint Venture Business or any of the Transferred Assets allocated to such Specified Business or Joint Venture Business pursuant to the Designated Allocation, including under the Assigned Contracts and Authorizations, (ii) Liabilities of such Specified Business or Joint Venture Business arising in the Ordinary Course of Business since the Petition Date but only to the extent of the amount reflected in the Closing Net Liabilities Amount used in calculating the Final Adjustment Amount for such Specified Business or Joint Venture Business, (iii) the following Liabilities: (A) Liabilities to provide severance pay and benefits pursuant to Section 5.5(d), (B) Liabilities for all expenses and benefits with respect to claims incurred by Transferred Employees or their covered dependents on or after the Closing Date pursuant to Section 5.5(f) and (C) Liabilities to provide accrued but unused vacation and with respect to sale bonuses due under the Adelphia Communications Corporation Sale Bonus Program (the "Sale Bonus Program") to Transferred Employees pursuant to Section 5.5(k) but only to the extent of the amount reflected in the Closing Net Liabilities Amount used in calculating the Final Adjustment Amount for such Specified Business or Joint Venture Business, (iv) the Assumed Cure Costs, (v) the Liabilities Related to such Specified Business or Joint Venture Business described in the proviso to the second sentence of Section 5.11(d), (vi) all Liabilities of such Specified Business or Joint Venture Business set forth on Schedule 1.1(a) of the Seller Disclosure Schedule, (vii) Assumed Taxes, (viii) Liabilities in respect of Environmental Self-Audit Deficiencies or Environmental Transfer Act Liabilities, in each case (with respect to this clause (viii)), to the extent and only to the extent such Liabilities consist solely of monetary obligations (but only to the extent of the amount reflected in the Closing Net Liabilities Amount used in calculating the Final Adjustment Amount for such Specified Business or Joint Venture Business) or non-monetary obligations agreed to by Buyer pursuant to Section 5.14 and (ix) Liabilities of such Specified Business or Joint Venture Business under purchase orders outstanding as of the Closing but only to the extent of the amount reflected in the Closing Net Liabilities Amount used in calculating the Final Adjustment Amount for such Specified Business or Joint Venture Business.

"Assumed Taxes" means (i) any Taxes of any Transferred Joint Venture Entity for the taxable periods, or portions thereof, beginning after the Closing and (ii) any Taxes imposed with respect to the Group 1 Business (other than any Taxes of a Transferred Joint Venture Entity), the Group 2 Business or any Transferred Assets Related thereto or any income or gain derived with respect thereto for the taxable periods, or portions thereof, beginning after the Closing.

"Audited Financial Statements" has the meaning set forth in Section 3.7(a).

"Authorization" means any Governmental Authorization or Non-Governmental Authorization.

"Background Check" has the meaning set forth in Section 5.5(a).

"Bankruptcy Code" has the meaning set forth in the Recitals.

"Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York or, with respect to a Managed Cable Entity or Non–Debtor Subsidiary, the United States Bankruptcy Court in which any chapter 11 case that includes such Managed Cable Entity or Non–Debtor Subsidiary is pending.

"Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code applicable to the Reorganization Case, and any Local Rules of the Bankruptcy Court.

"Base Net Liabilities Amount" means, with respect to each Specified Business, $0.00.

"Base Subscriber Number" means, with respect to each Specified Business, the number of Basic Subscribers of such Specified Business (which, for the avoidance of doubt, is shown in such Schedule with respect to the Group 1 Specified Business on the line labeled "Group 1 – Total" under the heading "Proportionate Basic Subscribers") corresponding to the month prior to the month in which the Closing occurs, as set forth on Schedule 1.1(b) of the Seller Disclosure Schedule; provided, however, that, except for purposes of calculating the Initial Disputed MCE System Adjustment Amount pursuant to Section 2.9(a), in the event any Disputed MCE Systems exist as of the Closing, then the Base Subscriber Number for the Group 2 Business shall be reduced by the aggregate of the MCE Base Subscriber Numbers for all such Disputed MCE Systems.

"Basic Subscriber" means a "Basic Video Customer" as determined pursuant to the Seller Subscriber Accounting Policy.

"Benefit Plans" has the meaning set forth in Section 3.10(a).

"Bill of Sale" means, with respect to each Specified Business, an agreement in form and substance reasonably acceptable to Seller and Buyer, transferring the tangible personal property included in the Transferred Assets Related to such Specified Business.

"Board" has the meaning set forth in Section 5.8.

"Books and Records" means, with respect to each Specified Business, all books, ledgers, files, reports, records, manuals, maps and engineering data, tests, drawings, blueprints, schematics, lists, plans and processes and all files of correspondence and records concerning Subscribers and prospective Subscribers of any Cable System of such Specified Business or concerning signal or program carriage and all correspondence with Government Entities, including all reports filed by or on behalf of Seller or any of its Affiliates with the FCC and statements of account filed by or on behalf of Seller or any of its Affiliates with the United States Copyright Office, all Tax Returns of Seller or any of its Affiliates (including workpapers) and tax software to the extent directly related thereto and other materials (in any form or medium) of, or maintained for, such Specified Business, but excluding any such items to the extent (i) they are included in or primarily related to any Excluded Assets or Excluded Liabilities (ii) with respect to any such items related to Employees, any Law prohibits their transfer or (iii) they are income or

franchise Tax Returns (or related workpapers or other materials) of Seller or its Affiliates that are not related to the Transferred Joint Venture Entities; provided, however, that, Books and Records shall include copies of any items excluded pursuant to the foregoing clause (i); provided, further that, except as provided in Section 9.3, Books and Records shall exclude any of the foregoing with respect to the Transferred Joint Venture Entities or the portions of the Business conducted by the Transferred Joint Venture Entities, in each case that are not reasonably necessary in connection with (i) the normal day-to-day operations of the Acquired Business following the Closing (which shall include, without limitation, any executory Contract and any Franchise or Authorization in effect) or (ii) the compliance following the Closing by Buyer and its Affiliates (including, for the avoidance of doubt, following the Closing, the Transferred Joint Venture Entities) with their respective financial, regulatory and Tax reporting obligations (such excluded Books and Records, the "Excluded Books and Records"); provided, that nothing in this Agreement shall limit the right of Buyer to gain access to Excluded Books and Records through subpoena, discovery in litigation or other legal process.

"Budget" has the meaning set forth in Section 5.2(s).

"Budgeted Capital Expenditure Amount" means, with respect to any Specified Business or Joint Venture Business, the aggregate amount of capital expenditures budgeted to be made in respect thereof, respectively, subsequent to December 31, 2004 and up to and including the end of the month immediately preceding the Closing Date or, if the Closing occurs on a month-end, up to and including such month, as set forth in the Budget.

"Business" has the meaning set forth in the Recitals.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York City are authorized or obligated by Law or executive order to close.

"Buyer" has the meaning set forth in the Preamble.

"Buyer Business" means the business conducted by Buyer and its Subsidiaries.

"Buyer Confidentiality Agreement" means the letter agreement, dated November 9, 2004, between Buyer and Seller.

"Buyer Discharge Amount" means, with respect to each Transferred Joint Venture Parent, the applicable Buyer Joint Venture Percentage multiplied by Seller's good faith determination of the total amount of Liabilities of such Transferred Joint Venture Parent and its Subsidiaries as of Closing, excluding any such Liabilities that are Assumed Liabilities, as set forth in a notice delivered by Seller to Buyer no fewer than five Business Days prior to Closing; provided, that each Buyer Discharge Amount shall be reasonably satisfactory to Buyer and the Buyer Discharge Amount (i) of Century shall not be less than $297 million or more than $325 million, (ii) of Parnassos shall not be less than $252 million or more than $275 million and (iii) of Western shall be $0.00, but subject to Section 5.22.

"Buyer Disclosure Schedule" means the Buyer Disclosure Schedule attached hereto as Annex B.

"Buyer Governmental Authorizations" means all licenses (including cable television relay service, business radio and other licenses issued by the FCC or any other Government Entity), permits (including construction permits), certificates, waivers, amendments, consents, franchises (including similar authorizations or permits), exemptions, variances, expirations and terminations of any waiting period requirements (including pursuant to the HSR Act), other actions by, and notices, filings, registrations, qualifications, declarations and designations with, and other authorizations and approvals Related to the Buyer Business and issued by or obtained from a Government Entity or Self-Regulatory Organization.

"Buyer Indemnification Deadline" has the meaning set forth in Section 7.1.

"Buyer Indemnified Parties" has the meaning set forth in Section 7.2(a).

"Buyer Joint Venture Percentage" means 25% with respect to Century and 33 % with respect to each of Parnassos and Western.

"Buyer JV Partner" means (i) with respect to Century, TCI California Holdings, LLC, a Colorado limited liability company and (ii) with respect to each of Parnassos and Western, TCI Adelphia Holdings, LLC, a Delaware limited liability company.

"Buyer Managed MCE System" has the meaning set forth in Section 2.9(c).

"Buyer Required Approvals" means all consents, approvals, waivers, authorizations, notices and filings from or with a Government Entity that are listed on Schedule 1.1(c) of the Buyer Disclosure Schedule other than the LFA Approvals.

"Buyer's 401(k) Plan" has the meaning set forth in Section 5.5(j).

"Buyer's Statement" has the meaning set forth in Section 2.8(b).

"Cable Act" means Title VI of the Communications Act, 47 U.S.C. §§521 *et seq*.

"Cable System" means, with respect to each Specified Business, each System that is Related to such Specified Business.

"Cap Amount" means the Group 1 Cap Amount or the Group 2 Cap Amount, as the case may be.

"Capital Expenditure Adjustment Amount" means, with respect to each Specified Business, an amount equal to the Target Capital Expenditure Amount minus the Closing Capital Expenditure Amount for such Specified Business. Except to the extent (and only to the extent) the consent of Buyer is obtained as contemplated in the proviso to the definition of "Capital Expenditure Amount," in no event will the Capital Expenditure Adjustment Amount be a negative number.

"Capital Expenditure Amount" means, as to each Specified Business or Joint Venture Business, the sum of all capital expenditures incurred by Seller and its Affiliates in respect of such Specified Business or Joint Venture Business consistent with the Budget and in the Ordinary Course of Business (and excluding any amounts incurred or paid in connection with any casualty or damage), subsequent to December 31, 2004 and up to and including the end of the month immediately preceding the Closing Date or, if the Closing occurs on a month-end, up to and including such month; provided, however, that any capital expenditures incurred or paid for in excess of the aggregate amount set forth in the Budget for such Specified Business shall be included in the determination of Capital Expenditure Amount only to the extent that Buyer shall have consented to such expenditures prior to the incurrence thereof.

"Capital Lease" means any lease that is required to be classified and accounted for as a capital lease under GAAP.

"Century Business" means the portion of the Group 1 Business conducted by Century and its Subsidiaries.

"Century" means Century-TCI California Communications, L.P., a Delaware limited partnership.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

"Chapter 11 Expenses" means (a) any and all costs incurred and expenses paid or payable by Seller or any of its Affiliates in connection with the Sale Process, the Transaction or the transactions contemplated by the Friendco Purchase Agreement (other than costs that Buyer has expressly agreed to pay pursuant to this Agreement) and (b) the following costs and expenses related to the administration of the Reorganization Case or the reorganization case of any Managed Cable Entity or Non-Debtor Subsidiary: (i) obligations to pay any professionals' fees and expenses in connection with the Reorganization Case incurred by Seller, its Affiliates, the Committees, and any other compensation or expenses payable in connection with the Reorganization Case (including fees of attorneys, accountants, investment bankers, financial advisors, auditors and consultants), other than fees and expenses Buyer has expressly agreed to pay pursuant to this Agreement, (ii) fees and expenses payable to the US Trustee under section 1930 of title 28, United States Code, (iii) fees and expenses of the members of the Committees, (iv) fees and expenses of the trustees of existing indentures of Seller and (v) fees and expenses related to the DIP Facility.

"Chosen Courts" has the meaning set forth in Section 9.10.

"Claim" means a claim (as defined in section 101(5) of the Bankruptcy Code) against a Debtor.

"Claim Notice" has the meaning set forth in Section 7.4(a).

"Class 1 Representations and Warranties" has the meaning set forth in Section 6.2(a).

"Class 2 Representations and Warranties" has the meaning set forth in Section 6.2(a).

"Closing" means the closing of the Transaction.

"Closing Adjustment Amount" means, with respect to each Specified Business, the sum (expressed as a positive, if positive, or as a negative, if negative) of (i) the Net Liabilities Adjustment Amount for such Specified Business, *minus* (ii) the Subscriber Adjustment Amount for such Specified Business, *minus* (iii) the Capital Expenditure Adjustment Amount for such Specified Business.

"Closing Capital Expenditure Amount" means (i) with respect to the Group 1 Business, the sum of (A) 75% multiplied by the Capital Expenditure Amount of the Century Business, *plus* (B) 66 % multiplied by the Capital Expenditure Amount of the Parnassos Business, *plus* (C) 66 % multiplied by the Capital Expenditure Amount of the Western Business, *plus* (D) the Capital Expenditure Amount of the Group 1 Remainder Business and (ii) with respect to the Group 2 Business, the Capital Expenditure Amount of the Group 2 Business.

"Closing Date" has the meaning set forth in Section 2.10.

"Closing Net Liabilities Amount" means, (i) with respect to the Group 1 Business, the Group 1 Current Assets *minus* the Group 1 Total Liabilities and (ii) with respect to the Group 2 Business, the Group 2 Current Assets *minus* the Group 2 Total Liabilities.

"Closing Subscriber Number" means (i) with respect to the Group 1 Business, the sum of (A) 75% multiplied by the number of Eligible Basic Subscribers of the Century Business as of the Closing, *plus* (B) 66 % multiplied by the number of Eligible Basic Subscribers of the Parnassos Business as of the Closing, *plus* (C) 66 % multiplied by the number of Eligible Basic Subscribers of the Western Business as of the Closing, and (ii) with respect to the Group 2 Business, the number of Eligible Basic Subscribers of the Group 2 Business as of the Closing.

"Code" means the Internal Revenue Code of 1986.

"Collective Bargaining Agreements" means, with respect to each Specified Business, the collective bargaining agreements covering Employees listed on Schedule 1.1(d) of the Seller Disclosure Schedule and identified as Related to such Specified Business.

"Committees" means (i) the committee appointed by the US Trustee to represent the interests of the unsecured creditors of the Debtors, (ii) the committee appointed by the US Trustee to represent the interests of equity holders of the Debtors, (iii) any other committee appointed by the US Trustee in connection with the Reorganization Case and

(iv) any committee appointed by the US Trustee in the reorganization case of any Managed Cable Entity or Non–Debtor Subsidiary.

"Communications Act" means the Communications Act of 1934.

"Condemnation Proceeds" means, with respect to any Specified Business, all amounts payable or paid to Seller or any of its Affiliates as proceeds of (i) a condemnation or other taking of any Asset Related to such Specified Business by any Government Entity following December 31, 2004 or (ii) the exercise of any Purchase Right Related to such Specified Business following December 31, 2004.

"Confidential Information" has the meaning set forth in Section 5.1(d).

"Confirmation Hearing" means the hearing held by the Bankruptcy Court to consider confirmation of the Plan.

"Confirmation Order" means an order or judgment of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, satisfying the requirements of Section 5.11.

"Contract" means any agreement, contract, lease or sublease, license or sublicense, purchase order, arrangement, commitment, indenture, note, security, instrument, consensual obligation, promise, covenant or undertaking, including all franchises, rights–of–way, bulk service, commercial service or multiple dwelling unit agreements, access agreements, programming agreements, signal supply agreements, agreements with community groups, commercial leased access agreements, capacity license agreements, partnership, joint venture or other similar agreements or arrangements, and advertising interconnect agreements, or any other agreement, in each case, whether written or oral, and all rights associated therewith.

"Contract Categories Expected to be Assumed" means the following categories of Contracts, in each case to the extent Related to a Specified Business:

(i) construction and installation Contracts;

(ii) individual Subscriber service Contracts;

(iii) bulk service, commercial service or multiple dwelling unit Subscriber Contracts;

(iv) Contracts (including open purchase orders) relating to Fixtures and Equipment and any other tangible personal property (excluding motor vehicles), in each case only if Related exclusively to a specific Cable System;

(v) local Cable System leased access agreements required by Law;

(vi) Rights–of–Way;

(vii) Real Property Leases (excluding leases that would be Excluded Assets pursuant to Section 2.4(h)(i)) and Transferred Real Property Subleases;

(viii) Franchises and Authorizations (other than state certificates of public convenience and necessity and similar state telecommunications Authorizations);

(ix) advertising interconnect and local advertising sale Contracts (other than advertising representation Contracts, except as set forth on Schedule 1.1(k)(ii) of the Seller Disclosure Schedule; and

(x) software licenses and related maintenance agreements, in each case only if Related exclusively to a specific Cable System.

"Controlled Affiliate" means, with respect to any Person, any Affiliate of such Person that is controlled directly or indirectly by such Person.

"Cost Center" means a so-called cost center as used by Seller for internal management and bookkeeping purposes.

"CPA Firm" means KPMG LLP or such other firm of independent certified public accountants as to which Seller and Buyer shall mutually agree.

"Cure Costs" means, with respect to any Contract, the costs and expenses payable under section 365 of the Bankruptcy Code in connection with the assumption and/or assignment of such Contract.

"Current Assets" means, with respect to each Specified Business or Joint Venture Business, the current assets of such Specified Business or Joint Venture Business, as the case may be, included in the Transferred Assets as of the Closing (after giving effect to the Transaction), as would be reflected on the face of a balance sheet for such Specified Business or Joint Venture Business, as the case may be, (excluding any footnotes thereto) prepared in accordance with GAAP, consistently applied (to the extent GAAP was previously applied) for such Specified Business or Joint Venture Business, as the case may be; provided, however, that, in no event shall Current Assets include (A) inventory, (B) any Assets with respect to Taxes (including duty and tax refunds and prepayments) and net operating losses of Seller or any of its Affiliates, (C) investments in Subsidiaries, (D) Assets held for sale (other than in connection with the Exchange), (E) Condemnation Proceeds, (F) Insurance Claims (except to the extent (and only to the extent) relating to an Assumed Liability), (G) Accounts Receivable related to Programming Agreements, (H) pre-paid insurance premiums and maintenance expenses (to the extent paid under Contracts other than Assigned Contracts) or (I) prepaid expenses except to the extent the Specified Business or Joint Venture Business, as the case may be, will receive the benefit thereof within one year of the Closing; provided, further, that Current Assets to be acquired under purchase orders outstanding as of the Closing will, for purposes hereof, be treated as being owned by the relevant Specified Business or Joint Venture Business as of the Closing regardless of whether they would otherwise be treated as such under GAAP but subject in any event to the remainder of this definition. For purposes of determining Current Assets in respect of any Disputed MCE System, all references above to the

Closing shall be deemed to mean, with respect to any Disputed MCE System, the MCE Closing.

"Debtors" has the meaning set forth in the Recitals.

"Delayed Transfer Asset" has the meaning set forth in Section 2.13(a).

"Derivative 2003 Financial Statements" has the meaning set forth in Section 3.7(a).

"Derivative 2004 Financial Statements" has the meaning set forth in Section 3.7(a).

"Derivative Audited Financial Statements" has the meaning set forth in Section 5.9(b).

"Derivative Unallocated 2004 Financial Statements" has the meaning set forth in Section 3.7(a).

"Designated Allocation" has the meaning set forth in Section 2.3.

"Designated Litigation" means the litigation set forth on Schedule 1.1(e) of the Seller Disclosure Schedule.

"Digital Subscriber" means a "Digital Customer" as determined pursuant to the Seller Subscriber Accounting Policy.

"DIP Facility" means the Third Amended and Restated Credit and Guaranty Agreement, dated as of February 25, 2005, among Seller, the Subsidiaries of Seller identified therein and the financial institutions identified therein, and any related documents, agreements and instruments.

"Discharge" means, except as otherwise provided in the Plan and the Confirmation Order, the discharge or equivalent granted pursuant to the Confirmation Order, and sections 363, 1123 and 1141 of the Bankruptcy Code, (i) of Seller and its Affiliates that are Debtors, as debtors in possession, from all Liabilities, (ii) of interests of, and rights, interest and Claims of the holders of Claims against and interests in, Seller and its Affiliates that are Debtors and (iii) of Encumbrances on, or interests of Persons (other than Seller or its Affiliates) in, the Transferred Assets.

"Disclosure Statement" has the meaning set forth in Section 5.11(a).

"Disclosure Statement Motion" has the meaning set forth in Section 5.11(a).

"Disputed MCE System" has the meaning set forth in Section 2.9(a).

"Disputed MCE System Adjustment Amount" means, with respect to the Disputed MCE Systems sold to Buyer pursuant to Section 2.9(c), the sum of the Net

Liabilities Adjustment Amount in respect of such Disputed MCE Systems as determined pursuant to the last sentence of Section 2.9(c) *plus* the Initial Disputed MCE System Adjustment Amount in respect of such Disputed MCE Systems.

"Eligible Basic Subscriber" means a Basic Subscriber who, as of the Measurement Date, is a paying customer (A) who subscribes to at least the lowest level of video programming offered by an Acquired System, (B) who has been installed, and (C) either (1) whose rate of service for all services (not including any installation costs) provided to such Basic Subscriber is not subject to any discount or promotion as of the Measurement Date or for any period thereafter other than (x) as to any Cable System, the customary package rates applicable to such Cable System as in effect as of March 31, 2005 as may be subsequently increased by Seller or, with the consent of Buyer not to be unreasonably withheld, reduced by Seller or (y) standard employee rate discounts or (2) who is a Qualified Customer who is subject to no discount or promotion other than a Permitted Promotion or an Historic Promotion. For the avoidance of doubt, the customary reduction in the HSI rate applicable to any HSI–only subscriber who subscribes to video services shall not be considered a discount or promotion for purposes of the definition of "Eligible Basic Subscriber."

"Empire Sports Network" means Empire Sports Network, L.P., a Delaware limited partnership, together with its Subsidiaries.

"Employees" means all current and former employees who are or were primarily employed in connection with the Acquired Business and all employees of the Business identified on Schedule 5.5(a)(ii) of the Seller Disclosure Schedule. Employees does not include (a) any employees performing services in Puerto Rico or outside of the United States or (b) any individual performing services in connection with the Acquired Business who Seller or its Affiliates has classified as an independent contractor as of immediately prior to the Closing Date.

"Encumbrance" means any lien, pledge, charge, security interest, option, right of first refusal, mortgage, easement, right of way, lease, sublease, license, sublicense, adverse claim, title defect, encroachment, other survey defect, or other encumbrance of any kind, including, with respect to real property, any covenant or restriction relating thereto. For purposes of this Agreement, a Person shall be deemed to own subject to an Encumbrance any Asset that it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, Capital Lease or other title retention agreement relating to such Asset.

"Environmental Law" means any Law (including common law), Governmental Authorization or agreement with any Government Entity or third party relating to (i) the protection of the environment or human health and safety (including air, surface water, ground water, drinking water supply, and surface or subsurface land or structures), (ii) the exposure to, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, management, release or disposal of, any Hazardous Substance or (iii) noise, odor or electromagnetic emissions.

"Environmental Permits" means all licenses, permits, certificates and other authorizations and approvals issued by or obtained from a Government Entity relating to or required by Environmental Laws.

"Environmental Self-Audit" means, subject to Section 5.14(a), the self-audit to be conducted by Seller pursuant to an agreement between the United States Environmental Protection Agency and Seller relating to compliance with Environmental Laws.

"Environmental Self-Audit Deficiencies" means any deficiencies identified as a result of the performance of the Environmental Self-Audit, including current or historical violations of, or actual or potential Liabilities under, any Environmental Law.

"Environmental Transfer Act Liabilities" means any Liabilities arising out of compliance with the Connecticut Transfer Act or the New Jersey Industrial Site Recovery Act as a result of the completion of the Transaction or the Exchange.

"Equipment Leases" means all leases for vehicles included in the Fixtures and Equipment and all Capital Leases of other Fixtures and Equipment.

"Equity Security" has the meaning ascribed to such term in Rule 405 promulgated under the Securities Act as in effect on the date hereof and, in any event, shall also include (i) any capital stock of a corporation, any partnership interest, any limited liability company interest and any other equity interest, (ii) any security or right convertible into, exchangeable for, or evidencing the right to subscribe for any such stock, equity interest or security referred to in clause (i), (iii) any stock appreciation right, contingent value right or similar security or right that is derivative of any such stock, equity interest or security referred to in clause (i) or (ii) and (iv) any contract to grant, issue, award, convey or sell any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" has the meaning set forth in Section 3.10(c).

"Escrow Account" has the meaning set forth in Section 2.7(c).

"Escrow Agent" has the meaning set forth in the Recitals.

"Escrow Agreement" has the meaning set forth in the Recitals.

"Escrow Amount" has the meaning set forth in Section 2.7(c).

"Estimated Closing Adjustment Amount" has the meaning set forth in Section 2.8(a).

"Exchange" has the meaning set forth in the Recitals.

"Exchange Act" means the Securities Exchange Act of 1934.

"Exchange Agreement" means the Exchange Agreement, dated as of the date hereof, by and among Buyer, Friendco Parent, Friendco, Parent Comcast Cable Communications Holdings, Inc., Comcast of Georgia, Inc., TCI Holdings, Inc. and Urban Cable Works of Philadelphia, L.P.

"Excluded Assets" has the meaning set forth in Section 2.4.

"Excluded Books and Records" has the meaning set forth in the definition of "Books and Records."

"Excluded Liabilities" means, notwithstanding anything to the contrary in this Agreement, all Liabilities of Seller or any of its Affiliates other than the Assumed Liabilities. For the avoidance of doubt, Excluded Liabilities shall include (i) Liabilities to the extent related to the Excluded Assets, including Liabilities under any Contract that is not an Assigned Contract (other than as set forth in clause (v) of the definition of "Assumed Liabilities"), (ii) subject to clause (ii) of the definition of "Assumed Liabilities" (except with respect to litigation that is pending or threatened as of the Closing), Liabilities to the extent arising in connection with the ownership, use, operation or maintenance of the Transferred Assets or the conduct of any Specified Business on or prior to the Closing, including those arising under or related to (A) Environmental Laws (other than as expressly provided in clause (viii) of the definition of "Assumed Liabilities") or (B) any Claim (other than under clauses (ii) (except with respect to litigation that is pending or threatened as of the Closing), (iii), (iv), (v), (vii), (viii) or (ix) of the definition of "Assumed Liabilities") including any Claim in respect of Losses to Persons or property, and any Claim relating to any filings made by Seller or any of its Affiliates under the Exchange Act or the Securities Act, (iii) Liabilities under any Indebtedness of Seller or any of its Affiliates, (iv) except for the Assumed Cure Costs, Liabilities for Cure Costs, (v) Liabilities for Chapter 11 Expenses, (vi) Excluded Taxes, (vii) Intercompany Payables, (viii) Liabilities related to the SEC/DOJ Matters, including any SEC/DOJ Settlement, (ix) Liabilities for any Claims filed against Seller or any other Debtor after the bar date established in the Reorganization Case, (x) Liabilities that are subject to the Discharge, any MCE Discharge or any Additional Discharge, (xi) except as provided in clause (iii) of the definition of "Assumed Liabilities," Liabilities under any Benefit Plan, including under the Adelphia Communications Corporation Key Employee Continuity Program, the Amended and Restated Adelphia Communications Corporation Performance Retention Plan, the Sale Bonus Program and any Stock Award, (xii) Liabilities identified as Excluded Liabilities in Sections 5.2(j), 5.5(a)and 5.5(q), (xiii) Liabilities to Seller, any member of the Rigas family, any Managed Cable Entity or any of their respective Affiliates other than Liabilities under this Agreement or any Ancillary Agreement, (xiv) except pursuant to Section 5.11(d), Liabilities in respect of Rejection Claims, (xv) Liabilities allocated to the Friendco Business pursuant to the proviso to Section 2.5 and (xvi) all Liabilities of Empire Sports Network and all Liabilities arising from or relating to the ownership of the Equity Securities of Empire Sports Network.

"Excluded Taxes" means (i) any Taxes of any Transferred Joint Venture Entity for which there is a Liability other than Assumed Taxes and (ii) with respect to any Taxes imposed with respect to the Group 1 Business (other than any Taxes of a Transferred

Joint Venture Entity), Group 2 Business or any Transferred Assets Related thereto or any income or gain derived with respect thereto, in each case, other than Assumed Taxes. For the avoidance of doubt, Excluded Taxes shall include any income Tax liability payable by Seller or its Subsidiaries in respect of the Transaction.

"Extended Outside Date" has the meaning set forth in Section 8.2.

"FCC" means the Federal Communications Commission.

"Final Adjustment Amount" means, with respect to each Specified Business, the Closing Adjustment Amount as set forth in the Buyer's Statement for such Specified Business and, in the event of a Seller's Objection, as adjusted by either the agreement of Buyer and Seller, or by the CPA Firm, acting pursuant to Section 2.8.

"Final MCE Purchase Price" means the Initial MCE Purchase Price in respect of all Disputed MCE Systems the Assets of which are to be transferred to Buyer at the MCE Closing *plus* the Disputed MCE System Adjustment Amount in respect of all such Disputed MCE Systems.

"Final Order" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, (i) which has not been reversed, stayed, modified, amended, enjoined, set aside, annulled or suspended, (ii) with respect to which no request for a stay, motion or application for reconsideration or rehearing, notice of appeal or petition for certiorari is filed within the deadline provided by applicable statute or regulation or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought and (iii) as to which the deadlines for filing such request, motion, petition, application, appeal or notice referred to in clause (ii) above have expired; provided, however, that a request for a stay, appeal, motion to reconsider or petition for certiorari referred to in clause (ii) shall be disregarded for purposes of such clause if such appeal, motion to reconsider or petition for certiorari would not, individually or in the aggregate, reasonably be expected to be materially adverse to the Transaction, any Specified Business, Buyer or any of its Affiliates (in the case of Buyer or its Affiliates, only to the extent related to the Transaction or an interest in the Transferred Joint Venture Parents (other than with respect to Plan distribution matters) and not in their capacity as creditors or, with respect to Plan distribution matters, equityholders) (taking into account whether such request for a stay, appeal, motion to reconsider or petition for certiorari would be rendered moot under the doctrine of "equitable mootness" as a result of the occurrence of the Closing and any findings of the Bankruptcy Court contained in any such order or judgment, including under section 363(m) of the Bankruptcy Code).

"Financial Information" has the meaning set forth in Section 5.9(a).

"Fixtures and Equipment" means, with respect to each Specified Business, all furniture, office equipment, furnishings, fixtures, vehicles, equipment, testing equipment, computers, set-top boxes, tools, electronic devices, towers, tower equipment, trunk and

distribution cable, other aboveground and underground cable, decoders and spare decoders for scrambled satellite signals, amplifiers, microwave equipment, power supplies, conduits, vaults and pedestals, grounding and pole hardware, installed subscriber devices (including drop lines, converters, encoders, transformers behind television sets and fittings), headends and hubs (origination, transmission and distribution systems) hardware, spare parts, supplies and closed circuit devices, inventory, other physical Assets (other than real property) and other tangible personal property Related to such Specified Business, wherever located.

"Franchise" means, with respect to each Specified Business, each franchise, as such term is defined in the Communications Act, granted by a Government Entity authorizing the construction, upgrade, maintenance or operation of any part of the Cable Systems that are part of such Specified Business.

"Friendco" has the meaning set forth in the Recitals.

"Friendco Business" has the meaning set forth in the Recitals.

"Friendco Parent" has the meaning set forth in the Recitals.

"Friendco Parent Redemption Agreement" means the Redemption Agreement, dated as of the date hereof, by and among Buyer, Comcast Cable Communications Holdings, Inc., MOC Holdco II, Inc., TWE Holdings I Trust, TWE Holdings II Trust, Cable Holdco II Inc., TWE Holding I LLC, TWX and Friendco Parent.

"Friendco Purchase Agreement" has the meaning set forth in the Recitals.

"Friendco Transaction" means the Redemptions and the Exchange.

"Friendco Transferred Assets" has the meaning ascribed to the term "Transferred Assets" in the Friendco Purchase Agreement.

"GAAP" means United States generally accepted accounting principles in effect from time to time.

"Government Antitrust Entity" means any Government Entity with jurisdiction over the enforcement of any U.S. Antitrust Law or other similar Law.

"Government Entity" means any federal, state or local court, administrative body or other governmental or quasi-governmental entity with competent jurisdiction.

"Governmental Authorizations" means, with respect to each Specified Business, all licenses (including cable television relay service, business radio and other licenses issued by the FCC or any other Government Entity), permits (including construction permits), certificates, waivers, amendments, consents, Franchises (including similar authorizations or permits), exemptions, variances, expirations and terminations of any waiting period requirements (including pursuant to the HSR Act), other actions by, and notices, filings, registrations, qualifications, declarations and designations with, and other

authorizations and approvals Related to such Specified Business and issued by or obtained from a Government Entity or Self–Regulatory Organization.

"Group 1 Business" has the meaning set forth in the Recitals.

"Group 1 Cap Amount" means $119,100,000, *plus* any amounts paid into the Escrow Account by Buyer *minus* any amounts paid out of the Escrow Account to Buyer, in each such case after Closing with respect to adjustments in respect of the Group 1 Business under Sections 2.8(f) and 2.9(c).

"Group 1 Current Assets" means the sum of (i) 75% multiplied by the Current Assets of the Century Business, plus (ii) 66 % multiplied by the Current Assets of the Parnassos Business, plus (iii) 66 % multiplied by the Current Assets of the Western Business plus (iv) the Current Assets of the Group 1 Remainder Business.

"Group 1 Remainder Business" means the Group 1 Business other than the Century Business, the Parnassos Business and the Western Business, including the Group 1 Shared Assets and Liabilities.

"Group 1 Shared Assets and Liabilities" means the Shared Assets and Liabilities that are allocated to the Group 1 Business as set forth on Schedule 1.1(f) of the Seller Disclosure Schedule and any other Assets or Liabilities (other than those solely Related to the Group 1 Business), as applicable, that are allocated to the Group 1 Business pursuant to the Designated Allocation or the proviso to Section 2.5.

"Group 1 Systems" has the meaning set forth in the Recitals.

"Group 1 Threshold Amount" means $30,000,000.

"Group 1 Total Liabilities" means the sum of (i) 75% multiplied by the Total Liabilities of the Century Business, plus (ii) 66 % multiplied by the Total Liabilities of the Parnassos Business, plus (iii) 66 % multiplied by the Total Liabilities of the Western Business plus (iv) the Total Liabilities of the Group 1 Remainder Business.

"Group 2 Business" has the meaning set forth in the Recitals.

"Group 2 Cap Amount" means $20,900,000, *plus* any amounts paid into the Escrow Account by Buyer *minus* any amounts paid out of the Escrow Account to Buyer, in each such case after Closing with respect to adjustments in respect of the Group 2 Business under Sections 2.8(f) and 2.9(c).

"Group 2 Current Assets" means Current Assets of the Group 2 Business.

"Group 2 Shared Assets and Liabilities" means the Shared Assets and Liabilities that are allocated to the Group 2 Business as set forth on Schedule 1.1(f) of the Seller Disclosure Schedule and any other Assets or Liabilities (other than those solely Related to the Group 2 Business), as applicable, that are allocated to the Group 2 Business pursuant to the Designated Allocation or the proviso to Section 2.5.

"Group 2 Systems" has the meaning set forth in the Recitals.

"Group 2 Threshold Amount" means $5,000,000.

"Group 2 Total Liabilities" means the Total Liabilities of the Group 2 Business.

"Hazardous Substance" means any substance that is listed, defined, designated or classified as hazardous, toxic or otherwise harmful under applicable Laws or is otherwise regulated by a Government Entity, including petroleum products and byproducts, asbestos-containing material, polychlorinated biphenyls, lead-containing products and mold.

"Historic Promotion" means, as to any Basic Subscriber (other than Subscribers that only receive the lowest tier of service (i.e., lifeline or "B1 only" Subscribers)), any discount or promotion that (i) such Basic Subscriber is subject to as of the date hereof (without any modification, extension or renewal thereof after the date hereof) and (ii) does not extend beyond twelve months following the date hereof.

"HSI Subscriber" means an "HSI Customer" as determined pursuant to the Seller Subscriber Accounting Policy.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

"Indebtedness" of any Person shall mean, without duplication, (i) all indebtedness of such Person for money borrowed or with respect to deposits or advances of any kind, whether short-term or long-term and whether secured or unsecured and whether or not required to be disclosed on a balance sheet or in the related notes to financial statements under GAAP, (ii) the undrawn face amount of, and unpaid reimbursement obligations in respect of, all letters of credit and bankers' acceptances issued for the account of such Person, (iii) obligations under any Capital Lease, (iv) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (v) all obligations of such Person upon which interest charges are customarily paid (excluding trade accounts payable and accrued obligations in the ordinary course of business) excluding Cure Costs or Rejection Claims, (vi) all obligations of such Person under conditional sale or other title retention agreements relating to Assets purchased by such Person, (vii) all obligations of such Person issued or assumed as the deferred purchase price of property or services (excluding trade accounts payable and accrued obligations in the ordinary course of business), (viii) all obligations of such Person in respect of interest rate protection agreements, foreign currency exchange agreements or other interest or exchange rate hedging arrangements, (ix) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any Equity Securities of such Person or any trust or Subsidiary of such Person (including any preferred stock of such Person or any obligations of such Person in respect of trust preferred, but excluding any such obligations under the Investment Documents listed on Schedule 1.1(g) of the Seller Disclosure Schedule and provided that such Investment Documents have been made available to Buyer prior to the date hereof), (x) any "keep well" or other agreement to maintain the financial condition of another Person (other than a wholly-owned Subsidiary

of such Person), (xi) any arrangement having the economic effect of any of the foregoing, (xii) any indebtedness of the types referred to in clauses (i) through (xi) above of another Person that is guaranteed directly or indirectly by such Person or secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) the Assets of such Person, whether or not the obligations secured thereby have been assumed, (xiii) renewals, extensions, refundings, deferrals, restructurings, amendments and modifications of any such indebtedness, obligation or guarantee and (xiv) any interest, charges or penalties in respect of any of the foregoing.

"Indemnified Parties" has the meaning set forth in Section 7.2(a).

"Indemnifying Party" has the meaning set forth in Section 7.4(a).

"Initial Disputed MCE System Adjustment Amount" has the meaning set forth in Section 2.9(a).

"Initial MCE Purchase Price" has the meaning set forth in Section 2.9(a).

"Insurance Claims" means, with respect to each Specified Business, all title, property, casualty, fire or, to the extent it relates to periods following the Closing, business interruption, insurance proceeds received or receivable by such Specified Business in respect of any Transferred Asset or Assumed Liability, all title, property, casualty, fire or, to the extent it relates to periods following the Closing, business interruption, insurance proceeds (to the extent not already expended (including expenditures of other monies) by Seller or any Affiliate of Seller to restore or replace the lost or damaged Asset, which replacement Asset shall be a Transferred Asset) received or receivable by such Specified Business in respect of any Asset damaged or lost after December 31, 2004 and which, if not so damaged or lost, would have been a Transferred Asset and all insurance proceeds received or receivable by such Specified Business in respect of business interruption of such Specified Business to the extent relating to any period after the Closing.

"Insurance Policies" has the meaning set forth in Section 3.23.

"Intellectual Property" means, as they exist anywhere in the world, (i) trademarks, service marks, brand names, certification marks, collective marks, logos, symbols, trade dress, trade names, and other indicia of origin, all applications and registrations for the foregoing, and all goodwill associated therewith and symbolized thereby, including all renewals of same, (ii) inventions and discoveries, whether patentable or not, and all patents, invention disclosures and applications therefor, and designs and improvements claimed therein, including divisions, continuations, continuations-in-part and renewal applications, and including renewals, reexaminations, interferences, extensions and reissues, (iii) trade secrets, confidential information and know-how, including processes, schematics, business methods, formulae, drawings, prototypes, models, designs, customer lists and supplier lists, (iv) published and unpublished works of authorship, whether copyrightable or not (including databases and other compilations of information), including mask rights and computer software (including all source code, object code,

specifications, designs and documentation related to such programs), copyrights therein and thereto, registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof, (v) domain names, Internet addresses and other computer identifiers, web sites, web pages and similar rights and items, and (vi) any other intellectual property or proprietary rights to the extent entitled to legal protection as such.

"Intellectual Property Assignment Agreement" means, with respect to each Specified Business, an agreement in form and substance reasonably acceptable to Seller and Buyer, providing for the assignment of the Transferred Intellectual Property Related to such Specified Business.

"Intercompany Payables" means, with respect to each Specified Business, all account, note or loan payables (including credit balance intercompany receivables), whether or not recorded on the books of Seller or any of its Affiliates, for goods or services purchased by such Specified Business or provided to such Specified Business, or advances (cash or otherwise) or any other extensions of credit to such Specified Business, in each case from Seller or any of its Affiliates, including amounts recorded on the Derivative 2004 Financial Statements, whether current or non-current, as either intercompany, affiliate or related party payables, on a gross or net basis.

"Intercompany Receivables" means, with respect to each Specified Business, all account, note or loan receivables, whether or not recorded on the books of Seller or any of its Affiliates, for goods or services sold or provided by such Specified Business to Seller, any of its Affiliates or advances (cash or otherwise) or any other extensions of credit made by such Specified Business to Seller or any of its Affiliates, including amounts recorded on the Derivative 2004 Financial Statements, whether current or non-current, as either intercompany, affiliate or related party receivables, on a gross or net basis.

"Intermediate Subsidiary" has the meaning set forth in Section 3.2(a).

"Investment Documents" means the documents governing any Transferred Investment.

"Investment Entity" means any issuer of a Transferred Investment.

"Investment Entity Securities" means, with respect to each Investment Entity, the Equity Securities of such Investment Entity.

"IRS" means the United States Internal Revenue Service.

"Joint Venture Business" means, the Century Business, the Parnassos Business, the Western Business or the Group 1 Remainder Business, as applicable.

"Joint Venture Employees" has the meaning set forth in Section 5.5(a).

"Joint Venture Securities" has the meaning set forth in Section 3.2(b).

"Joint Venture Transaction" has the meaning set forth in Section 2.2.

"JV Documents" means the documents governing the management, operations and rights of joint venture partners or other equity holders in the Transferred Joint Venture Entities (including all certificates of incorporation, bylaws, partnership agreements and operating agreements), as in effect on the date hereof (including all amendments or supplements thereto).

"JV Interest Assignment Agreement" means, with respect to each Transferred Joint Venture Parent, an agreement in form and substance reasonably acceptable to Buyer and Seller providing for the transfer to Buyer of the JV Interests of such Transferred Joint Venture Parent in accordance with Section 2.2.

"JV Interests" means Seller's and its Affiliates' Equity Securities in the Transferred Joint Venture Parents as set forth in Schedule 3.2(b) of the Seller Disclosure Schedule.

"Knowledge" means (i) with respect to Seller and its Affiliates, the collective actual knowledge of any of Seller's executive officers, the vice president of law and governmental affairs, the vice president for engineering, the vice president for finance, the vice president of financial planning, the vice president – treasurer, the applicable regional senior vice presidents, the applicable direct reports to the regional senior vice presidents, including the senior executive officer of each Cable System or group of Cable Systems, the most senior employee that is responsible for tax matters (currently, the vice president of taxation), the senior officer responsible for environmental matters including the Environmental Self–Audit and each regional vice president of finance, each regional vice president of engineering, and each regional vice president of law and governmental affairs; and (ii) with respect to Buyer, the collective actual knowledge of Buyer's executive officers.

"Law" means any law, statute, ordinance, rule, regulation, code, order, judgment, injunction or decree enacted, issued, promulgated, enforced or entered by a Government Entity or Self–Regulatory Organization.

"Lease Assignment Agreement" means, with respect to each Specified Business, one or more agreements in form and substance reasonably acceptable to Seller and Buyer and reasonably necessary to cause such agreements to be recordable, assigning to Buyer the Transferred Real Property Leases Related to such Specified Business.

"Leased Real Property" means real property subject to the Real Property Leases.

"LFA Approvals" means all consents, approvals or waivers required to be obtained from Government Entities with respect to the transfer or change in control of Franchises in connection with the Transaction and, except for purposes of Section 6.2(e), the Exchange.

"Liabilities" means any and all Indebtedness, losses, claims, charges, demands, actions, damages, obligations, payments, costs and expenses, sums of money, bonds,

indemnities and similar obligations, covenants, contracts, controversies, omissions, make whole agreements and similar obligations, and other liabilities, including all contractual obligations, whether due or to become due, fixed, contingent or absolute, inchoate or otherwise, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, determined, determinable or otherwise, whenever or however arising, including, those arising under any Law, principles of common law (including out of any contract or tort based on negligence or strict liability) action, threatened or contemplated action (including the costs and expenses of demands, assessments, judgments, settlements and compromises relating thereto and attorneys' fees and any and all costs and expenses (including allocated costs of in-house counsel and other personnel), whatsoever reasonably incurred in investigating, preparing or defending against any such actions or threatened or contemplated actions), order or consent decree of any Government Entity or any award of any arbitrator or mediator of any kind, and those arising under any contract, commitment or undertaking, whether or not the same would be required by GAAP to be recorded or reflected in financial statements or disclosed in the notes thereto.

"LIBOR" means the six-month Interbank Official Rate with respect to deposits in Dollars which appears on the Telerate Page 3750 as of 11:00 a.m., London time, on the day that is two business days in London preceding the Closing.

"Losses" has the meaning set forth in Section 7.2(a).

"Managed Cable Entity" means, with respect to a Group 2 System, each Person (other than the Debtors, Buyer and its Affiliates) that owns or purports to own any Equity Security or profits interest in such Group 2 System.

"Material Adverse Effect" means (i) a material adverse effect on the business, condition (financial or otherwise), Assets or results of operations of any Specified Business (or, solely for purposes of Section 6.2(f), any Specified Business or the Acquired Business), taken as a whole, or (ii) a material impairment or delay of Seller's or its Affiliates' ability to effect the Closing or to perform its obligations under this Agreement or any Ancillary Agreement to which it is a party; provided, however, that none of the following (or the results thereof) shall be taken into account: (A) any change in Law or accounting standards or interpretations thereof that is of general application; (B) any change in general economic or business conditions or industry-wide or financial market conditions generally; (C) except with respect to Sections 3.4, 3.5, 6.1(f) and 6.2(e), any adverse effect as a result of the execution or announcement of this Agreement, the Ancillary Agreements, the Transaction or the transactions contemplated by the Ancillary Agreements; and (D) any loss of Subscribers reflected in the Base Subscriber Number for such Specified Business (or, solely for purposes of Section 6.2(f), any or all Specified Businesses) and any loss of Subscribers to the extent reflected in the Subscriber Change used in calculating the Final Adjustment Amount for such Specified Business (or, solely for purposes of Section 6.2(f), any or all Specified Businesses).

"MCE Base Subscriber Number" means, with respect to each Group 2 System, the number of Basic Subscribers of such Group 2 System corresponding to the month

prior to the month in which the Closing occurs, as set forth on Schedule 1.1(h) of the Seller Disclosure Schedule.

"MCE Closing" has the meaning set forth in Section 2.9(c)

"MCE Discharge" means, with respect to each Group 2 System, except as otherwise provided in the Plan and the Confirmation Order (or, to the extent approved by Buyer (such approval not to be unreasonably withheld), such other plan that includes the applicable Managed Cable Entity as a debtor and the confirmation order of the Bankruptcy Court approving such plan and effecting the MCE Discharge), the discharge and/or equivalent effect granted pursuant to such confirmation order and sections 363, 1123 and 1141 of the Bankruptcy Code or the equivalent effect pursuant to any other governmental proceeding to the extent approved by Buyer (such approval not to be unreasonably withheld; it being understood that it would be reasonable for Buyer to refuse to grant such approval if such other governmental proceeding would not have the same effect as a bankruptcy discharge in all respects relative to the Transaction), of (i) each applicable Managed Cable Entity, as a debtor in possession, from Liabilities, (ii) interests of, and rights, interest and Claims of the holders of Claims against and interests in, such Group 2 System and Managed Cable Entity and (iii) Encumbrances on, or interests of Persons (other than Seller and its Affiliates) in, the Transferred Assets that are Related to such Group 2 System; it being understood that an MCE Discharge may occur pursuant to the Plan.

"MCE Financial Statements" has the meaning set forth in Section 5.9(b).

"MCE Fraction" means, with respect to the Disputed MCE Systems transferred to Buyer at the MCE Closing (or, as used in the definitions of "MCE Subscriber Cap Component" and "MCE Subscriber Basket Component," with respect to all Disputed MCE Systems not transferred to Buyer at the Closing), a fraction, the numerator of which is the aggregate number of Basic Subscribers served by such Disputed MCE Systems and the denominator of which is the aggregate number of Basic Subscribers served by all Group 2 Systems, in each case as of December 31, 2004.

"MCE Management Agreement" has the meaning set forth in Section 2.9(b).

"MCE Period" has the meaning set forth in Section 2.9(b).

"MCE Purchase Price" means $600,000,000.

"MCE Purchase Shares" has the meaning set forth in Section 2.9(c).

"MCE Resolution" has the meaning set forth in Section 2.9(b).

"MCE Subscriber Basket Component" means the Subscriber Basket set forth on Schedule 1.1(q)(i) of the Seller Disclosure Schedule with respect to the Group 2 Systems, multiplied by the MCE Fraction.

"MCE Subscriber Cap Component" means the Subscriber Cap set forth with respect to the Group 2 Systems on Schedule 1.1(q)(ii) of the Seller Disclosure Schedule multiplied by the MCE Fraction.

"Measurement Date" means the subscriber cut-off date during the calendar month immediately preceding the month in which the Closing occurs.

"Most Recent Balance Sheet" means, with respect to each Specified Business, the unaudited balance sheet included in the Derivative 2004 Financial Statements for such Specified Business.

"Multiemployer Plan" has the meaning set forth in Section 3.10(a).

"Net Liabilities Adjustment Amount" means, with respect to each Specified Business, the Closing Net Liabilities Amount minus the Base Net Liabilities Amount of such Specified Business, expressed as a positive, if positive, or as a negative, if negative.

"Non-Debtor Subsidiaries" has the meaning set forth in Section 5.11(h).

"Non-Debtor Transfer" has the meaning set forth in Section 5.11(h).

"Non-Governmental Authorizations" means, with respect to each Specified Business, all licenses, permits (including construction permits), certificates, waivers, amendments, consents, franchises, exemptions, variances, expirations and terminations of any waiting period requirements, other actions by, and notices, filings, registrations, qualifications, declarations and designations with, any Person and other authorizations and approvals that are Related to such Specified Business other than Governmental Authorizations.

"Notice Period" has the meaning set forth in Section 7.4(a).

"OCB Contract" means, with respect to each Specified Business, a Contract Related to such Specified Business that (i) (A) is in a Contract Category Expected to be Assumed, (B) is entered into in the Ordinary Course and (C) contains no Special Terms (provided, that with respect to Contracts described on Schedule 1.1(k)(i) of the Seller Disclosure Schedule, clause (i) of the definition of "Special Terms" shall be disregarded for purposes of this definition) or (ii) is set forth on Schedule 1.1(k)(ii) of the Seller Disclosure Schedule; provided, however, that any Contract that would otherwise be an OCB Contract and which cannot be assigned to Buyer at the Closing without consent or waivers of a third party that are not obtained by the Closing (and the use and benefits of which cannot in all material respects be provided to Buyer pursuant to Section 2.13) shall be deemed not to be an OCB Contract; provided, further, that Buyer shall be entitled to remove from Schedule 1.1(k)(ii) of the Seller Disclosure Schedule any Contract that was amended in any material respect prior to the date hereof if such amendment is not identified with such Contract on Schedule 1.1(k)(ii).

"Ordinary Course" or "Ordinary Course of Business" means, with respect to each Specified Business, the conduct of such Specified Business as a going concern in

accordance with Seller's normal day-to-day customs, practices and procedures, without regard to the Sale Process (it being understood that the use of regional or national resources utilized by a Cable System shall be deemed to be so conducted if utilized in accordance with Seller's normal, day-to-day customs, practices and procedures in the Business as applied to such Cable System).

"Outside Date" has the meaning set forth in Section 8.2.

"Owned Real Property" means, with respect to each Specified Business, all fee interests in real property (including improvements thereon) Related to such Specified Business, including those listed on Schedule 1.1(l) of the Seller Disclosure Schedule and identified as Related to such Specified Business.

"Palm Beach Joint Venture" means Palm Beach Group Cable Joint Venture, a Florida general partnership.

"Parnassos" means Parnassos Communications, L.P., a Delaware limited partnership.

"Parnassos Business" means the portion of the Group 1 Business conducted by Parnassos and its Subsidiaries.

"Per Share Value of the Purchase Shares" has the meaning set forth in the Friendco Purchase Agreement.

"Permitted Encumbrances" means (i) Encumbrances reflected or reserved against or otherwise disclosed in the Most Recent Balance Sheet, (ii) mechanics', materialmen's, warehousemen's, carriers', workers', or repairmen's liens or other similar common law or statutory Encumbrances arising or incurred in the Ordinary Course and that are not material in amount or effect on any Specified Business or are being contested in good faith by appropriate proceedings, (iii) liens for Taxes, assessments and other governmental charges that are not due or payable or are being contested in good faith by appropriate proceedings, (iv) with respect to real property, (A) easements, quasi-easements, licenses, covenants running with the land, rights-of-way, rights of re-entry, restrictions or other similar encumbrances, conditions or restrictions that would be disclosed on current title reports or surveys, which do not, individually or in the aggregate with one or more other Encumbrances, interfere in any material respect with the right or ability to own, use, enjoy or operate such real property as currently used or operated or to convey good and indefeasible fee simple title to the same (with respect to Owned Real Property) or materially detract from the value of such real property, (B) zoning, building, subdivision or other similar requirements or restrictions, provided, that the same are not violated in any material respect by the existing improvements or the current use and operation of such real property, and (C) Transferred Real Property Subleases which do not, individually or in the aggregate with one or more other Encumbrances, interfere in any material respect with the right or ability to use, enjoy or operate such real property as currently used or operated or materially detract from the value of such real property, (v) Encumbrances, other than Encumbrances on real

property, incurred in the Ordinary Course that are not material to any Specified Business, (vi) any transfer restrictions set forth in any Assigned Contract (other than any such restriction that could reasonably be expected, individually or in the aggregate, to adversely affect the Transaction or the Exchange in any material respect) and (vii) Encumbrances imposed by any Contract or any Law governing a Franchise, provided, that in the case of clauses (i), (ii), (iii), (iv) (as to any Encumbrances that can be satisfied solely through the payment of money) and (v), any such Encumbrance shall be a Permitted Encumbrance only to the extent that such Encumbrance (x) shall be discharged pursuant to the Discharge or, with respect to Group 2 Systems or Transferred Assets owned by Non-Debtor Subsidiaries, an MCE Discharge or Additional Discharge, respectively, or (y) is reflected in the Closing Net Liabilities Amount used in calculating the Final Adjustment Amount.

"Permitted Promotion" means, as to any Basic Subscriber (other than Subscribers that only receive the lowest tier of service (i.e., lifeline or "B1 only" Subscribers)), any discount or promotion (i) which does not extend beyond two months following the Closing Date or provide for a discount equal to (or in excess of) the entire Applicable Monthly Rate in any consecutive months or in more than any one month if such discount or promotion is for a period of less than four months and (ii) the dollar amounts or values of which do not (A) exceed, over the life of such discount or promotion, an amount equal to two times the full monthly rate card pricing applicable to all services provided to such Subscriber (the "Applicable Monthly Rate") or (B) exceed 50% of an amount equal to the product of (x) the Applicable Monthly Rate multiplied by (y) the number of months (including any fraction thereof) in the life of such discount or promotion.

"Person" means an individual, a corporation, a partnership, an association, a limited liability company, a Government Entity, a trust, a labor union or other entity or organization.

"Petition Date" has the meaning set forth in the Recitals.

"Plan" means the chapter 11 plan filed by Seller and/or its Affiliates in connection with the Reorganization Case, providing, among other things, for the effectuation of the Transaction, as amended from time to time, and satisfying the requirements of Section 5.11.

"Primarily Related" means, with respect to any business or System, owned or held primarily by, required primarily for, or used, intended for use, leased, licensed, accrued, reserved or incurred primarily in connection with, such business or System, including to the extent allocated thereto pursuant to Schedule 1.1(m) of the Seller Disclosure Schedule.

"Programming Agreement" means any Contract pursuant to which Seller or any of its Affiliates has the right to carry audio and/or video content or programming (or pay for or otherwise provide compensation with regard to cable television programming) on any Cable System and all related arrangements, including with respect to programming

and launch initiatives and support; provided, that "Programming Agreement" shall not include any local Cable System leased access agreement required by Law.

"Protections Order" means an order of the Bankruptcy Court approving Section 5.8 and Article VIII pursuant to sections 105, 363, 503(b) and 364 of the Bankruptcy Code.

"Proximate Cause Party" has the meaning set forth in Section 8.2.

"Purchase Price" has the meaning set forth in Section 2.7(b).

"Purchase Price Allocation Schedule" has the meaning set forth in Section 5.4(d).

"Purchase Price Per Subscriber" means $3,275.

"Purchase Rights" means any purchase options, rights of first refusal or other rights that any Person may have (under the terms of any franchise or otherwise) to purchase all or any portion of a System owned or operated by any Person as a result of the Transaction or the transfer of any System pursuant to the Exchange.

"Purchase Shares" has the meaning set forth in Section 5.11(a).

"Qualified Customer" means a Basic Subscriber who, prior to the Closing, has been billed and, prior to one month following the Closing, has paid (disregarding payments subject to any rebates or similar programs) for services delivered during the period commencing two months prior to the Measurement Date and ending on the Measurement Date an amount no less than (i) for each month in such period, 50% of the Applicable Monthly Rate or (ii) 66.67% of the Applicable Monthly Rate in respect of any single month during such period. For the avoidance of doubt, in calculating a Qualified Customer for purposes of the Estimated Closing Adjustment Amount and the condition set forth in the second sentence of Section 6.2(h), the parties shall assume that no payments will be made by such Basic Subscriber after the Closing.

"Rate Regulatory Matter" means any proceeding or investigation with respect to a Cable System arising out of or related to the Cable Act (other than those affecting the cable television industry generally) dealing with, limiting or affecting the rates which can be charged by such Cable System for programming, equipment, installation, service or otherwise.

"Real Property Leases" means, with respect to each Specified Business, those leases, subleases, license agreements, and sublicense agreements, together with all extensions, supplements, amendments, other modifications and nondisturbance agreements relating thereto, governing real property Related to such Specified Business, including those with respect to the real properties listed on Schedule 1.1(n) of the Seller Disclosure Schedule and identified as Related to such Specified Business.

"Real Property Sublease" means, with respect to any Specified Business, any lease, sublease, license or sublicense, together with all extensions, supplements,

amendments and other modifications relating thereto, pursuant to which the Owned Real Property or the Leased Real Property (or any portion thereof) Related to such Specified Business is leased, subleased, licensed or sublicensed to others.

"Redemptions" means the transactions that are the subject matter of the Friendco Parent Redemption Agreement and of the TWE Redemption Agreement.

"Registered" means issued by, registered with, renewed by, or the subject of a pending application before, any Government Entity or domain name registrar.

"Rejected Contracts" has the meaning set forth in Section 5.11(b).

"Rejection Claim" means, with respect to a Contract, any Claim arising out of (i) the termination of such Contract or the rejection of such Contract under section 365 of the Bankruptcy Code or (ii) a breach of or default under any such Contract entered into following the Petition Date as a result of the termination, rejection or breach of such Contract as a result of Buyer's determination not to make such Contract an Assigned Contract, in each case assuming such termination, rejection or breach occurred as of the earlier of (A) the date on which such Contract is terminated or rejected or (B) the Closing Date.

"Related" means, with respect to any business or System, owned or held by, required for, or used, intended for use, leased, licensed, accrued, reserved or incurred in connection with, such business or System.

"Reorganization Case" has the meaning set forth in the Recitals.

"Retained Books and Records" has the meaning set forth in Section 5.1(c).

"Retained Claims" means (a) any Claim of a Buyer JV Partner (in its capacity as such) against Seller or its Affiliates, and (b) the portion of any Claim of such Transferred Joint Venture Entity against Seller or its Affiliates equal to the applicable Buyer Joint Venture Percentage (but, in the case of each of (a) and (b), only to the extent such Claim or portion of a Claim is not transferred or assigned to, or held for the benefit of, Friendco or any of its Affiliates); provided, however, that Retained Claims shall not include Claims attributable to actions, omissions, circumstances or conditions occurring before the Petition Date to the extent the recovery on account of such Claims (taking into consideration the amounts payable on account of such Claims under the Plan and valuing any non-cash consideration payable on account of such Claims under the Plan at the value stated in the Disclosure Statement approved by the Bankruptcy Court (or, if a range of values, the mid-point of such range)) exceeds $30 million in the aggregate; and, provided, further, that Retained Claims shall not include Claims attributable to actions, omissions, circumstances or conditions occurring after the Petition Date to the extent such Claims are based upon fraud or a similar area of law such as misrepresentation or deceit or breach of fiduciary duty and not based upon a contractual obligation to a Buyer JV Partner or a Transferred Joint Venture Entity, or include a claim for consequential, punitive, special or indirect damages, including lost profits.

"Rigas Litigation" means the litigation described on Schedule 1.1(o) of the Seller Disclosure Schedule.

"Rights-of-Way" means, with respect to each Specified Business, the written rights-of-way easements, rights of access, rights of use, pole line or joint line agreements, underground conduit agreements, crossing agreements, railroad agreements, leases, subleases, licenses, sublicenses and other similar interests in real property (other than Owned Real Property and Leased Real Property), together with all extensions, supplements, amendments, other modifications and nondisturbance agreements relating thereto, Related to such Specified Business.

"Rights-of-Way Assignment Agreement" means, with respect to each Specified Business, an agreement in form and substance reasonably acceptable to Seller and Buyer and, to the extent relating to Transferred Rights-of-Way that are currently recorded, reasonably necessary to cause such assignments to be in recordable form, assigning to Buyer the Transferred Rights-of-Way Related to such Specified Business.

"Sale Bonus Program" has the meaning set forth in the definition of "Assumed Liabilities."

"Sale Process" means the formal sale process of Seller's Business announced by Seller on April 22, 2004 and commenced by Seller in September 2004.

"Schedule A Part" has the meaning set forth in the definition of "System Group".

"SEC" means the Securities and Exchange Commission.

"SEC/DOJ Matters" means (i) the civil enforcement action captioned Securities and Exchange Commission v. Adelphia Communications Corporation, John J. Rigas, Timothy J. Rigas, Michael J. Rigas, James P. Rigas, James R. Brown and Michael C. Mulcahey, filed on July 24, 2002, alleging various securities fraud claims arising out of the Rigas family's alleged misconduct, and the Department of Justice's investigation related thereto, in each case as amended, modified and/or supplemented from time to time, and any related action or investigation commenced from time to time and (ii) any and all other Claims that the SEC or Department of Justice may have against Seller or any of its Affiliates (other than any Excluded Claim); provided, that, solely for purposes of Section 6.1(c), clause (ii) shall be deemed to exclude any such Claims that shall not have been asserted or threatened by the SEC or Department of Justice as of the Closing Date.

"SEC/DOJ Settlement" means a settlement, dismissal or other resolution of the SEC/DOJ Matters in full and pursuant to which after the Closing no Specified Business or Transferred Joint Venture Entity or any owner of any Specified Business or Transferred Joint Venture Entity shall have any Liability (including risk of criminal prosecution), including any obligation with respect to behavioral relief or similar action or limitation, other than obligations not greater than those set forth in the form of letter agreement delivered by representatives of Buyer to representatives of Seller on April 17, 2005.

"Section 754 Election" means the election described in Section 754 of the Code.

"Securities Act" means the Securities Act of 1933.

"Self-Regulatory Organization" means the National Association of Securities Dealers, Inc., the American Stock Exchange, the NYSE, any national securities exchange (as defined in the Exchange Act) or any other similar self-regulatory body or organization.

"Seller" has the meaning set forth in the Preamble.

"Seller Audited Financial Statements" has the meaning set forth in Section 5.9(b).

"Seller Confidentiality Agreement" means the letter agreement, dated October 22, 2004, among Seller, Friendco and TWX, as amended by the letter agreement, dated November 9, 2004, the letter agreement, dated January 7, 2005, and the letter agreement dated as of the date hereof.

"Seller Disclosure Schedule" means the disclosure schedule attached hereto as Annex A.

"Seller Indemnified Parties" has the meaning set forth in Section 7.3.

"Seller JV Partner" means (a) with respect to Century, Century Exchange LLC, a Delaware limited liability company and (b) with respect to Parnassos and Western, both of Montgomery Cablevision, Inc., a Pennsylvania corporation, and Adelphia Western New York Holdings L.L.C., a Delaware limited liability corporation.

"Seller Required Approvals" means, with respect to each Specified Business, all consents, approvals, waivers, authorizations, notices and filings, (a) required to be obtained by Seller or any of its Affiliates from, or to be given by Seller or any of its Affiliates to, or made by Seller or any of its Affiliates with, any Person, in connection with the execution, delivery and performance by Seller or any of its Affiliates of this Agreement, the Ancillary Agreements and the agreements contemplated thereby to which it is (or will be) a party, the failure of which to obtain or make would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, other than the Confirmation Order and the LFA Approvals, or (b) that are listed on Schedule 1.1(p) of the Seller Disclosure Schedule and identified as Related to such Specified Business.

"Seller Severance Plan" has the meaning set forth in Section 5.5(c).

"Seller Subscriber Accounting Policy" has the meaning set forth in Section 3.16(e).

"Seller's 401(k) Plan" has the meaning set forth in Section 5.5(j).

"Seller's Objection" has the meaning set forth in Section 2.8(c).

"Seller's Statement" has the meaning set forth in Section 2.8(a).

"Shared Assets and Liabilities" means the Assets and Liabilities set forth on Schedule 1.1(f) of the Seller Disclosure Schedule and any other Assets required to have been listed thereon in order for the representation and warranty in Section 3.20(b) to be true and correct.

"Significant Subsidiary" of any Person means a Subsidiary of such Person that would constitute a "significant subsidiary" (within the meaning of Rule 102 of Regulation S-X of the SEC).

"SOA" means the Sarbanes-Oxley Act of 2002.

"Special Term" has the meaning set forth in Section 3.15(b).

"Specified Business" means each of the Group 1 Business and the Group 2 Business.

"Specified Systems" means each of the Group 1 Systems and the Group 2 Systems.

"Stock Awards" has the meaning set forth in Section 5.5(q).

"Sublease Assignment Agreement" means, with respect to each Specified Business, one or more agreements in form and substance reasonably acceptable to Seller and Buyer and reasonably necessary to cause such agreements to be recordable, assigning to Buyer the Transferred Real Property Subleases Related to such Specified Business.

"Subscriber" means any Basic Subscriber, Digital Subscriber or HSI Subscriber.

"Subscriber Accounting System" has the meaning set forth in Section 5.19.

"Subscriber Adjustment Amount" means, with respect to each Specified Business, the product of (i) Purchase Price Per Subscriber *multiplied* by (ii) if (A) the absolute value of the Subscriber Change is less than or equal to the Subscriber Basket, zero and (B) the absolute value of the Subscriber Change is greater than the Subscriber Basket, (1) if the Subscriber Change is a negative amount, the sum of the Subscriber Change *plus* the Subscriber Basket for such Specified Business and (2) if the Subscriber Change is a positive amount, the sum of the Subscriber Change *minus* the Subscriber Basket for such Specified Business.

"Subscriber Basket" means, with respect to each Specified Business, the number of Basic Subscribers set forth opposite such Specified Business in Schedule 1.1(q)(i) of the Seller Disclosure Schedule; provided, however, that the Subscriber Basket allocated to the Group 2 Business shall be reduced by the MCE Subscriber Basket Component (if there are any Disputed MCE Systems).

"Subscriber Cap" means, with respect to each Specified Business, the number of Basic Subscribers set forth with respect to such Specified Business in Schedule 1.1(q)(ii) of the Seller Disclosure Schedule; provided, however, that the Subscriber Cap allocated to the Group 2 Business shall be reduced by the MCE Subscriber Cap Component (if there are any Disputed MCE Systems).

"Subscriber Change" means, with respect to each Specified Business, the Base Subscriber Number for such Specified Business *minus* the Closing Subscriber Number for such Specified Business, expressed as a positive, if positive, or as a negative, if negative; provided, that except for purposes of calculating the Subscriber Adjustment Amount for each Disputed MCE System pursuant to Section 2.9(a), the absolute value of the Subscriber Change shall not exceed the Subscriber Cap for such Specified Business.

"Subsequent Adjustment Amount" has the meaning set forth in Section 2.8(f).

"Subsidiary" means, with respect to any Person, any entity whether incorporated or unincorporated, of which at least a majority of the securities or ownership interests having by their terms voting power to elect a majority of the board of directors or other persons performing similar functions is directly or indirectly owned or controlled by such Person or by one or more of its respective Subsidiaries.

"Superior Alternate Plan" has the meaning set forth in Section 5.8(b).

"Superior Proposal" has the meaning set forth in Section 5.8(a).

"System" means (i) a cable system, as such term is defined in the Communications Act and (ii) to the extent relating to areas referred to on a Schedule A Part as a non–primary Cost Center, a multichannel video programming distribution system operated through (A) bulk, commercial or multiple dwelling units, (B) satellite master antenna television units or (C) former Verizon systems in Thousand Oaks, Oxnard, Hueneme or El Rio, California.

"System Group" means, with respect to each Specified Business and each Specified Business (as defined in the Friendco Purchase Agreement), the Systems that are a part of such Specified Business as set forth in the applicable part of Schedule A of the Seller Disclosure Schedule or Schedule A of the Seller Disclosure Schedule (as defined in the Friendco Purchase Agreement) (each a "Schedule A Part").

"Target Capital Expenditure Amount" means (i) with respect to the Group 1 Business, the sum of (A) 75% multiplied by the Budgeted Capital Expenditure Amount for the Century Business, *plus* (B) 66 % multiplied by the Budgeted Capital Expenditure Amount for the Parnassos Business, *plus* (C) 66 % multiplied by the Budgeted Capital Expenditure Amount for the Western Business, *plus* (D) the Budgeted Capital Expenditure Amount for the Group 1 Remainder Business (ii) with respect to the Group 2 Business, the Budgeted Capital Expenditure Amount for the Group 2 Business and (iii) in the event any Disputed MCE Systems exist as of the Closing, then the Target Capital Expenditure Amount in respect of the Group 2 Business shall be reduced by the amounts included in the Budget in respect of each Disputed MCE System through the month

ending (i) on the Closing Date if the Closing occurs on month–end or (ii) immediately prior to the Closing Date if the Closing does not occur on a month–end (it being understood that the amounts included in the Budget in respect of each Disputed MCE System shall be deemed for purposes hereof to equal the amounts included in the Budget in respect of all Group 2 Systems multiplied by the quotient obtained by dividing (x) the aggregate number of Basic Subscribers served by such Disputed MCE System as of December 31, 2004 by (y) the aggregate number of Basic Subscribers served by all Group 2 Systems as of December 31, 2004); provided, further, that, if the Subscriber Change for a Specified Business is a positive number, the Target Capital Expenditure Amount for such Specified Business shall be reduced by an amount equal to the lesser of (A) the product of the Subscriber Change multiplied by $210.00 and (B) (1) with respect to the Group 1 Business, $8,300,000 and (2) with respect to the Group 2 Business, $1,500,000.

"Tax Law" means the Code, final, temporary or proposed Treasury regulations, published pronouncements of the U.S. Treasury Department or IRS, court decisions or other relevant binding legal authority (and similar provisions, pronouncements, decisions and other authorities of state, local and foreign Law).

"Tax Return" shall mean any report, return or other information (including any attached schedules or any amendments to such report, return or other information) required to be supplied to or filed with a Government Entity with respect to any Tax, including an information return, claim for refund, amended return, declaration, or estimated Tax returns in connection with the determination, assessment, collection or administration of any income Tax.

"Taxes" means all federal, state or local and all foreign taxes, including income, gross receipts, windfall profits, value added, severance, property, production, sales, use, duty, license, excise, franchise, employment, withholding or similar taxes (including any payment required to be made to any state abandoned property administrator or other public official pursuant to an abandoned property, escheat or similar Law) together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

"Third Party Claim" has the meaning set forth in Section 7.4(a).

"Third Party Confidentiality Agreement" has the meaning set forth in Section 5.18.

"Total Liabilities" means, with respect to each Specified Business or Joint Venture Business, all Liabilities, expressed as a positive number, of such Specified Business or Joint Venture Business as of the Closing (after giving effect to the Transaction), as would be reflected on the face of a balance sheet (excluding any footnotes thereto) prepared in accordance with GAAP consistently applied (to the extent GAAP was previously applied) for such Specified Business or Joint Venture Business; provided, however, that Total Liabilities shall include the following: accounts payable, accrued expenses (including all accrued vacation time, sick days, paid time off, copyright

fees, franchise fees and other license fees or charges), Liabilities with respect to unearned income and advance payments (including subscriber prepayments and deposits for converters, encoders, cable television service and related sales) and interest, if any, required to be paid on advance payments; provided, further, that (a) in no event shall Total Liabilities include (i) Liabilities that constitute Assumed Liabilities pursuant to clauses (iii) (other than part (C) thereof), (iv) (other than accrued but unpaid Franchise fees and any reserves for Franchise fee audits), (v), (vi) and (vii) of the definition of "Assumed Liabilities" or (ii) Excluded Liabilities, and (b) Liabilities (x) under the Sale Bonus Program included in clause (iii)(C) of the definition of "Assumed Liabilities" and (y) under purchase orders outstanding as of the Closing will be treated, for purposes hereof, as part of the Total Liabilities of the relevant Specified Business or Joint Venture Business as of the Closing regardless of whether they would otherwise be treated as such under GAAP but subject in any event to the remainder of this definition. For purposes of determining Total Liabilities in respect of any Disputed MCE System, all references above to the Closing shall be deemed to mean, with respect to any Disputed MCE System, the MCE Closing.

"Transaction" means the transactions that are the subject of this Agreement, including the purchase and sale of the Transferred Assets, the assumption of the Assumed Liabilities and the Joint Venture Transaction; provided, however, that Transaction shall not include the Friendco Transaction.

"Transfer Tax Returns" has the meaning set forth in Section 5.4(c)(ii).

"Transfer Taxes" has the meaning set forth in Section 5.4(c).

"Transferred Assets" has the meaning set forth in Section 2.3.

"Transferred Cash" has the meaning set forth in Section 2.3(a).

"Transferred Employees" has the meaning set forth in Section 5.5(e)(ii).

"Transferred Employees' Records" means all personnel files related to the Transferred Employees, but not including any files the transfer of which would be prohibited by Law.

"Transferred Intellectual Property" means, with respect to each Specified Business, the Intellectual Property owned by Seller or its Affiliates and Related to such Specified Business, including that set forth on Schedule 1.1(r) of the Seller Disclosure Schedule and identified as Related to such Specified Business.

"Transferred Intellectual Property Contracts" means, with respect to each Specified Business, (i) the licenses, sublicenses, distributor agreements and permissions, and royalty agreements concerning Intellectual Property to which Seller or any of its Affiliates is a party and which are Related to such Specified Business and are Assigned Contracts and (ii) the rights and entitlements, including the right to receive royalty payments, pursuant to any licenses, sublicenses, distributor agreements and permissions or royalty agreements to which Seller or any of its Affiliates is a party and

under which a third party licensee obtains benefits pursuant to section 365(n) of the Bankruptcy Code and which are Related to such Specified Business and are Assigned Contracts.

"Transferred Investment Assignment Agreement" means, with respect to each Specified Business, an agreement in form and substance reasonably acceptable to Seller and Buyer, providing for the assignment and assumption of Transferred Investments Related to such Specified Business.

"Transferred Investments" means, with respect to each Specified Business, (i) the Equity Securities identified on Schedule 1.1(s)(i) of the Seller Disclosure Schedule and allocated to such Specified Business pursuant to the Designated Allocation, it being understood that, by written notice to Seller delivered on one or more occasions and no fewer than 10 Business Days prior to the Closing, Buyer shall be entitled to remove any item from Schedule 1.1(s)(i) of the Seller Disclosure Schedule with respect to which any material Investment Document was not provided to Buyer prior to the date hereof; and (ii) those Equity Securities identified on Schedule 1.1(s)(ii) of the Seller Disclosure Schedule that Buyer selects to be allocated to a Specified Business (or, if held by a Transferred Joint Venture Entity, retained by such Transferred Joint Venture Entity), it being understood, that such selection shall be made in the same manner, and subject to the same conditions, as are applicable to the selection of Contracts as Assigned Contracts pursuant to Section 5.11 (with the determination of whether or not an item will be treated as an OCB Contract made on the basis of the primary agreement containing the business terms applicable to the applicable Investment Entity).

"Transferred Joint Venture Employees" has the meaning set forth in Section 5.5(a).

"Transferred Joint Venture Entities" means the Transferred Joint Venture Parents and the Transferred Joint Venture Subsidiaries, collectively.

"Transferred Joint Venture Parents" means Century, Parnassos and Western.

"Transferred Joint Venture Subsidiaries" means the Subsidiaries of the Transferred Joint Venture Parents, including the entities set forth on Schedule 3.2(b) of the Seller Disclosure Schedule and identified therein as Transferred Joint Venture Subsidiaries.

"Transferred Leased Real Property" means Leased Real Property that is the subject of a Transferred Real Property Lease.

"Transferred Owned Real Property" means Owned Real Property that is not an Excluded Asset pursuant to Section 2.4(h).

"Transferred Real Property Leases" means Real Property Leases that are Assigned Contracts.

"Transferred Real Property Subleases" means Real Property Subleases that are Assigned Contracts and that relate to (i) the Transferred Owned Real Property or (ii) the Transferred Leased Real Property.

"Transferred Rights-of-Way" means all Rights-of-Way, provided, that to the extent a Right-of-Way is a Contract, Transferred Rights-of-Way shall mean Rights-of-Way that are Assigned Contracts.

"Transitional Services" has the meaning set forth in Section 5.21.

"TWE Redemption Agreement" means the Redemption Agreement, dated as of the date hereof, by and among Buyer, Comcast Cable Communications Holdings, Inc., MOC Holdco I, LLC, TWE Holdings I Trust, Cable Holdco III LLC, Time Warner Entertainment Company, L.P., a Delaware limited partnership, TWX and Friendco Parent.

"TWX" means Time Warner Inc., a Delaware corporation.

"Union Employee" has the meaning set forth in Section 5.5(b).

"Unallocated Shared Assets and Liabilities" means those Assets and Liabilities (and the related revenues and expenses) identified as such on Schedule 1.1(f) of the Seller Disclosure Schedule.

"U.S. Antitrust Laws" means the Sherman Act, the Clayton Act, the HSR Act, the Federal Trade Commission Act, and all other federal and state statutes, rules, regulations, orders, decrees, administrative and judicial doctrines, and other Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade.

"US Trustee" means the United States Trustee for Region 2 or such other region in which the reorganization case of any Managed Cable Entity or Non-Debtor Subsidiary is pending.

"WARN" means the Worker Adjustment and Retraining Notification Act.

"Western" means Western NY Cablevision, L.P., a Delaware limited partnership.

"Western Business" means the portion of the Group 1 Business conducted by Western and its Subsidiaries.

Section 1.2 Interpretive Provisions. Unless the express context otherwise requires:

(a) the words "hereof," "herein," and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) the terms defined in the singular have a comparable meaning when used in the plural, and vice versa;

(c) the terms "Dollars" and "$" mean United States Dollars;

(d) references herein to a specific Section, Subsection, Recital, Schedule or Exhibit shall refer, respectively, to Sections, Subsections, Recitals, Schedules or Exhibits of this Agreement;

(e) wherever the word "include," "includes," or "including" is used in this Agreement, it shall be deemed to be followed by the words "without limitation";

(f) references herein to any gender include each other gender;

(g) references herein to any Person include such Person's heirs, executors, personal representatives, administrators, successors and assigns; provided, however, that nothing contained in this clause (g) is intended to authorize any assignment or transfer not otherwise permitted by this Agreement;

(h) references herein to a Person in a particular capacity or capacities exclude such Person in any other capacity;

(i) references herein to any contract or agreement (including this Agreement) mean such contract or agreement as amended, supplemented or modified from time to time in accordance with the terms thereof;

(j) with respect to the determination of any period of time, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding";

(k) references herein to any Law or any license mean such Law or license as amended, modified, codified, reenacted, supplemented or superseded in whole or in part, and in effect from time to time;

(l) references herein to any Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise;

(m) references herein to sections of the Code shall be construed to also refer to any successor sections;

(n) the rules of construction contained in section 102 of the Bankruptcy Code (except section 102(8) of the Bankruptcy Code) shall apply; and

(o) in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of this Agreement shall control.

ARTICLE II

PURCHASE AND SALE OF THE SPECIFIED BUSINESSES

Section 2.1 Purchase and Sale of Assets. Subject to Sections 2.9, 2.13 and 5.11(h), on the terms and subject to the conditions set forth herein, at the Closing and following the Joint Venture Transactions, Seller shall, and shall cause each of its Affiliates to, sell, convey, transfer, assign and deliver to Buyer, and Buyer shall purchase from Seller and each of its Affiliates: (x) the JV Interests, free and clear of all Encumbrances, other than Encumbrances under the JV Documents, (y) the Transferred Investments, free and clear of all Encumbrances, other than Encumbrances under the Investment Documents and (z) without duplication of clauses (x) and (y) above, all of Seller's and each of its Affiliate's right, title and interest to the Transferred Assets (other than Transferred Assets held by any Transferred Joint Venture Entity), free and clear of all Encumbrances, other than Permitted Encumbrances. Seller shall take such actions as are necessary to cause the Transferred Assets held by Transferred Joint Venture Entities to be owned by such Transferred Joint Venture Entities free and clear of all Encumbrances, other than Permitted Encumbrances.

Section 2.2 Joint Venture Transactions. At the Closing, and prior to the transactions described in Section 2.1, with respect to each Transferred Joint Venture Parent (a) the applicable Buyer JV Partner shall contribute cash to such Transferred Joint Venture Parent in an amount equal to the Buyer Discharge Amount for such Transferred Joint Venture Parent and (b) Seller shall cause such Transferred Joint Venture Parent to distribute to the applicable Seller JV Partner (i) cash in the Amount of the Buyer Discharge Amount for such Transferred Joint Venture Parent and (ii) all Excluded Assets of the Transferred Joint Venture Parent and its Subsidiaries and (c) Seller shall cause the applicable Seller JV Partner to assume all Liabilities of such Transferred Joint Venture Parent and its Subsidiaries (other than any such Liabilities that constitute Assumed Liabilities) (such transactions being collectively referred to as the "Joint Venture Transactions").

Section 2.3 Transferred Assets. "Transferred Assets" means all of Seller's and each of its Affiliates' Assets that are Related to the Acquired Business, including the Acquired Systems, except for the Excluded Assets, including the following:

(a) all cash and cash equivalents consisting of (i) petty cash-on-hand, (ii) cash and cash equivalents of any Transferred Joint Venture Entity (other than as set forth in Section 2.2), (iii) Condemnation Proceeds and (iv) Insurance Claims (collectively, the "Transferred Cash");

(b) Accounts Receivable;

(c) Assigned Contracts;

(d) Transferred Intellectual Property and Transferred Intellectual Property Contracts;

(e) Books and Records;

(f) Fixtures and Equipment;

(g) Transferred Real Property Leases;

(h) Transferred Real Property Subleases;

(i) Transferred Owned Real Property;

(j) Transferred Rights-of-Way;

(k) Insurance Claims and Condemnation Proceeds to the extent not included under subsection (a) above;

(l) except as set forth in Section 2.4(k), all claims (and the proceeds related thereto) available to or being pursued by Seller or any of its Affiliates (i) to the extent related to the Transferred Assets, the Assumed Liabilities or the ownership, use, function or value of any Transferred Asset or (ii) against any Transferred Joint Venture Entity or Investment Entity;

(m) all credits, prepaid expenses, advance payments, security deposits, prepaid items and duties to the extent related to a Transferred Asset;

(n) to the extent their transfer is not prohibited by Law, all Authorizations held by Seller or any of its Affiliates and all applications therefor;

(o) all guaranties, representations, warranties, indemnities and similar rights in favor of Seller or any of its Affiliates to the extent related to any Transferred Asset, except to the extent included in Excluded Assets;

(p) all Retained Claims;

(q) all other current assets;

(r) all JV Interests, all Joint Venture Securities of Transferred Joint Venture Subsidiaries and all Transferred Investments; and

(s) copies of all Tax Returns relating to any Transferred Joint Venture Entity with respect to any taxable period (or portion thereof) ending on or after December 31, 1999;

provided, that the sale, conveyance, transfer, assignment or delivery of a Transferred Asset shall, except as otherwise directed by Buyer in a manner consistent with like allocations of Friendco pursuant to the Friendco Purchase Agreement (provided, that the effect of any such allocation so directed by Buyer that is different than the allocation that would occur in the absence of such direction shall be disregarded for the purposes of making any determination with respect to (x) the representations, warranties or covenants

of Seller herein, (y) the Closing Adjustment Amount and (z) the satisfaction of the conditions set forth in Article VI, in each case, to the extent such determination would be different (but in the case of the Closing Adjustment Amount, only to the extent the aggregate Closing Adjustment Amount and the Closing Adjustment Amount (as defined in the Friendco Purchase Agreement) would be different) as a result of such direction), be allocated among each of the Specified Businesses, the Joint Venture Businesses and the Friendco Business in the following manner (provided, that (A) in no event will any of the following allocations result in the transfer of subscribers from one System Group to another and (B) any allocation of capital expenditures shall be made in accordance with Schedule 5.2(s) of the Seller Disclosure Schedule or, if not addressed in such Schedule as set forth below): (a) if such Transferred Asset is owned by a Transferred Joint Venture Entity, such Transferred Asset shall be allocated to the Joint Venture Business applicable to such Transferred Joint Venture Entity and (b) if such Transferred Asset is not owned by a Transferred Joint Venture Entity and is (i) Related only to a single Specified Business and not to the Friendco Business, to such Specified Business (and, if to the Group 1 Business, to the Group 1 Remainder Business), (ii) included in the Group 1 Shared Assets and Liabilities pursuant to Schedule 1.1(f) of the Seller Disclosure Schedule, to the Group 1 Remainder Business, (iii) included in the Group 2 Shared Assets and Liabilities pursuant to Schedule 1.1(f) of the Seller Disclosure Schedule, to the Group 2 Business, (iv) solely Related to the Friendco Business or allocated to the Friendco Business pursuant to Schedule 1.1(h) of the Seller Disclosure Schedule (as defined in the Friendco Purchase Agreement), to the Friendco Business, (v) is readily divisible, Related to more than one of the Group 1 Business, the Group 2 Business and the Friendco Business and not allocated pursuant to clause (i), (ii), (iii) or (iv), allocated to the Group 1 Business (and within the Group 1 Business, to the Group 1 Remainder Business), the Group 2 Business and/or the Friendco Business to which it is Related pro rata based on the number of Basic Subscribers served by such Group 1 Business, Group 2 Business or Friendco Business (as applicable) as of the Closing and (vi) not allocated pursuant to clause (i), (ii), (iii), (iv) or (v) and is (A) Primarily Related to the Friendco Business, to the Friendco Business, (B) Primarily Related to the Group 1 Business, to the Group 1 Business (and, within the Group 1 Business, to the Group 1 Remainder Business), (C) Primarily Related to the Group 2 Business, to the Group 2 Business and (D) if not allocated pursuant to subclause (A), (B) or (C), to the Friendco Business (the allocation of such assets pursuant to this proviso to this Section 2.3, the "Designated Allocation"). Notwithstanding anything to the contrary in this Section 2.3, any Asset included in Unallocated Shared Assets and Liabilities that is not a Transferred Asset pursuant to the Designated Allocation shall not be deemed to be a Transferred Asset.

Section 2.4 Excluded Assets. Notwithstanding anything herein to the contrary, from and after the Closing, Seller and its Affiliates shall retain (or in the case of any of the following Assets held by any Transferred Joint Venture Entity, Seller shall cause to be transferred to the applicable Seller JV Partner prior to the Closing), and there shall be excluded from the sale, conveyance, assignment or transfer to Buyer hereunder, and the Transferred Assets shall not include, any of the Friendco Transferred Assets or the following Assets (collectively, the "Excluded Assets"):

(a) all Assets with respect to Taxes (including duty and tax refunds and prepayments) and net operating losses of Seller or any of its Affiliates;

(b) except as set forth in Section 2.3(s) and except to the extent set forth in Section 5.1(c), all Tax Returns of Seller or any of its Affiliates and all Books and Records (including working papers) and tax software to the extent directly related thereto;

(c) all insurance policies and rights thereunder, other than the Insurance Claims;

(d) all credits, prepaid expenses, deferred charges, advance payments, security deposits and prepaid items, in each case, only to the extent related to any Asset that is not a Transferred Asset;

(e) all cash and cash equivalents, except for the Transferred Cash;

(f) all Intercompany Receivables;

(g) all Contracts (including all Third Party Confidentiality Agreements) other than Assigned Contracts;

(h) (i) any Owned Real Property that, and any lease (other than a lease designated by Buyer as an Assigned Contract) for real property that, (A) is vacant, (B) contains only inactive headends, inactive hubsites or inactive optical transition nodes or (C) is solely residential in nature and (ii) the Owned Real Property set forth on Schedule 2.4(h) of the Seller Disclosure Schedule; provided, however, that, from time to time prior to the Closing, but no later than ten Business Days prior to the Closing, Buyer may designate any other Owned Real Property to be included on such Schedule 2.4(h) of the Seller Disclosure Schedule;

(i) all Programming Agreements (other than any retransmission consent agreement that is an Assigned Contract);

(j) all Assets listed on Schedule 2.4(j) of the Seller Disclosure Schedule;

(k) (i) all claims (and proceeds related thereto) set forth on Schedule 2.4(k) of the Seller Disclosure Schedule relating to (A) the Rigas Litigation or (B) the Designated Litigation, (ii) all other claims (and proceeds related thereto) that Seller or any of its Affiliates may make after the date hereof to the extent not affecting any Specified Business (including any Transferred Asset or Assumed Liability) in any material respect and (iii) any claims of Seller or its Affiliates against Seller or any of its Affiliates (other than any claim against any Investment Entity or any Transferred Joint Venture Entity) to the extent not affecting any Specified Business (including any Transferred Asset or Assumed Liability); provided, that none of the Retained Claims will be treated as Excluded Assets pursuant to this clause (k);

(l) all personnel records, other than the Transferred Employees' Records;

(m) all rights in connection with and Assets of the Benefit Plans;

(n) except for the Transferred Investments and the Joint Venture Securities, all Equity Securities or other rights of Seller or any of its Affiliates in any other Person, including any Asset Transferring Subsidiary;

(o) Assets allocated to the Friendco Business pursuant to the Designated Allocation;

(p) state certificates of public convenience and necessity or similar state telecommunication Authorizations except for those that Buyer designates in writing as Transferred Assets at least ten Business Days prior to the Closing;

(q) Excluded Books and Records (subject to Section 9.3); and

(r) the Equity Securities of Empire Sports Network and all Assets of Empire Sports Network.

Section 2.5 Assumption of Liabilities. On the terms and subject to the conditions set forth herein and in partial consideration of the sale of the Transferred Assets, at the Closing, Buyer shall assume (or, in the case of Assumed Liabilities of the Transferred Joint Venture Entities, acquire the Joint Venture Securities subject to) and discharge or perform (or in the case of Assumed Liabilities of the Transferred Joint Venture Entities, cause such Transferred Joint Venture Entities to discharge and perform) when due all the Assumed Liabilities; it being understood, that the assumption (or retention) of an Assumed Liability shall, except as otherwise allocated by Buyer in a manner consistent with the like allocations of Friendco pursuant to the Friendco Purchase Agreement (provided, that the effect of any such allocation so directed by Buyer that is different than the allocation that would occur in the absence of such direction shall be disregarded for the purposes of making any determination with respect to (x) the representations, warranties or covenants of Seller herein, (y) the Closing Adjustment Amount and (z) the satisfaction of the conditions set forth in Article VI, in each case, to the extent such determination would be different (but in the case of the Closing Adjustment Amount, only to the extent the aggregate Closing Adjustment Amount and the Closing Adjustment Amount (as defined in the Friendco Purchase Agreement) would be different) as a result of such direction), be allocated among each of the Specified Businesses and the Friendco Business in the following manner: if such Assumed Liability is (a) a Liability of a Transferred Joint Venture Entity, to the Joint Venture Business applicable to such Transferred Joint Venture Entity or (b) not a Liability of a Transferred Joint Venture Entity and is (i) Related only to a single Specified Business and not to the Friendco Business, to such Specified Business (and, in the case of the Group 1 Business, to the Group 1 Remainder Business), (ii) included in the Group 1 Shared Assets and Liabilities pursuant to Schedule 1.1(f) of the Seller Disclosure Schedule, to the Group 1 Business (and within the Group 1 Business, to the Group 1 Remainder Business), (iii)

included in the Group 2 Shared Assets and Liabilities pursuant to Schedule 1.1(f) of the Seller Disclosure Schedule, to the Group 2 Business, (iv) solely Related to the Friendco Business or allocated to the Friendco Business pursuant to Schedule 1.1(h) of the Seller Disclosure Schedule (as defined in the Friendco Purchase Agreement), to the Friendco Business and (v) not allocated pursuant to clause (i), (ii), (iii) or (iv), then to the Friendco Business, to the extent Related to the Friendco Business, to the Group 1 Business (and within the Group 1 Business, to the Group 1 Remainder Business), to the extent Related to the Group 1 Business, and to the Group 2 Business, to the extent Related to the Group 2 Business (which allocations shall be made in each case after giving effect to the allocations to each such Friendco Business and Specified Business pursuant to the Designated Allocation).

Section 2.6 Excluded Liabilities. Seller and its Affiliates shall retain (and in the case of any of the Excluded Liabilities of a Transferred Joint Venture Entity, the applicable Seller JV Partner shall assume pursuant to Section 2.2) and be responsible for all Excluded Liabilities. Notwithstanding anything to the contrary in this Agreement, Buyer shall not assume, and neither Buyer nor any of its Affiliates (including, for this purpose the Transferred Joint Venture Entities) shall have any Liability for, any Liability of Seller or any Affiliate of Seller that is not (a) expressly assumed by Buyer pursuant to Section 2.5 or (b) an Assumed Liability retained by a Transferred Joint Venture Entity after giving effect to Section 2.2.

Section 2.7 Purchase Price. On the terms and subject to the conditions set forth herein, in consideration of the sale of the Transferred Assets, at the Closing, Buyer shall:

(a) assume the Assumed Liabilities (other than those retained by any Transferred Joint Venture Entity);

(b) pay to Seller an aggregate amount in cash equal to $3,500,000,000, as adjusted pursuant to Sections 2.8(a) and 2.8(f) (as so adjusted, the "Purchase Price"), minus the Aggregate Buyer Discharge Amount; and

(c) cause the Buyer JV Partners to make the contributions described in Section 2.2; and,

provided, however, that, in lieu of payment to Seller, Buyer shall deliver or cause to be delivered, at the Closing, 4% of the Purchase Price (after giving effect to any adjustment thereof that is effected as of the Closing) in cash (as such amount may be increased in accordance with Section 2.8(f) or Section 2.9(c), the "Escrow Amount") by wire transfer of immediately available funds to the Escrow Agent to be held by the Escrow Agent in an interest bearing account (the "Escrow Account"), pursuant to the Escrow Agreement, which Escrow Amount shall be paid in whole or in part in accordance with the terms of the Escrow Agreement to (i) the Buyer Indemnified Parties to the extent necessary to satisfy any obligation of Seller pursuant to Section 7.2(a), (ii) Buyer to the extent necessary to satisfy a payment obligation of Seller, if any, pursuant to Section 2.8(f) or 2.9(d), (iii) Seller, on the date that is six months following the Closing Date, to the extent

of the excess, if any, of 33% of the Escrow Amount deposited at the Closing over the sum of (A) all amounts paid pursuant to the immediately preceding clauses (i) and (ii), plus (B) the maximum amount that could reasonably be expected to be necessary to satisfy all claims by the Buyer Indemnified Parties pursuant to Section 7.2(a) asserted on or prior to such date, and (iv) Seller to the extent of any remaining funds in the Escrow Account as of the Buyer Indemnification Deadline (subject, with respect only to the Final MCE Purchase Price, to Section 2.9(d)), except to the extent of the maximum amount that could reasonably be expected to be necessary to satisfy all claims by the Buyer Indemnified Parties pursuant to Section 7.2(a) asserted on or prior to the Buyer Indemnification Deadline (subject, with respect only to the Final MCE Purchase Price, to Section 2.9(d)).

Section 2.8 Closing Adjustment Amount.

(a) No later than ten Business Days prior to the Closing Date, Seller shall prepare, or cause to be prepared, and deliver to Buyer, with respect to each Specified Business, a statement (each, a "Seller's Statement"), which shall set forth Seller's good faith estimate of the Closing Adjustment Amount which shall be determined in accordance with this Agreement (the "Estimated Closing Adjustment Amount"). Each Seller's Statement shall be accompanied by a certification of Seller's Chief Financial Officer to the effect that such Seller's Statement has been prepared in good faith in accordance with this Agreement based on the books and records of such Specified Business and be reasonably satisfactory to Buyer. If the sum of the Estimated Closing Adjustment Amounts for the Specified Businesses is a negative number, then the Purchase Price payable at the Closing shall be decreased by the absolute value of such sum. If the sum of the Estimated Closing Adjustment Amounts for the Specified Businesses is a positive number, then the Purchase Price payable at the Closing shall be increased by such sum.

(b) As soon as practicable but in no event more than 90 days following the Closing, Buyer shall prepare, or cause to be prepared, and deliver to Seller, with respect to each Specified Business, a statement (each, a "Buyer's Statement") of the actual Closing Adjustment Amount, as of the Closing Date, which shall be determined in accordance with this Agreement. Each Buyer's Statement shall be accompanied by a certification of Buyer's Chief Financial Officer to the effect that such Buyer's Statement has been prepared in accordance with this Agreement based on the books and records of such Specified Business.

(c) Seller and Seller's accountants shall complete their review of each of the Buyer's Statements and Buyer's calculations of the Closing Adjustment Amount within 30 days after delivery thereof by Buyer. In the event that Seller determines in good faith that any Buyer's Statement has not been prepared in accordance with this Agreement, Seller shall, on or before the last day of such 30-day period, so inform Buyer in writing setting forth a specific description of the basis of Seller's determination and the adjustments to such Buyer's Statement and the corresponding adjustments to the applicable Closing Adjustment Amount that Seller believes should be made in accordance with this Agreement (a "Seller's Objection"). If no Seller's Objection is