

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into this ___ day of _____ 2015, by and between Insight Kentucky Partners II, L.P. (“Franchisee”) and the Louisville/Jefferson County Metro Government, Kentucky (“Metro Government” or “Louisville”).

WHEREAS, Franchisee is the duly authorized holder of a franchise, pursuant to City of Louisville Ordinance No 76, Series 1998 (as amended), (the “Franchise”), authorizing Franchisee to serve Metro Government and to operate and maintain a cable system there; and

WHEREAS, Time Warner Cable Inc. (“TWC”) is the ultimate parent company of Franchisee; and

WHEREAS, on May 23, 2015, Charter Communications, Inc. (“Charter Communications”) along with its subsidiary CCH I, LLC (“New Charter”) entered into agreements with Time Warner Cable Inc. (“TWC”) (the ultimate parent company of Franchisee), Advance/Newhouse Partnership (“A/N”), and Liberty Broadband Corporation (“Liberty”) in order to merge with TWC, the ultimate parent of the Franchisee (the “Transaction”); and

WHEREAS, TWC will merge into a subsidiary of New Charter; and

WHEREAS, Charter Communications will merge with a subsidiary of New Charter, and New Charter will assume the name Charter Communications, Inc. (“Charter”); and

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Franchisee and Metro Government agree as follows:

1. All existing violations or defaults under the Franchise, if any, will be cured by the execution of this Settlement Agreement.
2. Franchisee has the right to operate under the Franchise, which is in full force and effect.
3. Metro Government acknowledges that Charter possesses the legal, financial, and technical qualifications to operate the cable system in Metro Government, and therefore there is no basis for Metro Government to withhold consent to Charter’s acquisition of control of Franchisee, as described in the FCC Form 394 Charter submitted to Metro Government on July 2, 2015.
4. The Franchise shall be assumed by Charter pursuant to the terms of the Charter Assumption Agreement, attached here as Exhibit A.
5. Franchisee and Metro Government agree to the following:
 - a. After Charter acquires control of Franchisee, Charter agrees to meet the terms of the commitments it made to Louisville in a letter dated August 26, 2014, attached hereto as Exhibit B.

- b. Franchisee has a call center in Louisville and employs approximately 1,500 people total throughout the region. Charter employs approximately 1,100 additional employees at a National Call and Network Operations Center in Jefferson County. Currently, Charter has no plans to decrease the approximately 2,600 jobs in Louisville and Jefferson County. It is Charter's expectation that it will maintain its employee base in the Louisville metro area, and it hopes that the number of jobs will increase.
- c. After Charter acquires control of Franchisee, Charter shall comply with the FCC Encryption Order (FCC 12-126) as summarized in Exhibit C for any subscribers required to acquire a set-top box as a result of Charter's encryption of its signal. In most cases, existing customers will be eligible to receive a number of boxes free for one-, two-, or five- year terms depending on their programming package and other factors, including Medicaid eligibility and current equipment. If signal encryption occurs in Louisville, the Digital Box Offering, as described in Exhibit C, shall be made available and Charter shall be subject to the notification obligations and all other rights and responsibilities set forth in the FCC Encryption Order shall apply. Nothing herein shall be interpreted to be inconsistent with the FCC's Encryption Order with respect to Charter's services.
- d. Franchisee shall provide base download speeds up to sixty (60) Mbps in Louisville within twenty-four (24) months after Charter acquires control of Franchisee, with the ultimate goal of providing base download speeds up to one hundred (100) Mbps in Louisville.
- e. Franchisee shall bring a 1 Gbps trial service offering a multi-dwelling unit or subdivision located in the Urban Services District in Louisville within twenty-four (24) months after Charter acquires control of Franchisee.
- f. As soon as six months after closing the transaction, but no later than thirty-six months after closing the transaction, Charter will offer a low-cost broadband program for certain qualifying low-income consumers in Louisville.
- g. After Charter acquires control of Franchisee, Franchisee will provide capacity to insert twenty-five (25) spots per month for twelve (12) months for local area public service announcements for the promotion of MetroTV and Louisville events and at no cost to Louisville. MetroTV will produce all of the spots to be provided on Franchisee's cable system and deliver the spots for airing in accordance with Charter's standard policies and practices. Any unused spots will not carry over to the following month. Franchisee will provide the spots on a random schedule and reserves all rights to control the placement of the spots on the cable system.
- h. If during the remaining term of the existing Franchise, Franchisee changes the channel position of MetroTV after Charter acquires control, Franchisee shall

contribute up to twenty thousand dollars (\$20,000) in reasonable expenses actually incurred toward the cost of marketing and rebranding the new channel position. MetroTV shall provide receipts within 60 days following the channel relocation, itemizing the reimbursable costs and Franchisee shall pay those expenses within 60 days thereafter, up to the maximum permitted under this section.

- i. Pursuant to an April 1998 estoppel letter and a subsequent settlement agreement entered into in September 1999, Franchisee shall pay a \$50,000 annual PEG payment for as long as the current franchise remains in place, and so long as the Metro Government spends at least the same amount on PEG each year.
- j. After Charter acquires control of Franchisee, Franchisee shall provide one free outlet of basic Internet service at 20 Mbps, including a modem and WiFi router for wireless indoor access and, at such time that Charter begins the deployment of outdoor WiFi, at least one "hot spot" for such outdoor use at ~~each of the following community center locations as set forth in Exhibit D~~ five locations to be selected by the Mayor in consultation with the Metro Council, provided that each of the five locations is a Standard installation as defined by the Franchise. This obligation shall extend for a term of twenty-four months from the date of installation of the basic Internet service offering.

- 6. This Settlement Agreement shall not be further amended or modified except by a written instrument signed by Franchisee and Metro Government. Nothing herein shall constitute an amendment or modification of the Franchise, or a waiver of any rights held by Franchisee or Metro Government under applicable law.
- 7. This Settlement Agreement may be executed in counterparts and each counterpart shall be deemed an original instrument, but all such counterparts together shall constitute a single Settlement Agreement.
- 8. This Settlement Agreement shall be governed in all respects by applicable federal law and the laws of the Commonwealth of Kentucky and venue for all actions relating hereto shall lie in the federal or state courts in Jefferson County, Kentucky.
- 9. All covenants, representations and obligations contained in this Settlement Agreement are deemed to be material conditions of the Settlement Agreement.

IN WITNESS WHEREOF, each of the parties has executed this Settlement as of the date first written above.

Louisville/Jefferson County
Metro Government, Kentucky

Insight Kentucky Partners II, L.P.

By: _____
Name: _____

By: _____
Name: _____

Title: _____

Title: _____

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