

Charter Digital Box Offering

Residential Consumer

Level of Service	Other Criteria	Current Equipment	Free New Equipment	Term
Limited Basic Only	Non-Medicaid	None	Up to 2	24 months
	Medicaid	None	Up to 2	60 months
Expanded Basic	N/A	None	Up to 2	12 months
Digital	N/A	At least 1 Digital receiver or CC	Up to 1 additional	12 months

Residential MDU Consumer

Level of Service	Other Criteria	Current Equipment	Free New Equipment	Term
Limited Basic Only	Non-Medicaid	None	Up to 2	Life*
				24 months
Expanded Basic	Non-Medicaid	None	Up to 2	Life*
				60 months
Expanded Basic	N/A	None	Up to 2	Life*
				12 months
Digital	N/A	At least 1 Digital receiver or CC	Up to 1 additional	12 months

* The term for the first free receiver of a Residential MDU customer is free for the life of the bulk agreement with the property owner.

In most cases, 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. Even after those free terms have expired, the \$6.99 monthly fee for boxes is only a small fraction of the overall cost Charter bears to provide the box. Digital boxes are a major capital investment. It would take several years to reach a break-even point based on the cost of the box. For consumers and for Charter, the benefit of the digital box is that it enables us to provide the best possible television experience – enabling an improved viewing experience with many more channels and providing access to Video on Demand for our customers. It’s about significantly increasing the value of our service for the customers, not attempting to profit off boxes.