



SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2004

Commission File Number: 0-29227

Mediacom Communications Corporation

(Exact name of Registrant as specified in its charter)

Delaware  
(State of incorporation)

06-1566067  
(I.R.S. Employer  
Identification Number)

100 Crystal Run Road  
Middletown, NY 10941  
(Address of principal executive offices)

(845) 695-2600  
(Registrant's telephone number)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of October 25, 2004 there were 89,461,828 shares of Class A common stock and 28,836,234 shares of Class B common stock outstanding.

MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES

FORM 10-Q  
FOR THE PERIOD ENDED SEPTEMBER 30, 2004

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You should carefully review the information contained in this Quarterly Report and in other reports or documents that we file from time to time with the Securities and Exchange Commission (the "SEC"). In this Quarterly Report, we state our beliefs of future events and of our future financial performance. In some cases, you can identify those so-called "forward-looking statements" by words such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of those words and other comparable words. You should be aware that those statements are only our predictions. Actual events or results may differ materially. In evaluating those statements, you should specifically consider various factors, including the risks discussed in our Annual Report on Form 10-K for the

year ended December 31, 2003 and other reports or documents that we file from time to time with the SEC. Those factors may cause our actual results to differ materially from any of our forward-looking statements. All forward-looking statements attributable to us or a person acting on our behalf are expressly qualified in their entirety by this cautionary statement.

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## PART I

## ITEM 1. FINANCIAL STATEMENTS

## MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

(Dollar amounts in 000's)  
(Unaudited)

	September 30, 2004	December 31, 2003
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 13,471	\$ 25,815
Investments	1,987	2,933
Subscriber accounts receivable, net of allowance for doubtful accounts of \$3,648 and \$3,524, respectively	55,825	56,706
Prepaid expenses and other assets	15,420	14,260
Total current assets	86,703	99,714
Investment in cable television systems:		
Property, plant and equipment, net of accumulated depreciation of \$989,511 and \$844,519, respectively	1,438,553	1,465,362
Intangible assets, net of accumulated amortization of \$296,439 and \$289,906, respectively	2,044,495	2,050,095
Total investment in cable television systems	3,483,048	3,515,457
Other assets, net of accumulated amortization of \$28,272 and \$23,823, respectively	34,968	39,788
Total assets	<u>\$3,604,719</u>	<u>\$3,654,959</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 233,396	\$ 247,728
Deferred revenue	38,596	36,634
Current portion of long-term debt	36,807	12,570
Total current liabilities	308,799	296,932
Long-term debt, less current portion	2,971,503	3,038,922
Other non-current liabilities	30,395	33,991
Total liabilities	3,310,697	3,369,845
<b>STOCKHOLDER'S EQUITY</b>		
Class A common stock, \$.01 par value; 300,000,000 shares authorized; 91,594,664 shares issued and 89,461,828 shares outstanding as of September 30, 2004 and 91,345,346 shares issued and 89,808,602 shares outstanding as of December 31, 2003	916	913
Class B common stock, \$.01 par value; 100,000,000 shares authorized; 28,836,234 and 28,913,145 shares issued and outstanding as of September 30, 2004 and December 31, 2003, respectively	288	289
Additional paid-in capital	983,369	982,390
Accumulated deficit	(680,932)	(692,515)
Treasury stock, at cost, 2,132,836 and 1,536,744 shares of Class A common stock, as of September 30, 2004 and December 31, 2003, respectively	(9,619)	(5,963)
Total stockholders' equity	294,022	285,114
Total liabilities and stockholders' equity	<u>\$3,604,719</u>	<u>\$3,654,959</u>

The accompanying notes to unaudited consolidated financial statements are an integral part of these statements

## MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in 000's, except per share data)  
(Unaudited)

	Three Months Ended September 30,	
	2004	2003
Revenues	\$261,025	\$251,107
Costs and expenses:		
Service costs (exclusive of depreciation and amortization of \$55,631 and \$56,958, respectively, shown separately below)	103,411	95,498
Selling, general and administrative expenses	54,012	49,820
Corporate expenses	5,095	4,697
Depreciation and amortization	55,631	56,958
Operating income	42,876	44,134
Interest expense, net	(48,709)	(46,121)
(Loss) gain on derivatives, net	(4,218)	8,984
Loss on sale of assets and investments, net	—	(2,197)
Other expense	(2,593)	(2,652)
Net income (loss) before provision for income taxes	(12,644)	2,148
Provision for income taxes	163	211
Net income (loss)	<u>\$ (12,807)</u>	<u>\$ 1,937</u>
Basic weighted average shares outstanding	118,523	118,633
Basic earnings (loss) per share	\$ (0.11)	\$ 0.02
Diluted weighted average shares outstanding	118,523	118,663
Diluted earnings (loss) per share	<u>\$ (0.11)</u>	<u>\$ 0.02</u>

The accompanying notes to unaudited consolidated financial statements are an integral part of these statements

## MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in 000's, except per share data)  
(Unaudited)

	Nine Months Ended September 30,	
	2004	2003
Revenues	\$ 792,063	\$ 746,076
Costs and expenses:		
Service costs (exclusive of depreciation and amortization of \$163,826 and \$218,436, respectively, shown separately below)	307,534	285,700
Selling, general and administrative expenses	158,388	145,073
Corporate expenses	14,943	12,304
Depreciation and amortization	163,826	218,436
Operating income	147,372	84,563
Interest expense, net	(143,276)	(143,710)
Gain (loss) on derivatives, net	9,498	(732)
Gain (loss) on sale of assets and investments, net	5,885	(1,522)
Other expense	(7,406)	(7,562)
Net income (loss) before provision for income taxes	12,073	(68,963)
Provision for income taxes	490	624
Net income (loss)	\$ 11,583	\$ (69,587)
Basic weighted average shares outstanding	118,683	118,597
Basic earnings (loss) per share	\$ 0.10	\$ (0.59)
Diluted weighted average shares outstanding	118,709	118,597
Diluted earnings (loss) per share	\$ 0.10	\$ (0.59)

The accompanying notes to unaudited consolidated financial  
statements are an integral part of these statements

**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Dollar amounts in 000's)  
(Unaudited)

	Nine Months Ended September 30,	
	2004	2003
<b>CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ 11,583	\$ (69,587)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	163,826	218,436
(Gain) loss on derivatives, net	(9,498)	732
(Gain) loss on sale of assets and investments, net	(5,885)	1,522
Amortization of deferred financing costs	4,820	4,739
Changes in assets and liabilities, net of effects from acquisitions:		
Subscriber accounts receivable, net	1,384	(4,175)
Prepaid expenses and other assets	(1,160)	(4,147)
Accounts payable and accrued expenses	(14,831)	(13,385)
Deferred revenue	1,962	2,912
Other non-current liabilities	829	141
Net cash flows provided by operating activities	<u>153,030</u>	<u>137,188</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES:</b>		
Capital expenditures	(126,047)	(185,004)
Acquisition of cable television systems	(3,372)	(5,049)
Proceeds from sale of assets and investments	10,556	14,489
Other investment activities	(654)	(1,053)
Net cash flows used in investing activities	<u>(119,517)</u>	<u>(176,617)</u>
<b>CASH FLOWS (USED IN) PROVIDED BY FINANCING ACTIVITIES:</b>		
New borrowings	201,000	241,750
Repayment of debt	(244,182)	(223,018)
Repurchases of common stock	(3,656)	—
Proceeds from issuance of common stock in employee stock purchase plan	981	993
Financing costs	—	(101)
Net cash flows (used in) provided by financing activities	<u>(45,857)</u>	<u>19,624</u>
Net decrease in cash and cash equivalents	(12,344)	(19,805)
CASH AND CASH EQUIVALENTS, beginning of period	25,815	31,224
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 13,471</u>	<u>\$ 11,419</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
Cash paid during the period for interest, net of amounts capitalized	\$ 163,459	\$ 169,183
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING ACTIVITIES:</b>		
Capital expenditures financed through capital leases	\$ —	\$ 8,286

The accompanying notes to unaudited consolidated financial statements are an integral part of these statements

**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)****(1) Statement of Accounting Presentation and Other Information*****Basis of Preparation of Unaudited Consolidated Financial Statements***

Mediacom Communications Corporation (“MCC,” and collectively with its subsidiaries, the “Company”) has prepared these unaudited consolidated financial statements as of September 30, 2004 and 2003. In the opinion of management, such statements include all adjustments, consisting of normal recurring accruals and adjustments, necessary for a fair presentation of the Company’s consolidated results of operations and financial position for the interim periods presented. The accounting policies followed during such interim periods reported are in conformity with generally accepted accounting principles in the United States of America and are consistent with those applied during annual periods. For additional disclosures, including a summary of the Company’s accounting policies, the interim unaudited consolidated financial statements should be read in conjunction with the Company’s Annual Report on Form 10-K for the year ended December 31, 2003 (File No. 000-29227). The results of operations for the interim periods are not necessarily indicative of the results that might be expected for future interim periods or for the full year ending December 31, 2004.

***Change in Estimate***

Effective July 1, 2003, the Company changed the estimated useful lives of certain plant and equipment of its cable systems in conjunction with the Company’s completed network upgrade and rebuild program. The changes in estimated useful lives were made to reflect management’s evaluation of the longer economic lives of the Company’s upgraded and rebuilt network. The weighted average useful lives of such plant and equipment changed from approximately 7 years to approximately 12 years. These changes were made on a prospective basis effective July 1, 2003 and resulted in a reduction of depreciation expense and a corresponding increase in net income of approximately \$64.5 million or \$0.54 per share and \$31.6 million or \$0.27 per share for the nine months ended September 30, 2004 and 2003, respectively.

***Property, Plant and Equipment***

Property, plant and equipment are recorded at cost. Additions to property, plant and equipment generally include material, labor and indirect costs. Depreciation is calculated on a straight-line basis over the following useful lives:

Buildings	40 years
Leasehold improvements	Life of respective lease
Cable systems and equipments and subscriber devices	4 to 20 years
Vehicles	5 years
Furniture, fixtures and office equipment	5 years

The Company capitalizes improvements that extend asset lives and expenses repairs and maintenance as incurred. At the time of retirements, or other dispositions of property, the original cost and related accumulated depreciation are removed from the respective accounts and the losses are presented as a component of depreciation expense.

The Company capitalizes the costs associated with the construction of cable transmission and distribution facilities, and new cable installations. Costs include direct labor and material, as well as certain indirect costs. The costs of disconnecting service at a customer’s dwelling or reconnecting to a previously installed dwelling are charged as expense in the period incurred. Costs associated with subsequent installations of additional services not previously installed at a customer’s dwelling are capitalized to the extent such costs are incremental and directly attributable to the installation of such additional services.



**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)**

***Income Taxes***

The Company provides for income taxes using the liability method in accordance with SFAS No. 109, "Accounting for Income Taxes", which requires an asset and liability based approach in accounting for income taxes. The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and expected benefits of utilizing net operating loss carryforwards. The Company periodically assesses the likelihood of realization of deferred tax assets and net operating loss carryforwards by considering the scheduled reversal of deferred tax liabilities, taxable income in future periods and tax planning strategies.

***Comprehensive Income***

SFAS No. 130, "Reporting Comprehensive Income" ("SFAS 130") requires companies to classify items of other comprehensive income by their nature in the financial statements and display the accumulated balance of other comprehensive income separately from retained earnings and additional paid-in capital in the equity section of a statement of financial position. The Company has had no other comprehensive income items to report.

***Reclassifications***

Certain reclassifications have been made to prior years' amounts to conform to the current year's presentation.

**(2) Recent Accounting Pronouncements**

The Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure," which amends: (i) SFAS No. 123, "Accounting for Stock-Based Compensation," to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation; (ii) the disclosure provisions of SFAS No. 123 to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation; and (iii) Accounting Principles Board ("APB") Opinion No. 28, "Interim Financial Reporting," to require disclosure about those effects in interim financial information. The Company adopted SFAS No. 148 on January 1, 2003.

The Company did not change to the fair value based method of accounting for stock-based employee compensation. Accordingly, the adoption of SFAS No. 148 did not affect the Company's financial condition or results of operations. However, SFAS No. 148 requires that information be provided as if the Company had accounted for employee stock options under the fair value method of this statement, including disclosing pro forma information regarding net income (loss) and net income (loss) per share beginning with the first quarter of 2003. The Company accounts for stock-based compensation in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," as permitted by SFAS No. 123. Compensation expense for stock options is measured as the excess, if any, of the quoted market price of the Company's stock at the date of the grant over the amount the employee must pay to acquire the stock. No compensation cost has been recognized for any option grants in the accompanying consolidated statements of operations since the price of the options was at their fair market value at the date of grant. The weighted average fair value of all of the employee options was estimated on the date of grant using the Black-Scholes model. Had the Company applied the fair value recognition provisions of SFAS No. 123 to stock-based compensation, MCC's net income (loss) and basic and diluted net income (loss) per share would have been changed from the "as reported" amounts to the "pro forma" amounts as follows (dollars in thousands, except per share amounts):

**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Net income (loss), as reported	\$(12,807)	\$1,937	\$11,583	\$(69,587)
Deduct: Total stock based compensation expense determined under fair value based method of all awards, net of related tax effects	(354)	(16)	(4,561)	(4,268)
Pro forma, net income (loss)	<u>\$ (13,161)</u>	<u>\$1,921</u>	<u>\$ 7,022</u>	<u>\$(73,855)</u>
Basic and diluted earnings (loss) per share:				
As reported	\$ (0.11)	\$ 0.02	\$ 0.10	\$ (0.59)
Pro forma	\$ (0.11)	\$ 0.02	\$ 0.06	\$ (0.62)

**(3) Earnings Per Share**

The Company calculates earnings per share in accordance with SFAS No. 128, "Earnings per Share." SFAS No. 128 computes basic earnings per share by dividing the net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed by dividing the net income (loss) by the weighted average number of shares of common stock outstanding during the period plus the effects of any dilutive securities. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect. Our potentially dilutive securities include common shares which may be issued upon exercise of our stock options or upon conversion of convertible senior notes.

Diluted earnings per share for the three months ended September 30, 2004 excludes approximately 20.9 million potential common shares primarily related to our outstanding stock options and convertible senior notes, because the assumed issuance of such potential common shares is antidilutive in periods in which there is a loss. For the nine months ended September 30, 2004, diluted earnings per share excludes approximately 11.3 million potential common shares related to our outstanding stock options, because the option exercise price was greater than the average market price of our common stock, and approximately 9.2 million of potential common shares related to convertible senior notes, which were considered to be antidilutive. Diluted earnings per share for the three months ended September 30, 2003 excludes approximately 10.4 million potential common shares related to our outstanding stock options, because the option exercise price was greater than the average market price of our common stock, and approximately 9.2 million of potential common shares related to convertible senior notes, which were considered to be antidilutive. For the nine months ended September 30, 2003, diluted earnings per share excludes approximately 19.4 million potential common shares primarily related to our outstanding stock options and convertible senior notes, because the assumed issuance of such potential common shares is antidilutive in periods in which there is a loss. The following table reconciles the numerator and denominator of the computations of diluted earnings per share for the three and nine months ended September 30, 2004 and the three and nine months ended September 30, 2003 (dollars in thousands, except per share amounts):

## MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)

	Three Months Ended September 30, 2004			Nine Months Ended September 30, 2004		
	Net Loss	Shares	Loss Per Share	Net Income	Shares	Earnings Per Share
Basic earnings per share	\$(12,807)	118,523	\$ (0.11)	\$ 11,583	118,683	\$ 0.10
Effect of dilutive securities:						
Assumed exercise of stock options	—	—	—	—	26	—
Diluted earnings per share	<u>\$(12,807)</u>	<u>118,523</u>	<u>\$ (0.11)</u>	<u>\$ 11,583</u>	<u>118,709</u>	<u>\$ 0.10</u>

	Three Months Ended September 30, 2003			Nine Months Ended September 30, 2003		
	Net Income	Shares	Earnings Per Share	Net Loss	Shares	Loss Per Share
Basic earnings per share	\$1,937	118,633	\$0.02	\$(69,587)	118,597	\$(0.59)
Effect of dilutive securities:						
Assumed exercise of stock options	—	30	—	—	—	—
Diluted earnings per share	<u>\$1,937</u>	<u>118,663</u>	<u>\$0.02</u>	<u>\$(69,587)</u>	<u>118,597</u>	<u>\$(0.59)</u>

**(4) Property, Plant and Equipment**

As of September 30, 2004 and December 31, 2003, property, plant and equipment consisted of (dollars in thousands):

	September 30, 2004	December 31, 2003
Land and land improvements	\$ 7,100	\$ 7,059
Buildings and leasehold improvements	39,536	41,273
Cable systems, equipment and subscriber devices	2,290,173	2,172,953
Vehicles	61,633	63,023
Furniture, fixtures and office equipment	29,622	25,573
	2,428,064	2,309,881
Accumulated depreciation	(989,511)	(844,519)
Property, plant and equipment, net	<u>\$1,438,553</u>	<u>\$1,465,362</u>

Depreciation expense for the three and nine months ended September 30, 2004 was approximately \$53.0 million and \$155.4 million, respectively and \$53.5 million and \$207.0 million for the respective periods in 2003.

**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)****(5) Intangible Assets**

The Company operates its cable systems under non-exclusive cable franchises that are granted by state or local government authorities for varying lengths of time. The Company acquired these cable franchises through acquisitions of cable systems and accounted for them using the purchase method of accounting.

In accordance with FASB No. 142, "Goodwill and Other Intangible Assets", indefinite-lived intangible assets include goodwill and cable franchise costs. The provisions of SFAS No. 142 prohibit the amortization of indefinite-lived intangible assets and goodwill, but require such assets to be tested annually for impairment, or more frequently if impairment indicators arise. Other finite-lived intangible assets, which consist primarily of subscriber lists and covenants not to compete, continue to be amortized over their useful lives of 5 to 10 years and 5 years, respectively. The following table summarizes the net asset value for each intangible asset category as of September 30, 2004 and December 31, 2003 (dollars in thousands):

<u>September 30, 2004</u>	<u>Gross Asset Value</u>	<u>Accumulated Amortization</u>	<u>Net Asset Value</u>
Franchise costs	\$1,944,646	\$140,947	\$1,803,699
Goodwill	224,613	3,232	221,381
Subscriber Lists	165,980	146,660	19,320
Covenants not to compete	5,695	5,600	95
	<u>\$2,340,934</u>	<u>\$296,439</u>	<u>\$2,044,495</u>
<u>December 31, 2003</u>	<u>Gross Asset Value</u>	<u>Accumulated Amortization</u>	<u>Net Asset Value</u>
Franchise costs	\$1,943,010	\$141,167	\$1,801,843
Goodwill	224,281	3,232	221,049
Subscriber Lists	167,015	140,030	26,985
Covenants not to compete	5,695	5,477	218
	<u>\$2,340,001</u>	<u>\$289,906</u>	<u>\$2,050,095</u>

Amortization expense for the three and nine months ended September 30, 2004 was approximately \$2.6 million and \$8.4 million, respectively, and \$3.5 million and \$11.4 million for the respective periods in 2003. The Company's estimated future aggregate amortization expense for 2004 through 2008 and beyond are \$2.6 million, \$2.8 million, \$2.1 million, \$2.1 million, \$2.1 million and \$7.7 million, respectively.

**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited)

**(6) Accounts Payable and Accrued Expenses**

Accounts payable and accrued expenses consist of the following as of September 30, 2004 and December 31, 2003 (dollars in thousands):

	September 30, 2004	December 31, 2003
Accounts payable	\$ 25,452	\$ 6,563
Accrued interest	35,683	55,053
Accrued payroll and benefits	23,887	23,524
Accrued programming costs	65,206	77,296
Accrued property, plant and equipment	16,501	25,463
Accrued taxes and fees	24,947	26,513
Other accrued expenses	41,720	33,316
	<u>\$ 233,396</u>	<u>\$ 247,728</u>

**(7) Debt**

As of September 30, 2004 and December 31, 2003, debt consisted of (dollars in thousands): See Note 12 to our unaudited consolidated financial statements.

	September 30, 2004	December 31, 2003
Bank credit facilities	\$1,604,627	\$1,646,500
8 <sup>1/2</sup> % senior notes	200,000	200,000
7 <sup>7/8</sup> % senior notes	125,000	125,000
9 <sup>1/2</sup> % senior notes	500,000	500,000
11% senior notes	400,000	400,000
5 <sup>1/4</sup> % convertible senior notes	172,500	172,500
Capital lease obligations	6,183	7,492
	<u>\$3,008,310</u>	<u>\$3,051,492</u>
Less: Current portion	36,807	12,570
Total long-term debt	<u>\$2,971,503</u>	<u>\$3,038,922</u>

The average interest rates on outstanding debt under the bank credit facilities for the three and nine months ended September 30, 2004 were 3.5% and 3.1%, respectively, before giving effect to the interest rate exchange agreements discussed below. As of September 30, 2004, the Company had unused credit commitments of approximately \$700.8 million under its bank credit facilities, of which about \$553.0 million could be borrowed and used for general corporate purposes based on the terms and conditions of the Company's debt arrangements. The Company was in compliance with all covenants under its debt arrangements for all periods through September 30, 2004.

The Company uses interest rate exchange agreements, or "swaps", with counterparties to fix the interest rate on a portion of its floating rate debt. As of September 30, 2004, the Company had interest rate exchange agreements with various banks pursuant to which the interest rate on \$800.0 million is fixed at a weighted average rate of approximately 3.3%. The fixed rates of the swap agreements are offset against the applicable three-month London Interbank Offering Rate, or LIBOR, to determine the interest expense related to these agreements. At the end of each quarterly reporting period, the carrying values of these swap agreements are marked-to-market. The fair values of these agreements are

**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)**

driven by market interest rates, their remaining time to maturity and the creditworthiness of the counterparties. The aggregate fair value of the agreements is the estimated amount that the Company would receive or pay to terminate them. At September 30, 2004, based on the mark-to-market valuation, the Company would have paid approximately \$6.3 million, including accrued interest, if these agreements were terminated.

Changes in the aggregate mark-to-market values of these swap agreements result in short-term gains or losses and may increase the volatility of the Company's earnings. The Company had a net loss of \$4.2 million and a net gain of \$9.5 million for the three and nine months, respectively, ended September 30, 2004, as compared to a net gain of \$9.0 million and a net loss of \$0.7 million for the three and nine months, respectively, ended September 30, 2003.

Under the terms of the interest rate exchange agreements, which expire from 2005 through 2007, the Company is exposed to credit loss in the event of nonperformance by the other parties. However, due to the creditworthiness of the Company's counterparties, which are major banking firms rated investment grade, the Company does not anticipate their nonperformance.

**(8) Share Repurchase Program**

The Company repurchased 596,092 shares of Class A common stock for approximately \$3.7 million during the three months ended September 30, 2004, pursuant to its Board authorized repurchase program.

**(9) Sale of Assets and Investments**

The Company had a net gain on sale of assets and investments amounting to \$5.9 million for the nine months ended September 30, 2004 compared to a net loss of \$1.5 million for the nine months ended September 30, 2003. The net gain for the nine months ended September 30, 2004 was principally due to the sale of a cable system in May 2004, serving approximately 3,450 subscribers, for gross proceeds of about \$10.1 million.

**(10) Contingency**

On April 5, 2004, a lawsuit was filed against MCC, MCC Georgia LLC, an indirect subsidiary of MCC and other, currently unnamed potential defendants in the United States District Court for the District of Colorado by EchoStar Satellite LLC, which operates a direct broadcast satellite business under the name "Dish Network". EchoStar alleges that MCC and MCC Georgia have used, without authorization, Dish Network satellite dishes activated under residential accounts to receive the signals of certain broadcast television stations in one or more locations in Georgia and that the defendants have then been redistributing those signals, through its cable systems, to its subscribers. Among other claims, the complaint filed by EchoStar alleges that these actions violate a provision of the Communications Act of 1934 (47 U.S.C. Sec. 605) that prohibits unauthorized interception of radio communications. The plaintiff seeks injunctive relief, actual and statutory damages, disgorgement of profits, punitive damages and litigation costs, including attorneys' fees.

On June 29, 2004, EchoStar amended its complaint to also allege that this conduct amounted to a breach of the contract between EchoStar and one of the Company's employees, who allegedly acted as an agent for the defendants, by which the Company received the EchoStar satellite signal. On September 7, 2004, the U.S. District Court granted the Company's motion to transfer the case to the Middle District of Georgia, where venue is proper and where personal jurisdiction over the Company exists. There have been no further proceedings since that date. The Company intends to vigorously defend against these claims. At the present time, the Company is unable to reasonably evaluate the likelihood of an unfavorable outcome or quantify the possible damages, if any, associated with these matters, or judge whether or not those damages would be material to its consolidated financial position, results of operations, cash flows or business.

**MEDIACOM COMMUNICATIONS CORPORATION AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)**

The Company also is involved in various other legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's consolidated financial position, results of operations, cash flows or business.

**(11) Hurricane Losses**

On September 16, 2004, Hurricane Ivan impacted the Company's systems in Alabama, Florida and Mississippi. As a result, for the three month period ended September 30, 2004, the Company: (i) incurred additional service costs of approximately \$0.8 million; (ii) incurred additional selling, general and administrative costs of approximately \$0.2 million, and (iii) recorded an increase in depreciation expense of \$2.1 million due to the impairment of cable plant and equipment. The Company is insured against certain losses related to the hurricane, subject to varying deductible amounts. The Company cannot estimate at this time the amounts that will be ultimately recoverable under its insurance policies.

**(12) Subsequent Event**

On October 21, 2004, the operating subsidiaries of Mediacom LLC, one of the Company's wholly-owned subsidiaries, refinanced their two credit facilities (the "two prior credit facilities") with a new \$1.15 billion senior secured credit facility. This new credit facility, which consists of a \$400 million revolving credit loan, a \$200 million delayed-draw term loan, and a \$550 million term loan, has a final maturity of March 31, 2013. The terms and conditions, as well as interest rates, of the new credit facilities are substantially similar to those of the two prior credit facilities. The Company incurred \$5.7 million of financing costs associated with this refinancing which will be amortized over the term of the credit facility.

The two prior credit facilities were scheduled to expire in 2008, or in 2007 under certain circumstances. These facilities had current commitments of \$924.0 million, of which approximately \$651 million was outstanding as of October 21, 2004. Proceeds from the new credit facility were drawn down at closing to pay in full the outstanding indebtedness, including accrued interest, of the two prior credit facilities.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Company's unaudited consolidated financial statements as of and for the three and nine months ended September 30, 2004 and 2003 and with the Company's annual report on Form 10-K for the year ended December 31, 2003.

### Overview

Mediacom Communications Corporation is currently the nation's eighth largest cable television company based on customers served and the leading cable operator focused on serving the smaller cities and towns in the United States. We provide our customers with a wide array of broadband products and services, including traditional analog video services, digital television, video-on-demand, high-definition television and broadband data access. As of September 30, 2004, our cable systems passed 2.78 million homes and served 1.46 million basic subscribers in 23 states.

In mid-2003, we completed our network upgrade program that significantly increased bandwidth and enabled interactivity. Our upgraded network allows us to introduce additional programming and other products and services such as digital video, video-on-demand, high-definition television, digital video recorders and broadband data service. We currently provide digital video services to 382,000 subscribers, representing a penetration of 26.1% of our basic subscribers. We also currently provide broadband data services to 350,000 subscribers, representing a penetration of 12.6% of our homes passed. Beginning in the first half of 2005, we plan to launch in certain of our markets Internet protocol telephony service, which is sometimes referred to as Voice-over-Internet-Protocol, or VoIP telephony. VoIP telephony will allow us to offer an attractive triple-play bundle of video, data and voice products and services. Bundled products and services offer our subscribers key benefits such as a single provider contact for provisioning, billing and customer care.

We face increasing competition for our video programming services, most notably from direct broadcast satellite service, or DBS service providers. During the first nine months of 2004, competitive pressure from DBS service providers further intensified when they launched local television channels in additional markets representing an estimated 29% of our basic subscriber base. Since they have been permitted to deliver local television broadcast signals beginning in 1999, DIRECTV, Inc. and Echostar Communications Corporation, the two largest DBS service providers, have been increasing the number of markets in which they deliver these local television signals. These "local-into-local" launches are usually accompanied by heavy marketing and advertising and are the primary cause of our loss of basic subscribers in recent periods. As of September 30, 2004, competitive local-into-local services in our markets covered an estimated 91% of our basic subscribers.

### *Use of Operating Income Before Depreciation and Amortization*

Operating income before depreciation and amortization, or OIBDA, is not a financial measure calculated in accordance with generally accepted accounting principles (GAAP) in the United States. However, OIBDA is one of the primary measures used by management to evaluate our performance and to forecast future results. We believe OIBDA is useful for investors because it enables them to assess our performance in a manner similar to the method used by management, and provides a measure that can be used to analyze, value and compare the companies in the cable television industry, which may have different depreciation and amortization policies. A limitation of this measure, however, is that it excludes depreciation and amortization, which represents the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in our business. Management utilizes a separate process to budget, measure and evaluate capital expenditures.

OIBDA should not be regarded as an alternative to either operating income or net income (loss) as an indicator of operating performance nor should it be considered in isolation or as a substitute for financial measures prepared in accordance with GAAP. We believe that operating income is the most directly comparable GAAP financial measure to OIBDA.



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The following table sets forth the reconciliation of OIBDA to operating income for the three and nine months ended September 30, 2004 and 2003 (dollars in thousands and unaudited):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
OIBDA	\$ 98,507	\$101,092	\$ 311,198	\$ 302,999
Depreciation and amortization	(55,631)	(56,958)	(163,826)	(218,436)
Operating income	\$ 42,876	\$ 44,134	\$ 147,372	\$ 84,563

**Hurricane Losses**

On September 16, 2004, as a result of Hurricane Ivan, our cable systems in areas of Alabama, Florida and Mississippi experienced, to varying degrees, damage to cable plant and other property and equipment, business interruption and loss of customers. The hurricane initially disrupted cable service to over 100,000 of our basic subscribers in these three states. Our results of operations for the three and nine months ended September 30, 2004 take into account lost revenues and incremental costs caused by the hurricane. In addition, we estimate that, as of September 30, 2004, the hurricane caused losses of 8,000 basic subscribers, 2,000 digital customers and 1,000 data customers. These losses are reflected in our subscriber and customer counts as of September 30, 2004.

The revenue impact and the costs incurred during the third quarter are reflected in our consolidated financial statements, and are detailed as follows: (a) revenues were recorded net of \$2.9 million of service interruption credits issued to customers; (b) service costs included \$0.8 million of incremental costs to cover the repair of our facilities, the use of outside contractors to help repair cable plant and increased employee costs; (c) selling, general and administrative expenses included incremental costs of \$0.2 million related to additional customer service employee costs required to support customers' needs; and (d) depreciation expense included \$2.1 million due to an impairment of cable plant and other property and equipment. In addition, we estimate that we will spend about \$6.0 million of capital expenditures to replace or rebuild property, plant and equipment damaged by Hurricane Ivan.

We are insured against certain losses related to the hurricane, subject to varying deductible amounts. We cannot estimate at this time the amounts that will be ultimately recoverable under our insurance policies.

**Actual Results of Operations****Three Months Ended September 30, 2004 Compared to Three Months Ended September 30, 2003**

The following table sets forth the unaudited consolidated statements of operations for the three months ended September 30, 2004 and 2003 (dollars in thousands and percentage changes that are not meaningful are marked NM):

	Three Months Ended September 30,		\$ Change	% Change
	2004	2003		
Revenues	\$261,025	\$251,107	\$ 9,918	3.9%
Costs and expenses:				
Service costs	103,411	95,498	7,913	8.3%
Selling, general and administrative expenses	54,012	49,820	4,192	8.4%
Corporate expenses	5,095	4,697	398	8.5%
Depreciation and amortization	55,631	56,958	(1,327)	(2.3%)
Operating income	42,876	44,134	(1,258)	(2.9%)
Interest expense, net	(48,709)	(46,121)	(2,588)	5.6%
(Loss) gain on derivatives, net	(4,218)	8,984	(13,202)	NM
Loss on sale of assets and investments, net	—	(2,197)	(2,197)	NM
Other expense	(2,593)	(2,652)	2,256	(2.2%)
Net income (loss) before provision for income taxes	(12,644)	2,148	(14,792)	NM
Provision for income taxes	163	211	(48)	(22.7%)
Net income (loss)	\$ (12,807)	\$ 1,937	\$ (14,744)	NM
OIBDA	\$ 98,507	\$101,092	\$ (2,585)	(2.6%)

**Revenues**

The following table sets forth revenue information for the three months ended September 30, 2004 and 2003 (dollars in millions):

	Three Months Ended September 30,				\$ Change	% Change
	2004		2003			
	Amount	% of Revenues	Amount	% of Revenues		
Video	\$209.0	80.1%	\$210.2	83.7%	\$(1.2)	(0.6%)
Data	38.9	14.9%	30.1	12.0%	8.8	29.2%
Advertising	13.1	5.0%	10.8	4.3%	2.3	21.3%
	<u>\$261.0</u>	<u>100.0%</u>	<u>\$251.1</u>	<u>100.0%</u>	<u>\$ 9.9</u>	<u>3.9%</u>

Video revenues represent monthly subscription fees charged to customers for our core cable television products and services (including basic, expanded basic and analog premium programming, digital cable television programming services, wire maintenance, equipment rental and services to commercial establishments), pay-per-view charges, installation and reconnection fees, late payment fees, and other ancillary revenues. Data revenues primarily represent monthly subscription fees charged to customers for our data products and services and equipment rental fees. Franchise fees charged to customers for payment to local franchising authorities are included in their corresponding revenue category.

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Revenues rose 3.9%, net of service interruption credits related to the hurricane. Excluding such credits, revenues rose 5.1%, largely attributable to an increase in broadband data customers and basic rate increases applied to our video customers, driven in large part by our own video programming cost increases, offset by a reduction in video subscribers during the period.

Video revenues decreased 0.6%, net of service interruption credits related to the hurricane. Excluding such credits, video revenues increased 0.5% as a result of the aforementioned basic rate increases, partially offset by a decline in basic subscribers from 1,552,000 to 1,461,000, which is net of an estimated 8,000 basic subscribers lost due to the hurricane. Digital customers, at 382,000, which is net of an estimated 2,000 digital subscribers lost due to the hurricane, were down compared to 393,000 a year ago. Our loss in video subscribers resulted primarily from increased competitive pressures by DBS service providers, particularly in those markets where we experienced their "local-into-local" launches, and, to a lesser extent, due to our tighter customer credit policies. To reverse this video subscriber trend, we have been increasing our customer retention efforts and our emphasis on product bundling, enhancing and differentiating our video products and services with new digital packages, video-on-demand, high-definition television, digital video recorders and more local programming.

Data revenues rose 29.2%, net of service interruption credits related to the hurricane. Excluding such credits, data revenues rose 30.5% due primarily to an increase in data customers from 261,000 to 350,000, which is net of an estimated 1,000 data customers lost due to the hurricane. Average monthly data revenue per data customer decreased 5.7% from \$40.57 to \$38.26 due to the growth of lower-priced, slower speed data customers, as well as to discounting associated with our bundling of digital and data services.

Advertising revenues increased 21.3%, as a result of a stronger local advertising market, an increase in political advertising sales and, to a lesser extent, the completion of an interconnect in one of the Company's larger markets, and bringing in-house certain markets previously managed by third parties. With respect to our in-house advertising activities, instead of receiving advertising revenues net of commissions paid to third parties, we now record the full revenues from these markets as earned, with the related expenses, including in-house salaries and commissions, recorded as selling, general and administrative expenses. We do not expect growth in advertising revenues to continue at the current rate, due to a lack of political advertising in 2005 and the fact that we have completed bringing in-house most of our larger markets.

### ***Costs and Expenses***

Service costs include: fees paid to programming suppliers; expenses related to wages and salaries of technical personnel who maintain our cable network and perform customer installation activities; broadband data access costs, including costs of bandwidth connectivity, customer provisioning and technical support; and plant operating costs, such as utilities and pole rental expense. Programming costs, which are payments to programmers for content and are generally paid on a per subscriber basis, have historically increased due to both increases in the rates charged for existing programming services and the introduction of new programming services to our basic subscribers.

Service costs increased 8.3% and included incremental costs related to the hurricane. Excluding such incremental costs, service costs increased 7.5% over the prior year. Of this increase, 42.0% was due to increased programming costs caused by rate increases on basic and, to a lesser extent, premium services, offset in part by a reduction in video subscribers, 17.9% was due to greater expensing of labor and overhead resulting from the transition from upgrade construction to maintenance activities, 13.5% was due to servicing the growth in our data customers, and 11.7% was due to increased use of outside contractors to service our customers. The balance was from higher employee costs, utility costs and plant maintenance costs. Excluding the impact of the hurricane, service costs as a percentage of revenues were 38.9% for the three months ended September 30, 2004 and 38.0% for the three months ended September 30, 2003.

Selling, general and administrative expenses include: wages and salaries for our call centers, customer service and support and administrative personnel; franchise fees and taxes; and expenses related to billing, telecommunications, marketing, bad debt, advertising and office administration.

Selling, general and administrative expenses increased 8.4% and included incremental costs related to the hurricane. Excluding such incremental costs, selling, general and administrative expenses increased 8.0%. Of this increase, 40.8% was due to greater expensing of labor

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and overhead costs resulting from the transition from upgrade construction to maintenance activities, 28.2% was due to higher advertising costs as a result of bringing in-house certain markets previously managed by third parties, and 25.1% was due to higher marketing costs for new programs instituted during the quarter, offset in part by a decrease in bad debt expense. Excluding the impact of the hurricane, selling, general and administrative expenses as a percentage of revenues were 20.4% for the three months ended September 30, 2004, as compared with 19.8% for the three months ended September 30, 2003.

We expect continued revenue growth in advanced services, which include digital cable, high-definition television and broadband data access and, in the first half of 2005, the launch of VoIP telephony service. As a result, we expect our service costs and selling, general and administrative expenses to increase.

Corporate expenses reflect compensation of corporate employees and other corporate overhead. Corporate expenses increased 8.5% to \$5.1 million for the three months ended September 30, 2004, as compared to \$4.7 million for the three months ended September 30, 2003. This was principally due to increases in employee compensation and, to a lesser extent, increases in professional service fees and insurance premiums, partially offset by greater capitalization of labor and overhead costs related to increased capital project activities in 2004. Corporate expenses as a percentage of revenues, which exclude the impact of the hurricane were 1.9% for the three months ended September 30, 2004 and 2003.

Depreciation and amortization decreased 2.3% and included incremental impairment charges related to the hurricane. Excluding such incremental costs, depreciation and amortization decreased 6.1% to \$53.5 million for the three months ended September 30, 2004, as compared to \$57.0 million for the three months ended September 30, 2003. This decrease was principally due to a higher level of plant disposals in 2003, as a result of the completion of our network upgrade program, offset in part by increased depreciation for investments in our cable network and ongoing investments to continue the rollout of products and services such as video-on-demand, high-definition television, digital video recorders and broadband data access. See Note 1 to our unaudited consolidated financial statements.

### ***Interest Expense, Net***

Interest expense, net, increased by 5.6% to \$48.7 million for the three months ended September 30, 2004, as compared to \$46.1 million for the three months ended September 30, 2003. This increase was primarily due to lower interest expense capitalization for the three months ended September 30, 2004 associated with the substantial reduction of upgrade/rebuild capital expenditures, as well as higher market interest rates on variable rate debt. This increase was offset in part by lower average indebtedness for the three months ended September 30, 2004.

### ***(Loss) Gain on Derivatives, Net***

We enter into interest rate exchange agreements, or "interest rate swaps", with counterparties to fix the interest rate on a portion of our variable rate debt to reduce the potential volatility in our interest expense that would otherwise result from changes in market interest rates. As of September 30, 2004 we had interest rate swaps with an aggregate principal amount of \$800.0 million. The changes in their mark-to-market values are derived from changes in market interest rates, the decrease in their time to maturity and the creditworthiness of the counterparties. Principally as a result of lower market interest rates at the end of the quarter compared with the beginning, we recorded a loss on derivatives amounting to \$4.2 million for the three months ended September 30, 2004, as compared to a net gain on derivatives of \$9.0 million for the three months ended September 30, 2003.

### ***Loss on Sale of Assets and Investments, Net***

The Company had a loss on the sale of assets and investments amounting to \$2.2 million for the three months ended September 30, 2003. The net loss was primarily due to a sale of a small cable system in September 2003 with approximately 1,500 subscribers for gross proceeds of \$3.1 million.

### ***Other Expense***

Other expense was \$2.6 million and \$2.7 million for the three months ended September 30, 2004 and 2003, respectively. Other expense primarily represents amortization of deferred financing costs and fees on unused credit commitments.

[Table of Contents](#)**Net Income (loss)**

As a result of the factors described above, we generated a net loss for the three months ended September 30, 2004 of \$12.8 million, as compared to net income of \$1.9 million for the three months ended September 30, 2003.

**Operating Income Before Depreciation and Amortization**

OIBDA decreased 2.6% to \$98.5 million, reflecting \$3.9 million of service interruption credits and incremental operating costs related to the hurricane. Excluding such service credits and incremental costs, OIBDA increased 1.3% to \$102.4 million due to a 5.1% increase in revenues, partially offset by a 7.5% increase in service costs and an 8.0% increase in selling, general and administrative expenses. Excluding the impact of the hurricane, OIBDA, expressed as a percentage of revenues, was 38.8% for the three months ended September 30, 2004, as compared to 40.3% in the year-ago period.

**Nine Months Ended September 30, 2004 Compared to Nine Months Ended September 30, 2003**

The following table sets forth the unaudited consolidated statements of operations for the nine months ended September 30, 2004 and 2003 (dollars in thousands and percentage changes that are not meaningful are marked NM):

	Nine Months Ended September 30,		\$ Change	% Change
	2004	2003		
Revenues	\$ 792,063	\$ 746,076	\$ 45,987	6.2%
Costs and expenses:				
Service costs	307,534	285,700	21,834	7.6%
Selling, general and administrative expenses	158,388	145,073	13,315	9.2%
Corporate expenses	14,943	12,304	2,639	21.4%
Depreciation and amortization	163,826	218,436	(54,610)	(25.0%)
Operating income	147,372	84,563	62,809	74.3%
Interest expense, net	(143,276)	(143,710)	434	(0.3%)
Gain (loss) on derivatives, net	9,498	(732)	10,230	NM
Gain on sale of assets and investments, net	5,885	(1,522)	7,407	NM
Other expense	(7,406)	(7,562)	156	(2.1%)
Net income (loss) before provision for income taxes	12,073	(68,963)	81,036	NM
Provision for income taxes	490	624	(134)	(21.5%)
Net income (loss)	\$ 11,583	\$ (69,587)	\$ 81,170	NM
OIBDA	\$ 311,198	\$ 302,999	\$ 8,199	2.7%

[Table of Contents](#)**Revenues**

The following table sets forth revenue information for the nine months ended September 30, 2004 and 2003 (dollars in millions):

	Nine Months Ended September 30,					
	2004		2003		\$ Change	% Change
	Amount	% of Revenues	Amount	% of Revenues		
Video	\$642.2	81.1%	\$633.7	84.9%	\$ 8.5	1.3%
Data	113.5	14.3%	81.7	11.0%	31.8	38.9%
Advertising	36.4	4.6%	30.7	4.1%	5.7	18.6%
	<u>\$792.1</u>	<u>100.0%</u>	<u>\$746.1</u>	<u>100.0%</u>	<u>\$46.0</u>	<u>6.2%</u>

Revenues rose 6.2%, net of service interruption credits related to the hurricane. Excluding such credits, revenues rose 6.5%, largely attributable to an increase in broadband data customers and basic rate increases applied on our video customers, driven in large part by our own video programming cost increases, offset by a reduction in video subscribers during the period.

Video revenues rose 1.3%, net of service interruption credits related to the hurricane. Excluding such credits, video revenues increased 1.7% as a result of the aforementioned basic rate increases, partially offset by a decline in basic subscribers from 1,552,000 to 1,461,000, which is net of an estimated 8,000 basic subscribers lost due to the hurricane. Digital customers, at 382,000, which is net of an estimated 2,000 digital customers lost due to the hurricane, were down compared to 393,000 a year ago. Our loss in video subscribers resulted primarily from increased competitive pressures by DBS service providers, particularly in those markets where we experienced their "local-into-local" launches and, to a lesser extent, from our tighter customer credit policies. To reverse this video subscriber trend, we have been increasing our customer retention efforts and our emphasis on product bundling, enhancing and differentiating our video products and services with new digital packages, video-on-demand, high-definition television, digital video recorders and more local programming.

Data revenues rose 38.9%, net of service interruption credits related to the hurricane. Excluding such credits, data revenues rose 39.5% due primarily to an increase in data customers from 261,000 to 350,000, which is net of an estimated 1,000 data customers lost due to the hurricane. Average monthly data revenue per data customer decreased 0.3% from \$40.16 to \$40.04 due to the growth of lower-priced, slower speed data customers, as well as the discounting associated with our bundling of digital and data services.

Advertising revenues increased 18.6%, primarily as a result of higher local advertising sales and, to a lesser extent, due to the completion of an interconnect in one of our larger markets and bringing in-house certain markets previously managed by third parties. With respect to our in-house advertising activities, instead of receiving advertising revenues net of commissions paid to third parties, we now record the full revenues from these markets as earned, with the related expenses, including in-house salaries and commissions, recorded as selling, general and administrative expenses. We do not expect growth in advertising revenues to continue at the current rate in 2005, due to a lack of political advertising and the fact that we have completed bringing in-house most of our larger markets.

**Costs and Expenses**

Service costs increased 7.6% and included incremental costs related to the hurricane. Excluding such incremental costs, service costs increased 7.4% over the prior year. Of this increase, 27.9% was due to increased programming costs caused by rate increases on basic and, to a lesser extent, premium services, offset in part by a reduction in video subscribers and an increase in launch support received from programmers, 27.2% was due to servicing the growth in our data customers, 15.8% was due to an increase in operations cost, which include vehicle, utility and plant maintenance costs, 13.6% was due to greater expensing of labor and overhead costs resulting from the transition from

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upgrade construction to maintenance activities, and 9.5% was due to an increase in employee costs. Excluding the impact of the hurricane, service costs as a percentage of revenues were 38.6% for the nine months ended September 30, 2004, as compared with 38.3% for the nine months ended September 30, 2003.

Selling, general and administrative expenses increased 9.2% and included incremental costs related to the hurricane. Excluding such incremental costs, selling, general and administrative expenses increased 9.0%. Of this increase, 21.7% was due to higher marketing costs for new programs instituted during the period, 21.6% was due to higher advertising costs primarily as a result of bringing in-house certain markets previously managed by third parties, 20.2% was principally due to an increase in employee costs, 11.6% was due to increased property taxes and franchise fees, and 10.6% was due to an increase in telephone costs. Excluding the impact of the hurricane, selling, general and administrative expenses as a percentage of revenues were 19.9% for the nine months ended September 30, 2004, as compared with 19.4% for the nine months ended September 30, 2003.

We expect continued revenue growth in advanced services, which include digital cable, high-definition television and broadband data access and, in the first half of 2005, the launch of VoIP telephony service. As a result, we expect our service costs and selling, general and administrative expenses to increase.

Corporate expenses reflect compensation of corporate employees and other corporate overhead. Corporate expenses increased 21.4% to \$14.9 million for the nine months ended September 30, 2004, as compared to \$12.3 million for the nine months ended September 30, 2003. This was principally due to increases in employee compensation and, to a lesser extent, transportation, travel and entertainment, professional fees and insurance premiums, partially offset by greater capitalization of labor and overhead costs related to increased capital project activities in 2004. We believe the annual increase in corporate expenses will moderate as the rate of change in employee compensation is expected to be lower. Corporate expenses as a percentage of revenues, which exclude the impact of the hurricane were 1.9% for the nine months ended September 30, 2004, as compared with 1.6% for the nine months ended September 30, 2003.

Depreciation and amortization decreased 25.0% and included incremental impairment charges related to the hurricane. Excluding such incremental costs, depreciation and amortization decreased 26.0% to \$161.7 million for the nine months ended September 30, 2004, as compared to \$218.4 million for the nine months ended September 30, 2003. The decrease was primarily due to changes, effective July 1, 2003, in the estimated useful lives of our cable systems and equipment in conjunction with the completion of our network upgrade and rebuild program. These changes reduced depreciation by \$64.5 million and \$31.6 million for the nine months ended September 30, 2004 and 2003, respectively. This decrease in the 2004 period was offset in part by increased depreciation for investments in our cable network and ongoing investments to continue the rollout of products and services such as video-on-demand, high-definition television, digital video recorders and broadband data access. See Note 1 to our consolidated financial statements.

### ***Interest Expense, Net***

Interest expense, net, decreased by 0.3% to \$143.3 million for the nine months ended September 30, 2004, as compared to \$143.7 million for the nine months ended September 30, 2003. This was primarily due to lower indebtedness and partially offset by higher market interest rates on variable rate debt and lower interest expense capitalization for the nine months ended September 30, 2004 associated with the substantial reduction of upgrade/rebuild capital expenditures.

### ***Gain (Loss) on Derivatives, Net***

We enter into interest rate exchange agreements, or "interest rate swaps", with counterparties to fix the interest rate on a portion of our variable rate debt to reduce the potential volatility in our interest expense that would otherwise result from changes in market interest rates. As of September 30, 2004 we had interest rate swaps with an aggregate principal amount of \$800.0 million. The changes in their mark-to-market values are derived from changes in market interest rates, the decrease in their time to maturity and the creditworthiness of the counterparties. Principally as a result of higher market interest rates at the end of the period compared with the beginning, we recorded a net gain on

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derivatives amounting to \$9.5 million for the nine months ended September 30, 2004, as compared to a net loss on derivatives of \$0.7 million for the nine months ended September 30, 2003.

### ***Gain on Sale of Assets and Investments, Net***

The Company had a net gain on sale of assets and investments amounting to \$5.9 million for the nine months ended September 30, 2004. The net gain was principally due to the sale of a cable system in May 2004, serving approximately 3,450 subscribers, for gross proceeds of about \$10.1 million.

### ***Other Expense***

Other expense was \$7.4 million and \$7.6 million for the nine months ended September 30, 2004 and 2003, respectively. Other expense primarily represents amortization of deferred financing costs and fees on unused credit commitments.

### ***Net Income (loss)***

As a result of the factors described above, we generated net income for the nine months ended September 30, 2004 of \$11.6 million, as compared to a net loss of \$69.6 million for the nine months ended September 30, 2003.

### ***Operating Income Before Depreciation and Amortization***

OIBDA increased 2.7% to \$311.2 million, reflecting \$3.9 million of service interruption credits and incremental operating costs related to Hurricane Ivan. Excluding these service credits and incremental costs, OIBDA increased 4.0% to \$315.1 million due to a 6.5% increase in revenues, partially offset by a 7.4% increase in service costs and 9.0% increase in selling, general and administrative expenses. Excluding the impact of Hurricane Ivan, OIBDA, expressed as a percentage of revenues, was 39.6% for the nine months ended September 30, 2004, as compared to 40.6% in the year-ago period.

## **Liquidity and Capital Resources**

### ***Uses of Cash***

As an integral part of our business plan, we have significantly invested, and will continue to invest, additional capital in our cable network to enhance its reliability and capacity, which will allow for the introduction of new advanced broadband services. In addition, we will continue to pursue a business strategy that includes selective acquisitions. For the nine months ended September 30, 2004, we made capital expenditures of \$126.0 million and purchased a small cable system for \$3.4 million. We also repaid \$43.2 million of debt and repurchased \$3.7 million of common stock.

### ***Sources of Cash***

We expect to fund our capital requirements and operations through a combination of internally generated funds and amounts available under our bank credit facilities. Net cash flows provided by operating activities amounted to \$153.0 million for the nine months ended September 30, 2004. We also received \$10.6 million in proceeds from the sale of assets and investments, primarily from the sale of a cable system.

### ***Other***

We own our cable systems through two principal subsidiaries, Mediacom Broadband LLC and Mediacom LLC. The operating subsidiaries of Mediacom Broadband LLC have a \$1.4 billion bank credit facility expiring in September 2010, of which \$956.8 million was outstanding as of September 30, 2004. On October 21, 2004, the operating subsidiaries of Mediacom LLC refinanced their two bank credit facilities (the "two prior credit facilities") with a new \$1.15 billion bank credit facility (the "new credit facility") that expires in March 2013. These two prior credit facilities were scheduled to expire in 2008, or in 2007 under certain circumstances.



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Approximately \$658 million was drawn from the new credit facility at closing, of which approximately \$652 million was used to pay in full outstanding indebtedness, including accrued interest, under the two prior credit facilities and the balance was used to pay fees and expenses. The financial obligations of the operating subsidiaries under the two prior credit facilities have been satisfied, and the prior credit facilities have been terminated.

We have entered into interest rate exchange agreements with counterparties, which expire from September 2005 through March 2007, to hedge \$800.0 million of floating rate debt. Under the terms of all of our interest rate exchange agreements, we are exposed to credit loss in the event of nonperformance by the other parties of the agreements. However, due to the high creditworthiness of our counterparties, which are major banking firms rated investment grade, we do not anticipate their nonperformance. As of September 30, 2004, about 73% of the Company's outstanding indebtedness was at fixed interest rates or subject to interest rate protection.

As of September 30, 2004, our total debt was \$3.0 billion, and we were in compliance with all covenants under our debt arrangements. On that same date, our annualized cost of debt was approximately 6.5%, and we had unused credit commitments of about \$700.8 million, of which \$553.0 million could be borrowed and used for general corporate purposes based on the terms and conditions of our debt arrangements. As of that same date, giving effect to the new facility, we had unused credit commitments of \$916.7 million, of which \$768.9 million could be borrowed and used for general corporate purposes based on the terms and conditions of our debt arrangements.

As of September 30, 2004, approximately \$14.3 million of letters of credit were issued to various parties to secure our performance relating to insurance and franchise requirements.

Although we have not generated earnings sufficient to cover fixed charges in the past, we have generated cash and obtained financing sufficient to meet our short-term requirements, including our debt service, working capital and capital expenditures. We expect that we will continue to be able to generate funds and obtain financing sufficient to service our long-term business plan, service our debt obligations and complete any future acquisitions. However, there can be no assurance that we will be able to obtain sufficient financing, or, if we were able to do so, that the terms would be favorable to us.

### **Critical Accounting Policies**

The foregoing discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. Periodically, we evaluate our estimates, including those related to doubtful accounts, long-lived assets, capitalized costs and accruals. We base our estimates on historical experience and on various other assumptions that we believe are reasonable. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following represent the most significant and subjective estimates used in the preparation of our consolidated financial statements:

#### ***Property, Plant and Equipment***

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 51, "Financial Reporting by Cable Television Companies," we capitalize a portion of direct and indirect costs related to the construction, replacement and installation of property, plant and equipment, including certain costs related to new video and broadband data subscriber installations. Capitalized costs are recorded as additions to property, plant and equipment and depreciated over the life of the related assets. We perform periodic evaluations of the estimates used to determine the amount of costs that are capitalized. Any changes to these estimates, which may be significant, are applied in the period in which the evaluations were completed.

***Goodwill and Other Intangible Assets***

In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets", the amortization of goodwill and indefinite-lived intangible assets is prohibited and requires such assets to be tested annually for impairment, or more frequently if impairment indicators arise. We have determined that our cable franchise costs are indefinite-lived assets. Our annual impairment tests, performed in the fourth quarter of 2003, based on financial information as of September 30, 2003, determined that there was no impairment of goodwill or indefinite-lived intangible assets. There have been no events since then that would require an analysis to be completed before the annual test date.

**Recent Accounting Pronouncements**

The FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure," which amends: (i) SFAS No. 123, "Accounting for Stock-Based Compensation," to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation; (ii) the disclosure provisions of SFAS No. 123 to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation; and (iii) Accounting Principles Board ("APB") Opinion No. 28, "Interim Financial Reporting," to require disclosure about those effects in interim financial information. We adopted SFAS No. 148 on January 1, 2003. We did not change to the fair value based method of accounting for stock-based employee compensation. Accordingly, the adoption of SFAS No. 148 did not affect our financial condition or results of operations.

**Inflation and Changing Prices**

Our systems' costs and expenses are subject to inflation and price fluctuations. Such changes in costs and expenses can generally be passed through to subscribers. Programming costs have historically increased at rates in excess of inflation and are expected to continue to do so. We believe that under the Federal Communications Commission's existing cable rate regulations we may increase rates for cable television services to more than cover any increases in programming. However, competitive conditions and other factors in the marketplace may limit our ability to increase our rates.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

In the normal course of business, we use interest rate exchange agreements, or “swaps”, with counterparties to fix the interest rate on our floating rate debt. As of September 30, 2004, we had interest rate exchange agreements with various banks pursuant to which the interest rate on \$800.0 million is fixed at a weighted average rate of approximately 3.3%. The fixed rates of the swap agreements are offset against the applicable three-month London Interbank Offering Rate to determine the interest expense related to these agreements. Under the terms of the interest rate exchange agreements, which expire from 2005 through 2007, we are exposed to credit loss in the event of nonperformance by the other parties. However, due to the high creditworthiness of our counterparties, which are major banking firms rated investment grade, we do not anticipate their nonperformance. At September 30, 2004, based on the mark-to-market valuation, we would have paid approximately \$6.3 million, including accrued interest, if we terminated these agreements.

On October 21, 2004, the operating subsidiaries of Mediacom LLC, one of the Company’s wholly-owned subsidiaries, refinanced their two credit facilities (the “two prior credit facilities”) with a new \$1.15 billion senior secured credit facility. This new credit facility, which consists of a \$400 million revolving credit loan, a \$200 million delayed-draw term loan, and a \$550 million term loan, has a final maturity of March 31, 2013. We have incurred \$5.7 million of financing costs associated with this refinancing that will be recorded in the fourth quarter of 2004 and amortized over the term of the credit facility.

The table below provides the new expected maturity and estimated fair value of our debt as of September 30, 2004, giving effect for the new credit facility at Mediacom LLC (dollars in thousands). See Note 7 to our unaudited consolidated financial statements.

	Senior Notes	Bank Credit Facilities	Capital Lease Obligations	Total
Expected Maturity:				
October 1, 2004 to September 30, 2005	\$ —	\$ 34,625	\$2,182	\$ 36,807
October 1, 2005 to September 30, 2006	172,500(1)	46,125	2,251	220,876
October 1, 2006 to September 30, 2007	—	64,875	1,640	66,515
October 1, 2007 to September 30, 2008	200,000	70,500	110	270,610
October 1, 2008 to September 30, 2009	—	159,125	—	159,125
Thereafter	1,025,000	1,229,377	—	2,254,377
Total	<u>\$1,397,500</u>	<u>\$1,604,627</u>	<u>\$6,183</u>	<u>\$3,008,310</u>
Fair Value	<u>\$1,397,156</u>	<u>\$1,604,627</u>	<u>\$6,183</u>	<u>\$3,007,966</u>
Weighted Average Interest Rate	<u>9.1%</u>	<u>3.5%</u>	<u>3.1%</u>	<u>6.1%</u>

(1) Represents convertible senior notes due July 2006.

**ITEM 4. CONTROLS AND PROCEDURES**

Our management carried out an evaluation, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of September 30, 2004. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

There has not been any change in our internal control over financial reporting in connection with the evaluation required by Rule 13a-15(d) under the Exchange Act that occurred during the quarter ended September 30, 2004 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**PART II****ITEM 1. LEGAL PROCEEDINGS**

See Note 10 to our consolidated financial statements.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

A summary of our repurchases of Class A common shares during the quarter under the \$50.0 million repurchase program, authorized by our Board of Directors in May 2000 and reaffirmed on August 3, 2004, are as follows:

<u>Period</u>	<u>Total Number of Shares Purchased</u>	<u>Average Price Per share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Program</u>	<u>Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program</u>
July 1 - 31, 2004	—	—	—	—
August 1 - 31, 2004	500,667	\$6.12	500,667	\$40,973,135
September 1 - 30, 2004	95,425	\$6.21	95,425	\$40,380,751
	<u>596,092</u>	<u>\$6.13</u>	<u>596,092</u>	<u>\$40,380,751</u>

**ITEM 6. EXHIBITS**

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1	Credit Agreement, dated as of October 21, 2004, among the operating subsidiaries of Mediacom LLC, the lenders thereto and JPMorgan Chase Bank, as administrative agent for the lenders
31.1	Rule 13a-14(a) Certifications
32.1	Section 1350 Certifications

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**MEDIACOM COMMUNICATIONS CORPORATION**

November 9, 2004

By: /s/ Mark E. Stephan

**Mark E. Stephan**  
Executive Vice President and  
Chief Financial Officer

\*\*\*\*\*

MEDIACOM ILLINOIS LLC  
MEDIACOM INDIANA LLC  
MEDIACOM IOWA LLC  
MEDIACOM MINNESOTA LLC  
MEDIACOM WISCONSIN LLC  
ZYLSTRA COMMUNICATIONS CORP.  
MEDIACOM ARIZONA LLC  
MEDIACOM CALIFORNIA LLC  
MEDIACOM DELAWARE LLC  
MEDIACOM SOUTHEAST LLC

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CREDIT AGREEMENT

Dated as of October 21, 2004

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J.P. MORGAN SECURITIES INC.,  
and  
BANC OF AMERICA SECURITIES LLC,  
As Joint Lead Arrangers and Joint Bookrunners

CITIBANK, N.A.,  
As Syndication Agent

WACHOVIA BANK, N.A.  
and  
CREDIT SUISSE FIRST BOSTON,  
As Co-Documentation Agents

JPMORGAN CHASE BANK,  
as Administrative Agent

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CREDIT AGREEMENT dated as of October 21, 2004, between each of the following parties:

MEDIACOM ILLINOIS LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Illinois"); MEDIACOM INDIANA LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Indiana"); MEDIACOM IOWA LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Iowa"); MEDIACOM MINNESOTA LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Minnesota"); MEDIACOM WISCONSIN LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Wisconsin"); ZYLSTRA COMMUNICATIONS CORP., a corporation duly organized and validly existing under the laws of the State of Minnesota ("Zylstra" and, together with Mediacom Illinois, Mediacom Indiana, Mediacom Iowa, Mediacom Minnesota and Mediacom Wisconsin, the "Mediacom Midwest Borrowers"); MEDIACOM ARIZONA LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Arizona"); MEDIACOM CALIFORNIA LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom California"); MEDIACOM DELAWARE LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Delaware"); and MEDIACOM SOUTHEAST LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Southeast" and, together with Mediacom Arizona, Mediacom California and Mediacom Delaware, the "Mediacom USA Borrowers"; the Mediacom USA Borrowers together with the Mediacom Midwest Borrowers, the "Borrowers");

each of the lenders that is a signatory hereto identified under the caption "Lenders" on the signature pages hereto and each lender that becomes a "Lender" after the date hereof pursuant to Section 11.06(b) hereof (individually, a "Lender" and, collectively, the "Lenders"); and

JPMORGAN CHASE BANK, a New York banking corporation, as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent").

The Borrowers have requested that the Lenders extend credit to them (by making loans and issuing letters of credit) in an aggregate principal or face amount not exceeding \$1,150,000,000 (which may, in the circumstances herein provided, be increased to \$1,800,000,000) at any one time outstanding to enable the Borrowers to refinance certain

Credit Agreement

indebtedness and to provide funds for acquisitions and for general corporate purposes. The Lenders are prepared to extend such credit on the terms and conditions hereof and, accordingly, the parties hereto agree as follows:

Section 1. Definitions and Accounting Matters.

1.01 Certain Defined Terms. As used herein, the following terms shall have the following meanings (all terms defined in this Section 1.01 or in other provisions of this Agreement in the singular to have the same meanings when used in the plural and vice versa):

"Acquisitions" shall mean any acquisition permitted under Section 8.05(d)(iv) hereof.

"Additional Capital Expenditures" shall mean Capital Expenditures made in accordance with the requirements of Section 8.12(b) hereof.

"Adjusted Operating Cash Flow" shall mean, for any period during which the Borrowers shall have consummated an Acquisition, the sum, for the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP), of the following, in each case determined under the assumption that such Acquisition had been consummated on the first day of such period: (i) Adjusted System Cash Flow minus (ii) the sum of (x) Management Fees paid during such period to the extent not exceeding 4.50% of the gross operating revenues of the Borrowers and their Subsidiaries for such period plus (y) additional Management Fees that would have been paid during such period at a rate equal to the lesser of (A) the percentage of gross operating revenues of the Borrowers and their Subsidiaries actually paid as Management Fees during such period or (B) for any Borrower, the then applicable rate or percentage specified in the Management Agreement for such Borrower of the gross operating revenues of such Borrower and its Subsidiaries for such period (determined, as specified above under the assumption that such Acquisition had been consummated on the first day of such period).

"Adjusted System Cash Flow" shall mean, for any period during which the Borrowers shall have consummated an Acquisition, the sum, for the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP), of the following, in each case determined under the assumption that such Acquisition had been consummated on the first day of such period: (i) System Cash Flow for such period plus (ii) the sum of (x) non-recurring expenses incurred by the relevant sellers prior to the actual closing of such Acquisition (to the extent such items were included as operating expenses in the determination of System Cash Flow for such period) and (y) the amounts set forth in a statement of adjustments to System Cash Flow provided by the Borrowers in connection with such Acquisition and acceptable to the Administrative Agent and Majority Lenders (in each case representing specified cost increases and savings in respect of the CATV Systems being acquired in such Acquisition).

Credit Agreement

"Administrative Questionnaire" shall mean an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affiliate" shall mean any Person that directly or indirectly controls, or is under common control with, or is controlled by, a Borrower and, if such Person is an individual, any member of the immediate family (including parents, spouse, children and siblings) of such individual and any trust whose principal beneficiary is such individual or one or more members of such immediate family and any Person who is controlled by any such member or trust. As used in this definition, "control" (including, with its correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise), provided that, in any event, any Person that owns directly or indirectly securities having 5% or more of the voting power for the election of directors or other governing body of a corporation or 5% or more of the partnership or other ownership interests of any other Person (other than as a limited partner of such other Person) will be deemed to control such corporation or other Person. Notwithstanding the foregoing, (a) no individual shall be an Affiliate solely by reason of his or her being a director, officer or employee of any Borrower or any of its Subsidiaries and (b) none of the Borrowers or their Wholly Owned Subsidiaries shall be Affiliates.

"Affiliate Letters of Credit" shall mean Letters of Credit issued in accordance with the requirements of Section 8.08(g) hereof.

"Affiliate Subordinated Indebtedness" shall mean Indebtedness to an Affiliate (i) for which a Borrower is directly and primarily liable, (ii) in respect of which none of its Subsidiaries is contingently or otherwise obligated, (iii) that is subordinated to the obligations of the Borrowers to pay principal of and interest on the Loans, Reimbursement Obligations, fees and other amounts payable hereunder and under the other Loan Documents pursuant to an Affiliate Subordinated Indebtedness Subordination Agreement, (iv) that does not mature prior to March 31, 2014, and that is issued pursuant to documentation containing terms (including interest, covenants and events of default) in form and substance satisfactory to the Majority Lenders, (v) that states by its terms that principal and interest in respect thereof shall only be payable to the extent permitted under Section 8.09 hereof and (vi) that is pledged by the respective holder thereof to the Administrative Agent in a manner that creates a first priority perfected security interest in favor of the Administrative Agent, as collateral security for the obligations of the Borrowers hereunder, pursuant to (in the case of Mediacom LLC) the Guarantee and Pledge Agreement and (in the case of any other holder) a security document in form and substance satisfactory to the Administrative Agent.

"Affiliate Subordinated Indebtedness Subordination Agreement" shall mean an Affiliate Subordinated Indebtedness Subordination Agreement substantially in the form of Exhibit J hereto between any Person to whom a Borrower or any of its Subsidiaries may be

Credit Agreement

obligated to pay Affiliate Subordinated Indebtedness, the Borrowers and the Administrative Agent, as the same shall be modified and supplemented and in effect from time to time.

"Applicable Lending Office" shall mean, for each Lender and for each Type of Loan, the "Lending Office" of such Lender (or of an affiliate of such Lender) designated for such Type of Loan in the Administrative Questionnaire submitted by such Lender or such other office of such Lender (or of an affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Borrowers as the office by which its Loans of such Type are to be made and maintained.

"Applicable Margin" shall mean, with respect to the Loans of any Class and Type, the respective rates indicated below for Loans of such Class and Type opposite the then-current Rate Ratio (determined pursuant to Section 3.03 hereof) indicated below (except that (a) anything in this Agreement to the contrary notwithstanding, the Applicable Margin with respect to the Loans of any Class and Type shall be the highest margins indicated below during any period when an Event of Default shall have occurred and be continuing and (b) for the period from the Closing Date through but not including the last Business day of December 2004, the Applicable Margin shall be deemed to be the rate below for a Rate Ratio of greater than or equal to 3.75 to 1 but less than 4.50 to 1):

RANGE OF RATE RATIO -----	APPLICABLE MARGIN -----			
	REVOLVING CREDIT FACILITY/TRANCHE A TERM LOAN FACILITY		TRANCHE B TERM LOAN FACILITIES	
	EURODOLLAR LOANS	BASE RATE LOANS	EURODOLLAR LOANS	BASE RATE LOANS
Greater than 5.00 to 1	2.00%	1.00%	2.25%	1.25%
Greater than or equal to 4.50 to 1 but less than or equal to 5.00 to 1	1.75%	0.75%	2.25%	1.25%
Greater than or equal to 3.75 to 1 but less than 4.50 to 1	1.50%	0.50%	2.25%	1.25%
Greater than or equal to 3.00 to 1 but less than 3.75 to 1	1.25%	0.25%	2.25%	1.25%
Less than 3.00 to 1	1.00%	0.00%	2.25%	1.25%

The Applicable Margin for the Incremental Loans of any Series shall be determined at the time such Series of Loans is established pursuant to Section 2.01(d) hereof.

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"Applicable Permitted Transaction Amount" shall mean, as at any date during any fiscal quarter during any Fiscal Period, the sum of (a) the Equity Contribution Amount and the outstanding principal amount of Affiliate Subordinated Indebtedness, as at the beginning of such fiscal quarter plus (b) the total cash equity capital contributions made, and the aggregate principal amount of Affiliate Subordinated Indebtedness advanced, to the Borrowers during the period (the "current period") commencing on the first day of such fiscal quarter through and including such date minus (c) the sum of (i) the aggregate amount of repayments of Affiliate Subordinated Indebtedness, and distributions in respect of equity capital, made during the current period plus (ii) the aggregate face amount of Affiliate Letters of Credit issued during the current period or during the period (the "prior period") commencing on the Closing Date through and including the last day of the fiscal quarter immediately preceding such fiscal quarter minus (iii) the aggregate amount of reductions in the undrawn face amount of Affiliate Letters of Credit (i.e. excluding reductions in such face amount that occur upon a drawing thereunder) during the current period or the prior period, together with the aggregate amount of Affiliate Letters of Credit that expire or are terminated during the current period or the prior period without being drawn.

"Approved Fund" shall mean any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Assignment and Assumption" shall mean an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 11.06 hereof), and accepted by the Administrative Agent, in the form of Exhibit A-1 or any other form approved by the Administrative Agent.

"Bankruptcy Code" shall mean the Federal Bankruptcy Code of 1978, as amended from time to time.

"Base Rate" shall mean, for any day, a rate per annum equal to the higher of (a) the Federal Funds Rate for such day plus 1/2 of 1% and (b) the Prime Rate for such day. Each change in any interest rate provided for herein based upon the Base Rate resulting from a change in the Base Rate shall take effect at the time of such change in the Base Rate.

"Base Rate Loans" shall mean Loans that bear interest at rates based upon the Base Rate.

"Basic Documents" shall mean, collectively, this Agreement and the other Loan Documents.

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"Basic Subscribers" shall mean, as at any date, (a) single household dwellings with one or more television sets that receive a package of over-the-air-broadcast stations, local access channels or certain satellite-delivered cable television services from a CATV System, plus, without duplication, (b) the number of subscribers determined by dividing the aggregate dollar monthly amount billed for basic service to bulk subscribers (hotels, motels, apartment buildings, hospitals and the like) located in a particular CATV System by the applicable combined limited and expanded cable rate charged to basic subscribers in such CATV System, plus (c) connections to schools, libraries, local government offices and employee households that may not be charged for limited and expanded cable services but may be charged for premium units, pay-per-view events or high-speed Internet service. This definition shall be subject to such modifications as the Borrowers from time to time determine to be reasonably appropriate (and of which the Borrower shall notify the Administrative Agent, which shall promptly notify the Lenders), provided that such modifications are consistent with the periodic reports and/or registrations at the time being filed with the Securities and Exchange Commission by Mediacom LLC or MCC.

"Basle Accord" shall mean the proposals for risk-based capital framework described by the Basle Committee on Banking Regulations and Supervisory Practices in its paper entitled "International Convergence of Capital Measurement and Capital Standards" dated July 1988, as amended, modified and supplemented and in effect from time to time or any replacement thereof.

"Business Day" shall mean any day (a) on which commercial banks are not authorized or required to close in New York City and (b) if such day relates to a borrowing of, a payment or prepayment of principal of or interest on, a Conversion of or into, or an Interest Period for, a Eurodollar Loan or a notice by a Borrower with respect to any such borrowing, payment, prepayment, Conversion or Interest Period, that is also a day on which dealings in Dollar deposits are carried out in the London interbank market.

"Capital Expenditures" shall mean, for any period, expenditures made by the Borrowers or any of their Subsidiaries to acquire or construct fixed assets, plant and equipment (including renewals, improvements and replacements, but excluding repairs and the Acquisitions) during such period computed in accordance with GAAP.

"Capital Lease Obligations" shall mean, for any Person, all obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) Property to the extent such obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP, and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP.

"Casualty Event" shall mean, with respect to any Property of any Person, any loss of or damage to, or any condemnation or other taking of, such Property for which such Person or

any of its Subsidiaries receives insurance proceeds, or proceeds of a condemnation award or other compensation.

"CATV System" shall mean any cable distribution system that receives broadcast signals by antennae, microwave transmission, satellite transmission or any other form of transmission and that amplifies such signals and distributes them to Persons who pay to receive such signals, but shall exclude wireless cable.

"Change of Control" shall mean the occurrence of any one or more of the following events:

(i) any Person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act, including any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act), other than one or more Permitted Holders is or becomes the "beneficial owner" (as defined in Rule 13d-3 and 13d-5 under the Exchange Act, except that a Person shall be deemed to have "beneficial ownership" of all shares that any such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time, upon the happening of an event or otherwise), directly or indirectly, of more than 50% of the aggregate voting power of the ownership interests in Mediacom LLC;

(ii) Mediacom LLC consolidates with, or merges with or into, another Person or Mediacom LLC sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of the assets of Mediacom LLC and its Subsidiaries (determined on a consolidated basis) to any Person, other than any such transaction where immediately after such transaction the Person or Persons that "beneficially owned" (as defined in Rule 13d-3 and 13d-5 under the Exchange Act, except that a Person shall be deemed to have "beneficial ownership" of all shares that any such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time, upon the happening of an event or otherwise) immediately prior to such transaction, directly or indirectly, a majority of the aggregate voting power of the then outstanding ownership interests in Mediacom LLC, "beneficially own" (as so determined), directly or indirectly, more than 50% of the aggregate voting power of the then outstanding ownership interests in the surviving or transferee Person;

(iii) Mediacom LLC is liquidated or dissolved or adopts a plan of liquidation or dissolution;

(iv) a majority of the members of the Executive Committee of Mediacom LLC shall consist of persons who are not Continuing Members; or

(v) the Borrowers and the Subsidiary Guarantors shall cease to be Subsidiaries of Mediacom LLC;

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provided, however, that a Change of Control will be deemed not to have occurred in any of the circumstances described in clauses (i) through (iv) above if after the occurrence of any such circumstance (A) MCC (or any successor thereto), or a Person (or successor thereto) more than 50% of the aggregate voting power of the then outstanding ownership interests of which is beneficially owned, directly or indirectly, by MCC (or any successor thereto), continues to be the manager of Mediacom LLC (or the surviving or transferee Person in the case of clause (ii) above) and Rocco Commisso continues to be the chief executive officer or chairman of MCC (or any successor thereto) or (B) Rocco Commisso, or a Person more than 50% of the aggregate voting power of the then outstanding ownership interests of which is beneficially owned, directly or indirectly by Rocco Commisso and the other Permitted Holders together with their respective designees, becomes the manager of Mediacom LLC (or the surviving or transferee Person in the case of clause (ii) above) or (C) Rocco Commisso becomes and thereafter continues to be the chief executive officer or chairman of Mediacom LLC (or the surviving or transferee Person in the case of clause (ii) above).

"Class" shall have the meaning assigned to such term in Section 1.03 hereof.

"Closing Date" shall mean the date on which the initial extension of credit hereunder is made.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Collateral Account" shall have the meaning assigned to such term in the Pledge Agreement.

"Commitments" shall mean, collectively, the Revolving Credit Commitments, the Tranche A Term Loan Commitments, the Tranche B Term Loan Commitments and the Incremental Facility Commitments (if any).

"Continue", "Continuation" and "Continued" shall refer to the continuation pursuant to Section 2.09 hereof of a Eurodollar Loan from one Interest Period to the next Interest Period.

"Continuing Member" shall mean, as of any date of determination thereof, any Person who: (i) was a member of the Executive Committee of Mediacom LLC on the date hereof; (ii) was nominated for election or elected to the Executive Committee of Mediacom LLC with the affirmative vote of a majority of the Continuing Members who were members of the Executive Committee at the time of such nomination or election; or (iii) is a representative of, or was approved by, a Permitted Holder.

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"Convert", "Conversion" and "Converted" shall refer to a conversion pursuant to Section 2.09 hereof of one Type of Loans into another Type of Loans, which may be accompanied by the transfer by a Lender (at its sole discretion) of a Loan from one Applicable Lending Office to another.

"Cure Monies" shall mean proceeds of Affiliate Subordinated Indebtedness and/or equity contributions received by the Borrowers after the date hereof that, at the time the same are received by the Borrowers, are identified by the Borrowers in a certificate of a Senior Officer delivered by the Borrowers to the Administrative Agent within one Business Day of such receipt, as constituting "Cure Monies" for purposes of Section 9.02 hereof.

"Debt Issuance" shall mean any issuance or sale by a Borrower or any of its Subsidiaries after the Closing Date of any debt securities, excluding, however, any Indebtedness incurred pursuant to Section 8.07(a), 8.07(c) or 8.07(f) hereof.

"Debt Service" shall mean, for any period, the sum, for the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP), of the following: (a) in the case of Revolving Credit Loans and Incremental Facility Revolving Credit Loans under this Agreement, the aggregate amount of payments of principal of such Loans that, giving effect to Commitment reductions or terminations scheduled to be made during such period, were required to be made pursuant to Section 3.01(a) or 3.01(d) hereof during such period (provided that such amount shall exclude repayment of the Revolving Credit Loans on the Revolving Credit Commitment Termination Date and the repayment of any Incremental Facility Revolving Credit Loan on the respective commitment termination date) plus (b) in the case of Term Loans and Incremental Facility Term Loans under this Agreement and all other Indebtedness (other than Revolving Credit Loans and Incremental Facility Revolving Credit Loans), all regularly scheduled payments or regularly scheduled prepayments of principal of such Indebtedness (including, without limitation, the principal component of any payments in respect of Capital Lease Obligations) made or payable during such period (other than the principal component of any payments in respect of Affiliate Subordinated Indebtedness) plus (c) all Interest Expense for such period.

"Debt Service Coverage Ratio" shall mean, for any date, the ratio of (a) the product of Operating Cash Flow for the fiscal quarter ended on or most recently prior to such date times four to (b) Debt Service for the period of four consecutive fiscal quarters ended on or most recently prior to such date.

Notwithstanding the foregoing, the Debt Service Coverage Ratio as at the last day of any fiscal quarter during which an Acquisition is consummated shall be deemed to be equal to the ratio of (a) the product of (x) Adjusted Operating Cash Flow for such fiscal quarter times (y) four to (b) Debt Service for the period of four consecutive fiscal quarters ended on or most recently ended prior to such date.

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"Default" shall mean an Event of Default or an event that with notice or lapse of time or both would become an Event of Default.

"Disposition" shall mean any sale, assignment, transfer or other disposition of any Property (whether now owned or hereafter acquired) by the Borrowers or any of their Subsidiaries to any other Person excluding any sale, assignment, transfer or other disposition of any Property sold or disposed of in the ordinary course of business and on ordinary business terms.

"Dollars" and "\$" shall mean lawful money of the United States of America.

"Environmental Claim" shall mean, with respect to any Person, any written or oral notice, claim, demand or other communication (collectively, a "claim") by any other Person alleging or asserting such Person's liability for investigatory costs, cleanup costs, governmental response costs, damages to natural resources or other Property, personal injuries, fines or penalties arising out of, based on or resulting from (i) the presence, or Release into the environment, of any Hazardous Material at any location, whether or not owned by such Person, or (ii) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law. The term "Environmental Claim" shall include, without limitation, any claim by any governmental authority for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law, and any claim by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from the presence of Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

"Environmental Laws" shall mean any and all present and future Federal, state, local and foreign laws, rules or regulations, and any orders or decrees, in each case as now or hereafter in effect, relating to the regulation or protection of human health, safety or the environment or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or toxic or hazardous substances or wastes into the indoor or outdoor environment, including, without limitation, ambient air, soil, surface water, ground water, wetlands, land or subsurface strata, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals or toxic or hazardous substances or wastes.

"Equity Contribution Amount" shall mean, as at any date of determination, (a) the aggregate amount of cash contributions made to the equity capital of the Borrowers during the period from and including the respective dates of organization of the Borrowers through and including such date of determination minus (b) the aggregate amount of distributions made in respect of the equity capital of the Borrowers during such period.

"Equity Interest" in any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however

designated) corporate stock or other equity participations, including partnership interests, whether general or limited, and membership interests in such Person.

"Equity Rights" shall mean, with respect to any Person, any subscriptions, options, warrants, commitments, preemptive rights or agreements of any kind (including, without limitation, any stockholders' or voting trust agreements) for the issuance, sale, registration or voting of, or securities convertible into, any additional shares of capital stock of any class or other ownership interests of any type in, such Person.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" shall mean any corporation or trade or business that is a member of any group of organizations (i) described in Section 414(b) or (c) of the Code of which a Borrower is a member and (ii) solely for purposes of potential liability under Section 302(c)(11) of ERISA and Section 412(c)(11) of the Code and the lien created under Section 302(f) of ERISA and Section 412(n) of the Code, described in Section 414(m) or (o) of the Code of which a Borrower is a member.

"Eurodollar Base Rate" shall mean, for the Interest Period for any Eurodollar Loan, the rate appearing on Page 3750 of the Telerate Service (or on any successor or substitute page of such Service, or any successor to or substitute for such Service, providing rate quotations comparable to those currently provided on such page of such Service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for the offering of Dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the Eurodollar Base Rate for such Interest Period shall be the rate at which Dollar deposits of \$5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period.

"Eurodollar Loans" shall mean Loans that bear interest at rates based on rates referred to in the definition of "Eurodollar Base Rate" in this Section 1.01.

"Eurodollar Rate" shall mean, for any Eurodollar Loan for any Interest Period therefor, a rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) determined by the Administrative Agent to be equal to the Eurodollar Base Rate for such Loan for such Interest Period divided by 1 minus the Reserve Requirement (if any) for such Loan for such Interest Period.

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"Event of Default" shall have the meaning assigned to such term in Section 9 hereof.

"Excess Cash Flow" shall mean, for any period, the excess of (a) Operating Cash Flow for such period over (b) the sum of (i) Capital Expenditures made during such period plus (ii) the aggregate amount of Debt Service for such period plus (iii) the Tax Payment Amount for such period plus (iv) any decreases (or minus any increases) in Working Capital from the first day to the last day of such period.

"Exchange Act" shall mean the United States Securities Exchange Act of 1934, as amended from time to time.

"Executive Compensation" shall mean, for any period, the aggregate amount of compensation (including, without limitation, salaries, withholding taxes, unemployment insurance contributions, pension, health and other benefits) of the Manager's executive management personnel during such period. For purposes hereof, "executive management personnel" shall not include any individual (such as a system manager) who is employed solely in connection with the day-to-day operations of a CATV System.

"Existing Credit Agreements" shall mean, collectively, (a) the Mediacom Midwest Credit Agreement and (b) the Mediacom USA Credit Agreement.

"FAA" shall mean the Federal Aviation Administration or any governmental authority substituted therefor.

"FCC" shall mean the Federal Communications Commission or any governmental authority substituted therefor.

"Federal Funds Rate" shall mean, for any day, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, provided that (a) if the day for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day and (b) if such rate is not so published for any Business Day, the Federal Funds Rate for such Business Day shall be the average rate charged to JPMCB on such Business Day on such transactions as determined by the Administrative Agent.

"Fiscal Period" shall mean any fiscal year and, for the fiscal year ending December 31, 2004, the period from the Closing Date to and including December 31, 2004.

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"Franchise" shall have the meaning set forth in 47 U.S.C. Section 522(9). The term "Franchise" shall include each of the Franchises set forth on Schedule V hereto.

"GAAP" shall mean generally accepted accounting principles applied on a basis consistent with those that, in accordance with the last sentence of Section 1.02(a) hereof, are to be used in making the calculations for purposes of determining compliance with this Agreement.

"Gross Operating Revenue" shall have the meaning assigned to such term in Section 8.11 hereof.

"Guarantee" shall mean a guarantee, an endorsement, a contingent agreement to purchase or to furnish funds for the payment or maintenance of, or otherwise to be or become contingently liable under or with respect to, the Indebtedness, other obligations, net worth, working capital or earnings of any Person, or a guarantee of the payment of dividends or other distributions upon the stock or equity interests of any Person, or an agreement to purchase, sell or lease (as lessee or lessor) Property, products, materials, supplies or services primarily for the purpose of enabling a debtor to make payment of such debtor's obligations or an agreement to assure a creditor against loss, and including, without limitation, causing a bank or other financial institution to issue a letter of credit or other similar instrument for the benefit of another Person, but excluding endorsements for collection or deposit in the ordinary course of business. The terms "Guarantee" and "Guaranteed" used as a verb shall have a correlative meaning.

"Guarantee and Pledge Agreement" shall mean a Guarantee and Pledge Agreement substantially in the form of Exhibit D hereto between Mediacom LLC, MCC (to the extent of its obligations under Section 5.04 thereof) and the Administrative Agent, as the same shall be modified and supplemented and in effect from time to time.

"Hazardous Material" shall mean, collectively, (a) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls ("PCB's"), (b) any chemicals or other materials or substances that are now or hereafter become defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous wastes", "restricted hazardous wastes", "toxic substances", "toxic pollutants", "contaminants", "pollutants" or words of similar import under any Environmental Law and (c) any other chemical or other material or substance, exposure to which is now or hereafter prohibited, limited or regulated under any Environmental Law.

"Incremental Facility Agreement" shall have the meaning assigned to such term in Section 2.01(d) hereof.

"Incremental Facility Commitments" shall mean the Incremental Facility Revolving Credit Commitments and the Incremental Facility Term Loan Commitments. The aggregate amount of the Incremental Facility Loan Commitments of all Series shall not exceed

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the amount specified in clause (iii) of Section 2.01(d) hereof (or, in the case of Refinancing Incremental Facility Revolving Credit Commitments and Refinancing Incremental Facility Term Loan Commitments, the respective amounts specified in clauses (vi) or (vii) of said Section 2.01(d)).

"Incremental Facility Lenders" shall mean the Incremental Facility Revolving Credit Lenders and the Incremental Facility Term Loan Lenders.

"Incremental Facility Letter of Credit" shall mean any letter of credit issued under the Incremental Facility Revolving Credit Commitments of any Series.

"Incremental Facility Loans" shall mean the Incremental Facility Revolving Credit Loans and the Incremental Facility Term Loans.

"Incremental Facility Revolving Credit Commitment" shall mean, for each Incremental Facility Revolving Credit Lender, and for any Series thereof, the obligation of such Incremental Facility Revolving Credit Lender to make Incremental Facility Revolving Credit Loans, and to issue or participate in Incremental Facility Letters of Credit, of such Series (as the same may be reduced from time to time pursuant to Section 2.04 or 2.10 hereof or increased or reduced from time to time pursuant to assignments permitted under Section 11.06(b) hereof). The amount of each Lender's Incremental Facility Revolving Credit Commitment of any Series shall be determined in accordance with the provisions of Section 2.01(d) hereof.

"Incremental Facility Revolving Credit Lenders" shall mean, in respect of any Series of Incremental Facility Revolving Credit Loans, the Lenders from time to time holding Incremental Facility Revolving Credit Loans and Incremental Facility Revolving Credit Commitments of such Series after giving effect to any assignments thereof permitted by Section 11.06(b) hereof.

"Incremental Facility Revolving Credit Loans" shall mean revolving credit loans provided for pursuant to an Incremental Facility Agreement entered into pursuant to Section 2.01(d) hereof, which may be Base Rate Loans and/or Eurodollar Loans.

"Incremental Facility Term Loan Commitment" shall mean, for each Incremental Facility Term Loan Lender, and for any Series thereof, the obligation of such Incremental Facility Term Loan Lender to make Incremental Facility Term Loans of such Series (as the same may be reduced from time to time pursuant to Section 2.04 or 2.10 hereof or increased or reduced from time to time pursuant to assignments permitted under Section 11.06(b) hereof). The amount of each Lender's Incremental Facility Term Loan Commitment of any Series shall be determined in accordance with the provisions of Section 2.01(d) hereof.

"Incremental Facility Term Loan Lenders" shall mean, in respect of any Series of Incremental Facility Term Loans, the Lenders from time to time holding Incremental Facility

Term Loans and Incremental Facility Term Loan Commitments of such Series after giving effect to any assignments thereof permitted by Section 11.06(b) hereof.

"Incremental Facility Term Loans" shall mean term loans provided for pursuant to an Incremental Facility Agreement entered into pursuant to Section 2.01(d) hereof, which may be Base Rate Loans and/or Eurodollar Loans.

"Indebtedness" shall mean, for any Person: (a) obligations created, issued or incurred by such Person for borrowed money (whether by loan, the issuance and sale of debt securities or the sale of Property to another Person subject to an understanding or agreement, contingent or otherwise, to repurchase such Property from such Person), including, without limitation, Affiliate Subordinated Indebtedness; (b) obligations of such Person to pay the deferred purchase or acquisition price of Property or services, other than trade accounts payable (other than for borrowed money) arising, and accrued expenses incurred, in the ordinary course of business so long as such trade accounts payable are payable within 120 days of the date the respective goods are delivered or the respective services are rendered; (c) Indebtedness of others secured by a Lien on the Property of such Person, whether or not the respective indebtedness so secured has been assumed by such Person; (d) obligations of such Person in respect of letters of credit or similar instruments issued or accepted by banks and other financial institutions for the account of such Person; (e) Capital Lease Obligations of such Person; and (f) Indebtedness of others Guaranteed by such Person; provided that Indebtedness shall exclude (i) obligations in respect of surety and performance bonds backing pole rental or conduit attachments and the like, or backing obligations under Franchises, arising in the ordinary course of business of the CATV Systems and related telecommunications services of the Borrowers and their Subsidiaries and (ii) all obligations in respect of Interest Rate Protection Agreements.

"Information Memorandum" shall mean the Confidential Information Memorandum dated September 2004 prepared in connection with the syndication of the credit facilities provided for in this Agreement.

"Interest Coverage Ratio" shall mean, as at any date, the ratio of (a) Operating Cash Flow for the fiscal quarter ending on, or most recently ended prior to, such date to (b) Interest Expense for such fiscal quarter.

Notwithstanding the foregoing, the Interest Coverage Ratio as at the last day of any fiscal quarter during which an Acquisition is consummated shall be deemed to be equal to the ratio of Adjusted Operating Cash Flow for such fiscal quarter to Interest Expense for such fiscal quarter.

"Interest Expense" shall mean, for any period, the sum, for the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP), of the following: (a) all interest in respect of Indebtedness (including, without limitation, the interest component of any payments in respect of Capital Lease Obligations) for

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such period (whether or not actually paid during such period) and all commitment fees payable hereunder, but excluding all interest in respect of Affiliate Subordinated Indebtedness (to the extent not paid in cash during such period), plus (b) the net amount payable (or minus the net amount receivable) under Interest Rate Protection Agreements during such period (whether or not actually paid or received during such period) plus (c) the aggregate amount of upfront or one-time fees or expenses payable in respect of Interest Rate Protection Agreements to the extent such fees or expenses are amortized during such period.

Notwithstanding the foregoing, if during any period for which Interest Expense is being determined the Borrowers or any of their Subsidiaries shall have consummated any acquisition of any CATV System or other business, or consummated any Disposition, then, for all purposes of this Agreement, Interest Expense shall be determined on a pro forma basis as if such acquisition or Disposition had been made or consummated (and any related Indebtedness incurred or repaid) on the first day of such period.

"Interest Period" shall mean, with respect to any Eurodollar Loan, each period commencing on the date such Eurodollar Loan is made or Converted from a Base Rate Loan or (in the event of a Continuation) the last day of the next preceding Interest Period for such Loan and ending on the numerically corresponding day in the first week thereafter or in the first, second, third or sixth calendar month thereafter (or such other period as may be agreed by all of the Lenders affected thereby), as the Borrowers may select as provided in Section 4.05 hereof, except that each Interest Period of one month's (or a multiple of one month's) duration that commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month. Notwithstanding the foregoing:

(i) if any Interest Period for any Revolving Credit Loan would otherwise end after the Revolving Credit Commitment Termination Date, such Interest Period shall end on the Revolving Credit Commitment Termination Date;

(ii) each Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day (or, if such next succeeding Business Day falls in the next succeeding calendar month, on the next preceding Business Day); and

(iii) the Administrative Agent may, in its discretion to facilitate the ease of administration of Eurodollar Loans hereunder, shorten or lengthen by up to three Business Days the duration of any Interest Period from that otherwise provided above in this definition, provided that in no event shall any Interest Period for a Eurodollar Loan end on any day other than a Business Day.

"Interest Rate Protection Agreement" shall mean, for any Person, an interest rate swap, cap or collar agreement or similar arrangement between such Person and a financial

institution providing for the transfer or mitigation of interest risks either generally or under specific contingencies. For purposes hereof, the "credit exposure" at any time of any Person under an Interest Rate Protection Agreement to which such Person is a party shall be determined at such time in accordance with the standard methods of calculating credit exposure under similar arrangements as prescribed from time to time by the Administrative Agent, taking into account potential interest rate movements and the respective termination provisions and notional principal amount and term of such Interest Rate Protection Agreement.

"Investment" shall mean, for any Person: (a) the acquisition (whether for cash, Property, services or securities or otherwise) of capital stock, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person or any agreement to make any such acquisition (including, without limitation, any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such sale); (b) the making of any deposit with, or advance, loan or other extension of credit to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such Property to such Person), but excluding any such advance, loan or extension of credit having a term not exceeding 90 days arising in connection with the sale of programming or advertising time by such Person in the ordinary course of business; (c) the entering into of any Guarantee of, or other contingent obligation with respect to, Indebtedness or other liability of any other Person and (without duplication) any amount committed to be advanced, lent or extended to such Person; or (d) the entering into of any Interest Rate Protection Agreement.

"Issuing Lender" shall mean each of JPMCB and/or such other Lender designated by the Borrowers as an "Issuing Lender" hereunder that has agreed to such designation (and is reasonably acceptable to the Administrative Agent), each in its capacity as an issuer of Letters of Credit hereunder and together with its successors and assigns in such capacity. Any Issuing Lender may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Lender, in which case the term "Issuing Lender" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"JPMCB" shall mean JPMorgan Chase Bank.

"Letter of Credit" shall mean, as applicable, a Revolving Credit Letter of Credit or an Incremental Facility Letter of Credit.

"Letter of Credit Commitment Percentage" shall mean, with respect to any Revolving Credit Lender or Incremental Facility Revolving Credit Lender, the ratio of (a) the amount of the Revolving Credit Commitment or Incremental Facility Revolving Credit Commitment of such Lender to (b) the aggregate amount of the Revolving Credit Commitments or Incremental Facility Revolving Credit Commitments, as applicable, of all Lenders of such Class.

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"Letter of Credit Documents" shall mean, with respect to any Letter of Credit, collectively, any application therefor and any other agreements, instruments, guarantees or other documents (whether general in application or applicable only to such Letter of Credit) governing or providing for (a) the rights and obligations of the parties concerned or at risk with respect to such Letter of Credit or (b) any collateral security for any of such obligations, each as the same may be modified and supplemented and in effect from time to time.

"Letter of Credit Interest" shall mean, for each Revolving Credit Lender or Incremental Facility Revolving Credit Lender, as applicable, such Lender's participation interest (or, in the case of an Issuing Lender, such Issuing Lender's retained interest) in an Issuing Lender's liability under Letters of Credit of the applicable Class and such Lender's rights and interests in Reimbursement Obligations of such Class and fees, interest and other amounts payable in connection with Letters of Credit and Reimbursement Obligations of such Class.

"Letter of Credit Liability" shall mean, without duplication, at any time and in respect of any Letter of Credit, the sum of (a) the undrawn face amount of such Letter of Credit plus (b) the aggregate unpaid principal amount of all Reimbursement Obligations of the Borrowers at such time due and payable in respect of all drawings made under such Letter of Credit. For purposes of this Agreement, a Revolving Credit Lender or Incremental Facility Revolving Credit Lender (other than an Issuing Lender) shall be deemed to hold a Letter of Credit Liability in an amount equal to its participation interest in the related Letter of Credit under Section 2.03 hereof, and such Issuing Lender shall be deemed to hold a Letter of Credit Liability in an amount equal to its retained interest in the related Letter of Credit after giving effect to the acquisition by the Revolving Credit Lenders (or, as applicable, Incremental Facility Revolving Credit Lender) other than such Issuing Lender of their participation interests under said Section 2.03.

"Lien" shall mean, with respect to any Property, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such Property. For purposes of this Agreement and the other Loan Documents, a Person shall be deemed to own subject to a Lien any Property 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 (other than an operating lease) relating to such Property.

"Loan Documents" shall mean, collectively, this Agreement, the Letter of Credit Documents, the Security Documents, each Management Fee Subordination Agreement and each Affiliate Subordinated Indebtedness Subordination Agreement.

"Loans" shall mean, collectively, the Revolving Credit Loans, the Tranche A Term Loans, the Tranche B Term Loans and the Incremental Facility Loans.

"Majority Lenders" shall mean, subject to the last paragraph of Section 11.04 hereof, Lenders having more than 50% of the sum of (a) the aggregate outstanding principal

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amount of the Term Loans of each Class or, if the Term Loans of either Class shall not have been made, the aggregate outstanding principal amount of the Term Loan Commitments of such Class plus (b) the aggregate outstanding principal amount of the Incremental Facility Term Loans of each Series or, if the Incremental Facility Term Loans of such Series shall not have been made, the aggregate outstanding principal amount of the Incremental Facility Commitments of such Series plus (c) the sum of (i) the aggregate unused amount, if any, of the Incremental Facility Revolving Credit Commitments of each Series at such time plus (ii) the aggregate amount of Letter of Credit Liabilities in respect of Incremental Facility Letters of Credit of each Series at such time plus (iii) the aggregate outstanding principal amount of the Incremental Facility Revolving Credit Loans of each Series at such time plus (d) the sum of (i) the aggregate unused amount, if any, of the Revolving Credit Commitments at such time plus (ii) the aggregate amount of Letter of Credit Liabilities in respect of Revolving Credit Letters of Credit at such time plus (iii) the aggregate outstanding principal amount of the Revolving Credit Loans at such time.

The "Majority Lenders" of a particular Class of Loans shall mean Lenders having outstanding Loans, Letter of Credit Liabilities, Commitments or unused Commitments (as applicable, and determined in the manner provided above) of such Class representing more than 50% of the total outstanding Loans, Letter of Credit Liabilities, Commitments or unused Commitments of such Class at such time.

"Management Agreements" shall mean, collectively, (a) the Management Agreement dated as of February 4, 2000 between Mediacom Illinois and MCC, (b) the Management Agreement dated as of February 4, 2000 between Mediacom Indiana and MCC, (c) the Management Agreement dated as of February 4, 2000 between Mediacom Iowa and MCC, (d) the Management Agreement dated as of February 4, 2000 between Mediacom Minnesota and MCC, (e) the Management Agreement dated as of February 4, 2000 between Mediacom Wisconsin and MCC, (f) the Management Agreement dated as of February 4, 2000 between Zylstra and MCC, (g) the Management Agreement dated February 4, 2000 between Mediacom Arizona and MCC, (h) the Management Agreement dated as of February 4, 2000 between Mediacom California and MCC, (i) the Management Agreement dated as of February 4, 2000 between Mediacom Delaware and MCC and (j) the Management Agreement dated as of February 4, 2000 between Mediacom Southeast and MCC, in each case as the same shall, subject to Section 8.18 hereof, be modified and supplemented and in effect from time to time.

"Management Fee Subordination Agreement" shall mean a Management Fee Subordination Agreement substantially in the form of Exhibit F hereto between the Manager (or, as contemplated by Section 8.11 hereof, any other Person to whom the Borrowers or any of their Subsidiaries may be obligated to pay Management Fees), the Borrowers and the Administrative Agent, as the same shall be modified and supplemented and in effect from time to time.

"Management Fees" shall mean, for any period, the sum of all fees, salaries and other compensation (including, without limitation, all Executive Compensation and any other amounts payable under the Management Agreements) paid or incurred by the Borrowers and

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their Subsidiaries to Affiliates (other than Affiliates that are employees of the Borrowers and their Subsidiaries) in respect of services rendered in connection with the management or supervision of the Borrowers and their Subsidiaries, provided that Management Fees shall exclude (a) the aggregate amount of intercompany shared expenses payable to Mediacom LLC or MCC that are allocated by Mediacom LLC or MCC to the Borrowers and their Subsidiaries in accordance with Section 5.04 of the Guarantee and Pledge Agreement (other than the allocated amount of Executive Compensation, which Executive Compensation shall in any event constitute Management Fees hereunder) and (b) reimbursement by the Borrowers and their Subsidiaries of expenses incurred by an Affiliate directly on behalf of the Borrowers and their Subsidiaries.

"Manager" shall mean MCC, or any successor in such capacity as manager of the Borrowers.

"Margin Stock" shall mean "margin stock" within the meaning of Regulations T, U and X.

"Material Adverse Effect" shall mean a material adverse effect on (a) the Property, business, operations, financial condition, prospects, liabilities or capitalization of the Borrowers and their Subsidiaries taken as a whole, (b) the ability of any Obligor to perform its obligations under any of the Loan Documents to which it is a party, (c) the validity or enforceability of any of the Loan Documents, (d) the rights and remedies of the Lenders and the Administrative Agent under any of the Loan Documents or (e) the timely payment of the principal of or interest on the Loans or the Reimbursement Obligations or other amounts payable in connection therewith.

"MCC" shall mean Mediacom Communications Corporation, a Delaware corporation.

"Mediacom LLC" shall mean Mediacom LLC, a New York limited liability company.

"Mediacom Midwest Credit Agreement" shall mean the Credit Agreement dated as of November 5, 1999 between the Mediacom Midwest Borrowers, the lenders party thereto and The Chase Manhattan Bank as administrative agent for such lenders, as heretofore modified, supplemented and in effect.

"Mediacom USA Credit Agreement" shall mean the Credit Agreement dated as of September 30, 1999 between the Mediacom USA Borrowers, the lenders party thereto and The Chase Manhattan Bank as administrative agent for such lenders, as heretofore modified, supplemented and in effect.

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"Multiemployer Plan" shall mean a multiemployer plan defined as such in Section 3(37) of ERISA to which contributions have been made by a Borrower or any ERISA Affiliate and that is covered by Title IV of ERISA.

"Net Available Proceeds" shall mean:

(i) in the case of any Disposition, the amount of Net Cash Payments received in connection with such Disposition net of (A) the Tax Payment Amount, if any, attributable to such Disposition and (B) any transfer taxes (without duplication of taxes deducted in determining such Net Cash Payments) payable by the Borrowers or any of their Subsidiaries in respect of such Disposition;

(ii) in the case of any Casualty Event, the aggregate amount of proceeds of insurance, condemnation awards and other compensation received by the Borrowers and their Subsidiaries in respect of such Casualty Event net of (A) reasonable expenses incurred by the Borrowers and their Subsidiaries in connection therewith, (B) contractually required repayments of Indebtedness to the extent secured by a Lien on such Property, (C) the Tax Payment Amount, if any, attributable to such Casualty Event and (D) any transfer taxes payable by the Borrowers or any of their Subsidiaries in respect of such Casualty Event; and

(iii) in the case of any Debt Issuance, the aggregate amount of all cash received by the Borrowers or any of their Subsidiaries in respect of such Debt Issuance, net of reasonable expenses incurred by the Borrowers and their Subsidiaries in connection therewith.

"Net Cash Payments" shall mean, with respect to any Disposition, the aggregate amount of all cash payments, and the fair market value of any non-cash consideration, received by the Borrowers and their Subsidiaries directly or indirectly in connection with such Disposition; provided that (a) Net Cash Payments shall be net of the amount of any legal, accounting, broker, title and recording tax expenses, commissions, finders' fees and other fees and expenses paid by the Borrowers and their Subsidiaries in connection with such Disposition and (b) Net Cash Payments shall be net of any repayments by the Borrowers and their Subsidiaries of Indebtedness to the extent that (i) such Indebtedness is secured by a Lien on the Property that is the subject of such Disposition and (ii) the transferee of (or holder of a Lien on) such Property requires that such Indebtedness be repaid as a condition to the purchase of such Property.

"Obligors" shall mean, collectively, the Borrowers, Mediacom LLC, MCC, Mediacom Management Corporation, Mediacom Indiana Parternco LLC, Mediacom Indiana Holdings, L.P., Illini Cable Holding, Inc., Illini Cablevision of Illinois, Inc. and, effective upon execution and delivery of any Subsidiary Guarantee Agreement, each Subsidiary of the Borrowers so executing and delivering such Subsidiary Guarantee Agreement.

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"Operating Agreement" shall mean, for any Borrower, the operating agreement (or, with respect to Zylstra, the Certificate of Incorporation and By-laws) of such Borrower as in effect on the date hereof and as the same shall, subject to Section 8.18 hereof, be modified and supplemented and in effect from time to time.

"Operating Cash Flow" shall mean, for any period, the sum, for the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP), of the following: (a) System Cash Flow minus (b) Management Fees paid during such period to the extent not exceeding 4.50% of the gross operating revenues of the Borrowers and their Subsidiaries for such period.

"PBGC" shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"Permitted Holder" shall mean: (i) Rocco B. Commisso or his spouse or siblings, any of their lineal descendants and their spouses; (ii) any controlled Affiliate of any individual described in clause (i) above; (iii) in the event of the death or incompetence of any individual described in clause (i) above, such Person's estate, executor, administrator, committee or other personal representative, in each case who at any particular date will beneficially own or have the right to acquire, directly or indirectly, Equity Interests in Mediacom LLC; (iv) any trust or trusts created for the benefit of each Person described in this definition, including any trust for the benefit of the parents or siblings of any individual described in clause (i) above; or (v) any trust for the benefit of any such trust.

"Permitted Investments" shall mean: (a) direct obligations of the United States of America, or of any agency thereof, or obligations guaranteed as to principal and interest by the United States of America, or of any agency thereof, in either case maturing not more than 90 days from the date of acquisition thereof; (b) certificates of deposit issued by any bank or trust company organized under the laws of the United States of America or any state thereof and having capital, surplus and undivided profits of at least \$5,000,000,000, maturing not more than 90 days from the date of acquisition thereof; and (c) commercial paper rated A-1 or better or P-1 by Standard & Poor's Ratings Services, a division of McGraw-Hill Companies, Inc., or Moody's Investors Services, Inc., respectively, maturing not more than 90 days from the date of acquisition thereof; in each case so long as the same (x) provide for the payment of principal and interest (and not principal alone or interest alone) and (y) are not subject to any contingency regarding the payment of principal or interest.

"Permitted Transactions" shall have the meaning assigned to such term in Section 8.09 hereof.

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"Person" shall mean any individual, corporation, company, voluntary association, partnership, limited liability company, joint venture, trust, unincorporated organization or government (or any agency, instrumentality or political subdivision thereof).

"Plan" shall mean an employee benefit or other plan established or maintained by the Borrowers or any ERISA Affiliates and that is covered by Title IV of ERISA, other than a Multiemployer Plan.

"Pledge Agreement" shall mean a Pledge Agreement substantially in the form of Exhibit C hereto between the Borrowers, each of the additional parties, if any, that becomes a "Securing Party" thereunder, and the Administrative Agent, as the same shall be modified and supplemented and in effect from time to time.

"Post-Default Rate" shall mean a rate per annum equal to 2% plus the Base Rate as in effect from time to time plus the Applicable Margin for Base Rate Loans, provided that, with respect to principal of a Eurodollar Loan that shall become due (whether at stated maturity, by acceleration, by optional or mandatory prepayment or otherwise) on a day other than the last day of the Interest Period therefor, the "Post-Default Rate" shall be, for the period from and including such due date to but excluding the last day of such Interest Period, 2% plus the interest rate for such Loan as provided in Section 3.02(b) hereof and, thereafter, the rate provided for above in this definition.

"Preferred Membership Interests" shall mean the equity rights provided for in Section 6.2 of the Operating Agreement of Mediacom Southeast.

"Prime Rate" shall mean the rate of interest from time to time announced by JPMCB at its principal office in New York City as its prime commercial lending rate.

"Principal Payment Dates" shall mean (a) in the case of the Tranche A Term Loans, the last Business Day of March, June, September and December of each year, commencing with March 31, 2008, through and including September 30, 2012, (b) in the case of the Tranche B Term Loans, the last Business Day of March, June, September and December of each year, commencing with March 31, 2005, through and including March 31, 2013 and (c) in the case of Incremental Facility Loans of any Series, such dates as shall have been agreed upon between the Borrowers and the respective Incremental Facility Lenders of such Series pursuant to Section 2.01(d) hereof at the time such Lenders become obligated to make such Incremental Facility Loans hereunder.

"Property" shall mean any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

"Purchase Price" shall mean, without duplication, with respect to any Acquisition, an amount equal to the sum of (i) the aggregate consideration, whether cash, Property or

securities (including, without limitation, any Indebtedness incurred pursuant to paragraph (f) of Section 8.07 hereof), paid or delivered by the Borrowers and their Subsidiaries in connection with such acquisition plus (ii) the aggregate amount of liabilities of the acquired business (net of current assets of the acquired business) that would be reflected on a balance sheet (if such were to be prepared) of the Borrowers and their Subsidiaries after giving effect to such acquisition.

"Quarterly Dates" shall mean the last Business Day of March, June, September and December in each year, the first of which shall be the first such day after the date of this Agreement.

"Quarterly Officer's Report" shall mean a quarterly report of a Senior Officer with respect to Basic Subscribers, homes passed and revenues per Basic Subscriber, substantially in the form of Exhibit B hereto, consisting of Basic Subscribers, digital customers, data customers, telephony customers and average monthly revenues per Basic Subscriber for each three month period.

"Quarterly Payment Period" shall mean (i) initially, the period from and including the Closing Date through but not including the Quarterly Date falling on the last Business Day of December, 2004 and (ii) thereafter, each successive three-month period from and including a Quarterly Date to but not including the next following Quarterly Date.

"Rate Ratio" shall mean, for any Quarterly Payment Period, the ratio of (x) the daily average of the aggregate amount of all Indebtedness of the Borrowers and their Subsidiaries (excluding Affiliate Subordinated Indebtedness and the first \$10,000,000 of Capital Lease Obligations and non-recourse liens described in clauses (c) and (e) of the definition of Indebtedness as defined in this Section 1.01) outstanding during the fiscal quarter ending immediately prior to the first Business Day of such Quarterly Payment Period to (y) the product of (i) System Cash Flow for such fiscal quarter times (ii) four. By way of illustration, the Rate Ratio for a Quarterly Payment Period commencing on the last Business Day of June of any year shall be the ratio of (A) the daily average of the Indebtedness referred to in clause (x) above during the fiscal quarter ending on the March 31 immediately preceding the last Business Day of such June to (B) the product of (i) System Cash Flow for such fiscal quarter times (ii) four.

Notwithstanding the foregoing, (a) during the second Quarterly Payment Period (i.e. the period from and including the last Business day of December 2004 to but not including the last Business Day of March 2005), the Rate Ratio shall be the Total Leverage Ratio as of the Closing Date and (b) during the third Quarterly Payment Period (i.e. the period from and including the last Business Day of March 2005 to but not including the last Business Day of June 2005), the Rate Ratio shall be the ratio of (x) the daily average of the aggregate amount of all Indebtedness of the Borrowers and their Subsidiaries (excluding Affiliate Subordinated Indebtedness and the first \$10,000,000 of Capital Lease Obligations and non-recourse liens described in clauses (c) and (e) of the definition of Indebtedness as defined in this Section 1.01) outstanding during the period from and including the Closing Date to but excluding the last

Business Day of December 2004 to (y) the product of (i) System Cash Flow for the fiscal quarter ending on the last Business Day of December 2004 times (ii) four.

"Rate Ratio Certificate" shall mean, for any Quarterly Payment Period commencing with the Quarterly Payment Period beginning with the last Business Day of June 2005, a certificate of a Senior Officer setting forth, in reasonable detail, the calculation (and the basis for such calculation) of the Rate Ratio for use in determining the Applicable Margin hereunder during such Quarterly Payment Period.

"Refinancing", when used with respect to any Incremental Facility Commitment, Incremental Facility Loan or Incremental Facility Letter of Credit of any Series, shall refer to (a) any Incremental Facility Revolving Credit Commitments of any Series that replace either the Revolving Credit Commitments hereunder or the Incremental Facility Revolving Credit Commitments of any other Series hereunder, such replacement to be effected by (i) concurrent reduction of Revolving Credit Commitments or Incremental Facility Revolving Credit Commitments of the respective Series in an amount equal to the replacement Incremental Facility Revolving Credit Commitments, (ii) the concurrent repayment or prepayment of any Loans outstanding under the respective replaced Commitments with Incremental Facility Revolving Credit Loans made under the replacement Incremental Facility Revolving Credit Commitments and (iii) the concurrent designation of any Letters of Credit or Incremental Facility Letters of Credit outstanding under such replaced Commitments with Incremental Facility Letters of Credit under the replacement Incremental Facility Revolving Credit Commitments and (b) any Incremental Facility Term Loans of any Series the proceeds of which are applied to the repayment or prepayment of Term Loans of any Class or Incremental Facility Term Loans of any Series.

"Region" shall mean each geographic region into which the CATV Systems of the Borrowers and their Subsidiaries are divided for operating and management purposes.

"Register" shall have the meaning assigned to such term in Section 11.06(c) hereof.

"Regulations A, D, T, U and X" shall mean, respectively, Regulations A, D, T, U and X of the Board of Governors of the Federal Reserve System (or any successor), as the same may be modified and supplemented and in effect from time to time.

"Regulatory Change" shall mean, with respect to any Lender, any change after the date hereof in Federal, state or foreign law or regulations (including, without limitation, Regulation D) or the adoption or making after such date of any interpretation, directive or request applying to a class of banks including such Lender of or under any Federal, state or foreign law or regulations (whether or not having the force of law and whether or not failure to comply therewith would be unlawful) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

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"Reimbursement Obligations" shall mean, at any time, the obligations of the Borrowers then outstanding, or that may thereafter arise in respect of all Letters of Credit then outstanding, to reimburse amounts paid by an Issuing Lender in respect of any drawings under a Letter of Credit.

"Release" shall mean any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including, without limitation, the movement of Hazardous Materials through ambient air, soil, surface water, ground water, wetlands, land or subsurface strata.

"Reserve Requirement" shall mean, for any Interest Period for any Eurodollar Loan, the average maximum rate at which reserves (including, without limitation, any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits exceeding one billion Dollars against "Eurocurrency liabilities" (as such term is used in Regulation D). Without limiting the effect of the foregoing, the Reserve Requirement shall include any other reserves required to be maintained by such member banks by reason of any Regulatory Change with respect to (i) any category of liabilities that includes deposits by reference to which the Eurodollar Base Rate is to be determined as provided in the definition of "Eurodollar Base Rate" in this Section 1.01 or (ii) any category of extensions of credit or other assets that includes Eurodollar Loans.

"Reserved Commitment Amount" shall have the meaning assigned to such term in Section 2.01(a) hereof.

"Restricted Payments" shall mean, collectively, (a) all distributions of the Borrowers (in cash, Property or obligations) on, or other payments or distributions on account of, or the setting apart of money for a sinking or other analogous fund for, or the purchase, redemption, retirement or other acquisition of, any portion of any ownership interest in the Borrowers or of any warrants, options or other rights to acquire any such ownership interest (or to make any payments to any Person, such as "phantom stock" payments, where the amount thereof is calculated with reference to fair market or equity value of the Borrowers or any of their Subsidiaries), (b) any payments made by a Borrower to any holders of any equity interests in the Borrowers that are designed to reimburse such holders for the payment of any taxes attributable to the operations of the Borrowers and their Subsidiaries, (c) any payments of principal of or interest on Affiliate Subordinated Indebtedness, (d) any payments in respect of Management Fees and (e) any Affiliate Letters of Credit issued by an Issuing Lender for the account of the Borrowers.

"Revolving Credit Commitment" shall mean, as to each Revolving Credit Lender, the obligation of such Lender to make Revolving Credit Loans, and to issue or participate in Letters of Credit pursuant to Section 2.03 hereof, in an aggregate principal or face amount at any

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one time outstanding up to but not exceeding the amount set forth opposite the name of such Lender on Schedule I hereto under the caption "Revolving Credit Commitment" or, in the case of a Person that becomes a Revolving Credit Lender pursuant to an assignment permitted under Section 11.06(b), as specified in the respective instrument of assignment pursuant to which such assignment is effected (as the same may be reduced from time to time pursuant to Section 2.04 or 2.10 hereof or increased or reduced from time to time pursuant to assignments permitted under said Section 11.06(b)). The original aggregate principal amount of the Revolving Credit Commitments is \$400,000,000.

"Revolving Credit Commitment Termination Date" shall mean the Quarterly Date falling on or nearest to September 30, 2011.

"Revolving Credit Lenders" shall mean (a) on the date hereof, the Lenders having Revolving Credit Commitments on Schedule I hereto and (b) thereafter, the Lenders from time to time holding Revolving Credit Loans and Revolving Credit Commitments after giving effect to any assignments thereof permitted by Section 11.06(b) hereof.

"Revolving Credit Letter of Credit" shall mean any letter of credit issued under Revolving Credit Commitments.

"Revolving Credit Loans" shall mean the loans provided for in Section 2.01(a) hereof, which may be Base Rate Loans and/or Eurodollar Loans.

"Security Documents" shall mean, collectively, the Pledge Agreement, the Guarantee and Pledge Agreement and the Subsidiary Guarantee Agreements, and all Uniform Commercial Code financing statements required by the Pledge Agreement, the Guarantee and Pledge Agreement and the Subsidiary Guarantee Agreements, to be filed with respect to the security interests created pursuant to the Pledge Agreement, the Guarantee and Pledge Agreement and the Subsidiary Guarantee Agreements.

"Senior Officer" shall mean an individual that is the chairman, chief executive officer, chief financial officer, treasurer, controller or vice president of corporate finance of the Manager, acting for and on behalf of the Borrowers.

"Series" has the meaning set forth in Section 2.01(d).

"Special Reductions" shall mean, as at any date during any fiscal quarter, the aggregate amount of reductions during such fiscal quarter through such date in the undrawn face amount of Affiliate Letters of Credit issued during such fiscal quarter (i.e. excluding reductions in such face amount that occur upon a drawing under such Affiliate Letters of Credit), together with the aggregate amount of Affiliate Letters of Credit issued during such fiscal quarter that expire or are terminated during such fiscal quarter through such date without being drawn.

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"Subsidiary" shall mean, with respect to any Person, any corporation, partnership, limited liability company or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership, limited liability company or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

"Subsidiary Guarantee Agreement" shall mean a Subsidiary Guarantee Agreement substantially in the form of Exhibit E hereto by a Subsidiary of a Borrower in favor of the Administrative Agent, as the same shall be modified and supplemented and in effect from time to time.

"Subsidiary Guarantor" shall mean any Subsidiary of the Borrowers that executes and delivers a Subsidiary Guarantee Agreement.

"Supplemental Capital" shall mean (a) advances made by an Affiliate to the Borrowers constituting Affiliate Subordinated Indebtedness (excluding any Cure Monies) and (b) equity contributions by an Affiliate subsequent to the date of this Agreement (excluding any Cure Monies).

"System Cash Flow" shall mean, for any period, the sum, for the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP), of the following: (a) gross operating revenues (not including extraordinary or unusual items but including business interruption insurance (to the extent it represents lost revenue for such period)) for such period minus (b) all operating expenses (not including extraordinary or unusual items) for such period, including, without limitation, technical, programming and selling, general and administrative expenses, but excluding (to the extent included in operating expenses) income taxes, Management Fees, depreciation, amortization, interest expense (including, without limitation, all items included in Interest Expense) and any extraordinary or unusual items plus (c) any compensation received for management services provided by the Borrowers during any such period in respect of any Franchises retained by the seller pursuant to any agreement for the purchase of such Franchises by the Borrowers during any such period. For the purposes of determining System Cash Flow, gross operating revenues will include revenues received in cash in respect of investments, so long as such investments are recurring (i.e. reasonably expected to continue for four or more fiscal quarters) and do not for any period exceed 20% of gross operating revenues for such period (not including (i) extraordinary or unusual items and (ii) such investment revenues).

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Notwithstanding the foregoing, if during any period for which System Cash Flow is being determined the Borrowers or any of their Subsidiaries shall have consummated any acquisition of any CATV System or other business, or consummated any Disposition, then, for all purposes of this Agreement (other than for purposes of the definition of Excess Cash Flow), System Cash Flow shall be determined on a pro forma basis as if such acquisition or Disposition had been made or consummated on the first day of such period.

"Tax Payment Amount" shall mean, for any period, an amount not exceeding in the aggregate the amount of Federal, state and local income taxes the Borrowers would otherwise have paid in the event they were corporations (other than "S corporations" within the meaning of Section 1361 of the Code) for such period and all prior periods.

"Term Loan Commitments" shall mean, collectively, the Tranche A Term Loan Commitments and the Tranche B Term Loan Commitments.

"Term Loan Lenders" shall mean (a) on the date hereof, the Lenders having Term Loan Commitments on Schedule I hereto and (b) thereafter, the Lenders from time to time holding Term Loans and Term Commitments after giving effect to any assignments thereof permitted by Section 11.06(b) hereof.

"Term Loans" shall mean, collectively, the Tranche A Term Loans and the Tranche B Term Loans.

"Total Leverage Ratio" shall mean, as at any date, the ratio of (a) the aggregate amount of all Indebtedness of the Borrowers and their Subsidiaries (excluding Affiliate Subordinated Indebtedness and the first \$10,000,000 of Capital Lease Obligations and non-recourse liens described in clauses (c) and (e) of the definition of Indebtedness as defined in this Section 1.01) as at such date to (b) the product of (x) System Cash Flow for the fiscal quarter ending on, or most recently ended prior to, such date times (y) four.

Notwithstanding the foregoing, the Total Leverage Ratio as at any date during any fiscal quarter during which an Acquisition is consummated shall be deemed to be equal to the ratio of (a) the aggregate amount of all Indebtedness of the Borrowers and their Subsidiaries (excluding Affiliate Subordinated Indebtedness and the first \$10,000,000 of Capital Lease Obligations and non-recourse liens described in clauses (c) and (e) of the definition of Indebtedness as defined in this Section 1.01) as at such date to (b) the product of Adjusted System Cash Flow for the immediately preceding fiscal quarter times four.

"Tranche A Term Loan Commitment" shall mean, as to each Tranche A Term Loan Lender, the obligation of such Lender to make Tranche A Term Loans in an aggregate principal amount up to, but not exceeding, the amount set forth opposite the name of such Lender on Schedule I under the caption "Tranche A Term Loan Commitment" or, in the case of a Person that becomes a Tranche A Term Loan Lender pursuant to an assignment permitted under

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Section 11.06(b), as specified in the respective instrument of assignment pursuant to which such assignment is effected (as the same may be reduced at any time or from time to time pursuant to Section 2.04 or 2.10 or increased or reduced from time to time pursuant to assignments permitted under said Section 11.06(b)). The original aggregate principal amount of the Tranche A Term Loan Commitments is \$200,000,000.

"Tranche A Term Loan Commitment Expiration Date" shall have the meaning assigned to such term in Section 2.01(b) hereof.

"Tranche A Term Loan Lenders" shall mean (a) on the date hereof, the Lenders having Tranche A Term Loan Commitments on Schedule I and (b) thereafter, the Lenders from time to time holding Tranche A Term Loans and Tranche A Term Loan Commitments after giving effect to any assignments thereof permitted by Section 11.06(b).

"Tranche A Term Loans" shall mean the loans provided for in Section 2.01(b), which may be Base Rate Loans and/or Eurodollar Loans.

"Tranche B Term Loan Commitment" shall mean, as to each Tranche B Term Loan Lender, the obligation of such Lender to make Tranche B Term Loans in an aggregate principal amount up to, but not exceeding, the amount set forth opposite the name of such Lender on Schedule I under the caption "Tranche B Term Loan Commitment" or, in the case of a Person that becomes a Tranche B Term Loan Lender pursuant to an assignment permitted under Section 11.06(b), as specified in the respective instrument of assignment pursuant to which such assignment is effected (as the same may be reduced at any time or from time to time pursuant to Section 2.04 or 2.10 or increased or reduced from time to time pursuant to assignments permitted under said Section 11.06(b)). The original aggregate principal amount of the Tranche B Term Loan Commitments is \$550,000,000.

"Tranche B Term Loan Lenders" shall mean (a) on the date hereof, the Lenders having Tranche B Term Loan Commitments on Schedule I and (b) thereafter, the Lenders from time to time holding Tranche B Term Loans and Tranche B Term Loan Commitments after giving effect to any assignments thereof permitted by Section 11.06(b).

"Tranche B Term Loans" shall mean the loans provided for in Section 2.01(c), which may be Base Rate Loans and/or Eurodollar Loans.

"Type" shall have the meaning assigned to such term in Section 1.03 hereof.

"U.S. Person" shall mean a citizen or resident of the United States of America, a corporation, partnership, limited liability company or other entity created or organized in or under any laws of the United States of America or any State thereof, or any estate or trust that is subject to Federal income taxation regardless of the source of its income.

"U.S. Taxes" shall mean any present or future tax, assessment or other charge or levy imposed by or on behalf of the United States of America or any taxing authority thereof.

"Wholly Owned Subsidiary" shall mean, with respect to any Person, any corporation, partnership, limited liability company or other entity of which all of the equity securities or other ownership interests (other than, in the case of a corporation, directors' qualifying shares) are directly or indirectly owned or controlled by such Person or one or more Wholly Owned Subsidiaries of such Person or by such Person and one or more Wholly Owned Subsidiaries of such Person.

"Working Capital" shall mean, as at such date, for the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP) (a) current assets (excluding cash and cash equivalents) minus (b) current liabilities (excluding the current portion of long term debt and of any installments of principal payable hereunder).

#### 1.02 Accounting Terms and Determinations.

(a) Accounting Terms and Determinations Generally. Except as otherwise expressly provided herein, all accounting terms used herein shall be interpreted, and all financial statements and certificates and reports as to financial matters required to be delivered to the Lenders or the Administrative Agent hereunder shall (unless otherwise disclosed to the Lenders in writing at the time of delivery thereof in the manner described in paragraph (b) below) be prepared, in accordance with generally accepted accounting principles applied on a basis consistent with those used in the preparation of the latest financial statements furnished to the Lenders hereunder (which, prior to the delivery of the first financial statements under Section 8.01 hereof, shall mean the audited financial statements as at December 31, 2003, referred to in Section 7.02(a) hereof). All calculations made for the purposes of determining compliance with this Agreement shall (except as otherwise expressly provided herein) be made by application of generally accepted accounting principles applied on a basis consistent with those used in the preparation of the latest annual or quarterly financial statements furnished to the Lenders pursuant to Section 8.01 hereof (or, prior to the delivery of the first financial statements under Section 8.01 hereof, used in the preparation of the audited financial statements as at December 31, 2003 referred to in Section 7.02(a) hereof) unless

(i) the Borrowers shall have objected to determining such compliance on such basis at the time of delivery of such financial statements, or

(ii) the Majority Lenders shall so object in writing within 30 days after delivery of such financial statements,

in either of which events such calculations shall be made on a basis consistent with those used in the preparation of the latest financial statements as to which such objection shall not have been made (which, if objection is made in respect of the first financial statements delivered under

Section 8.01 hereof, shall mean the audited financial statements referred to in Section 7.02(a) hereof).

(b) Statement of Accounting Variations. The Borrowers shall deliver to the Lenders at the same time as the delivery of any annual or quarterly financial statement under Section 8.01 hereof (i) a description in reasonable detail of any material variation between the application of accounting principles employed in the preparation of such statement and the application of accounting principles employed in the preparation of the next preceding annual or quarterly financial statements as to which no objection has been made in accordance with the last sentence of paragraph (a) above and (ii) reasonable estimates of the difference between such statements arising as a consequence thereof.

(c) Changes in Fiscal Periods. To enable the ready and consistent determination of compliance with the covenants set forth in Section 8 hereof, none of the Borrowers will change the last day of its fiscal year from December 31, or the last days of the first three fiscal quarters in each of its fiscal years from March 31, June 30 and September 30 of each year, respectively.

1.03 Classes and Types of Loans. Loans hereunder are distinguished by "Class" and by "Type". The "Class" of a Loan (or of a Commitment to make a Loan) refers to whether such Loan is a Revolving Credit Loan, a Tranche A Term Loan, a Tranche B Term Loan, an Incremental Facility Revolving Credit Loan or an Incremental Facility Term Loan of any Series, each of which constitutes a Class. The "Type" of a Loan refers to whether such Loan is a Base Rate Loan or a Eurodollar Loan, each of which constitutes a Type. Loans may be identified by both Class and Type. Incremental Facility Loans and Incremental Facility Commitments shall also be classified by Series, each of which shall be considered a separate Class.

1.04 Nature of Obligations of Borrowers. It is the intent of the parties hereto that the Borrowers shall be jointly and severally obligated hereunder and under the notes executed and delivered by the Borrowers pursuant to Section 2.08(d) hereof, as co-Borrowers under this Agreement and as co-makers on such notes, in respect of the principal of and interest on, and all other amounts owing in respect of, the Loans and such notes.

Section 2. Commitments, Loans and Prepayments.

2.01 Loans.

(a) Revolving Credit Loans. Each Revolving Credit Lender severally agrees, on the terms and conditions of this Agreement, to make loans to the Borrowers in Dollars during the period from and including the Closing Date to but not including the Revolving Credit Commitment Termination Date in an aggregate principal amount at any one time outstanding up to but not exceeding the amount of the Revolving Credit Commitment of such Lender as in effect from time to time, provided that in no event shall the aggregate principal amount of all

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Revolving Credit Loans, together with the aggregate amount of all Letter of Credit Liabilities in respect of Revolving Credit Letters of Credit, exceed the aggregate amount of the Revolving Credit Commitments as in effect from time to time. Subject to the terms and conditions of this Agreement, during such period the Borrowers may borrow, repay and reborrow the amount of the Revolving Credit Commitments by means of Base Rate Loans and Eurodollar Loans and may Convert Revolving Credit Loans of one Type into Revolving Credit Loans of another Type (as provided in Section 2.09 hereof) or Continue Revolving Credit Loans of one Type as Revolving Credit Loans of the same Type (as provided in Section 2.09 hereof).

Proceeds of Revolving Credit Loans shall be available for any use permitted under Section 8.16(a) hereof, provided that, in the event that as contemplated by clause (x) of the second paragraph of Section 2.10(d) hereof, the Borrowers shall prepay Revolving Credit Loans from the proceeds of a Disposition hereunder, then an amount of Revolving Credit Commitments equal to the amount of such prepayment (herein the "Reserved Commitment Amount") shall be reserved and shall not be available for borrowings hereunder except and to the extent that the proceeds of such borrowings are to be applied to make Acquisitions permitted under Section 8.05 hereof or to make prepayments of Loans under clause (y) of the second paragraph of Section 2.10(d) hereof. The Borrowers agree, upon the occasion of any borrowing of Revolving Credit Loans hereunder that is to constitute a utilization of any Reserved Commitment Amount, to advise the Administrative Agent in writing of such fact at the time of such borrowing, identifying the amount of such borrowing that is to constitute such utilization, the Acquisition, if any, in respect of which the proceeds of such borrowing are to be applied and the reduced Reserved Commitment Amount to be in effect after giving effect to such borrowing.

(b) Tranche A Term Loans. Each Tranche A Term Loan Lender severally agrees, on the terms and conditions of this Agreement, to make term loans to the Borrowers in Dollars in up to three drawings at any time during the period from and including the Closing Date through and including the date (the "Tranche A Term Loan Commitment Expiration Date") 100 days after the Closing Date (provided that if such date is not a Business Day, the Tranche A Term Loan Commitment Expiration Date shall be the next succeeding Business Day) in an aggregate principal amount up to but not exceeding the amount of the Tranche A Term Loan Commitment of such Lender. Subject to the terms and conditions of this Agreement, on the date of such drawing, the Borrowers may borrow the Tranche A Term Loan Commitments by means of Base Rate Loans and Eurodollar Loans, and thereafter the Borrowers may Convert Tranche A Term Loans of one Type into Tranche A Term Loans of another Type (as provided in Section 2.09 hereof) or Continue Tranche A Term Loans of one Type as Tranche A Term Loans of the same Type (as provided in Section 2.09 hereof). Amounts prepaid or repaid in respect of Tranche A Term Loans may not be reborrowed.

Proceeds of Tranche A Term Loans hereunder shall be available for any use permitted under Section 8.16(a) hereof.

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(c) Tranche B Term Loans. Each Tranche B Term Loan Lender severally agrees, on the terms and conditions of this Agreement, to make term loans to the Borrowers in Dollars in a single drawing on the Closing Date in an aggregate principal amount up to but not exceeding the amount of the Tranche B Term Loan Commitment of such Lender. Subject to the terms and conditions of this Agreement, on the date of such drawing the Borrowers may borrow the Tranche B Term Loan Commitments by means of Base Rate Loans and Eurodollar Loans, and thereafter the Borrowers may Convert Tranche B Term Loans of one Type into Tranche B Term Loans of another Type (as provided in Section 2.09 hereof) or Continue Tranche B Term Loans of one Type as Tranche B Term Loans of the same Type (as provided in Section 2.09 hereof). Amounts prepaid or repaid in respect of Tranche B Term Loans may not be reborrowed.

Proceeds of Tranche B Term Loans hereunder shall be available for any use permitted under Section 8.16(a) hereof.

(d) Incremental Facility Loans. In addition to borrowings of Term Loans and Revolving Credit Loans provided above, the Borrowers may at any time and from time to time request that the Lenders (or additional financial institutions that will become Lenders hereunder) enter into commitments to make Incremental Facility Revolving Credit Loans (and participate in Incremental Facility Letters of Credit, under Incremental Facility Revolving Credit Commitments) or Incremental Facility Term Loans of one or more Series hereunder. In the event that one or more Lenders (which term, as used in this paragraph (d) shall include such additional financial institutions) offer, in their sole discretion, to enter into such commitments, and such Lenders, the Borrowers and the Administrative Agent (and, if applicable, the Issuing Lenders) agree pursuant to an instrument in writing (the form and substance of which shall be satisfactory, and a copy of which shall be delivered, to the Administrative Agent and the Lenders making such Loans and, if applicable, the Issuing Lenders; any such instrument for any Series of Incremental Loans being herein called an "Incremental Facility Agreement" for such Series) as to the amount of such commitments that shall be allocated to the respective Lenders making such offers, the fees (if any) to be payable by the Borrowers in connection therewith and the amortization and interest rate to be applicable thereto, such Lenders shall become obligated to make Incremental Facility Loans, and (if applicable) to participate in Incremental Facility Letters of Credit, under this Agreement in an amount equal to the amount of their respective Incremental Facility Commitments. The Incremental Facility Loans to be made, and (if applicable) Incremental Facility Letters of Credit to be issued, pursuant to any Incremental Facility Agreement in response to any such request by the Borrowers shall be deemed to be a separate "Series" of Incremental Facility Loans, or (if applicable) Incremental Facility Letters of Credit, for all purposes of this Agreement.

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Anything herein to the contrary notwithstanding, the following additional provisions shall be applicable to Incremental Facility Commitments and Incremental Facility Loans:

(i) the minimum aggregate principal amount of Incremental Facility Commitments entered into pursuant to any such request (and, accordingly, the minimum aggregate principal amount of any Series of Incremental Facility Loans and Incremental Facility Letters of Credit) shall be \$10,000,000,

(ii) any additional financial institution that is not already a Lender hereunder that will provide all or any portion of the Incremental Facility Commitment of any Series shall be approved by the Borrowers and the Administrative Agent (which approval shall not be unreasonably withheld) and, in the case of any Incremental Facility Revolving Credit Commitments that provide for Letters of Credit, by each applicable Issuing Lender,

(iii) the aggregate amount of all unused Incremental Facility Commitments and Incremental Facility Loans and Incremental Facility Letters of Credit of all Series shall not exceed \$650,000,000 at any time, except that the limitations of this clause (iii) shall not apply to Refinancing Incremental Facility Commitments, Refinancing Incremental Facility Loans and Refinancing Incremental Facility Letters of Credit,

(iv) in no event shall the final maturity date for the Incremental Facility Term Loans of any Series, or the final commitment termination date of any Incremental Facility Revolving Credit Commitments of any Series, be earlier than the final Principal Payment Date for the Tranche B Term Loans, except that the limitations of this clause (iv) shall not apply to (x) Incremental Facility Revolving Credit Commitments and Incremental Facility Term Loans in an aggregate amount as to all Series up to but not exceeding \$200,000,000, so long as the commitment termination date or final maturity thereof is not earlier than the Revolving Credit Commitment Termination Date (in the case of Incremental Facility Revolving Credit Commitments) or the final Principal Payment Date for the Tranche A Term Loans (in the case of Incremental Facility Term Loans) or (y) Refinancing Incremental Facility Commitments, Refinancing Incremental Facility Loans and Refinancing Incremental Facility Letters of Credit,

(v) the Incremental Facility Term Loans, and Incremental Facility Revolving Credit Commitments, shall have an average life at least as long as any other Class of Loans with the longest average life, except that the limitations of this clause (v) shall not apply to (x) Incremental Facility Revolving Credit Commitments and Incremental Facility Term Loans in an aggregate amount as to all Series up to but not exceeding \$200,000,000, so long as the weighted average life to maturity thereof is not earlier than the weighted average life to maturity applicable to the Revolving Credit Commitments hereunder (in the case of Incremental Facility Revolving Credit Commitments) or

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Tranche A Term Loans hereunder (in the case of Incremental Facility Term Loans) or (y) Refinancing Incremental Facility Commitments, Refinancing Incremental Facility Loans and Refinancing Incremental Facility Letters of Credit,

(vi) the aggregate amount of the Refinancing Incremental Facility Revolving Credit Commitments of any Series shall not exceed the aggregate amount of the corresponding Revolving Credit Commitments, or Incremental Facility Revolving Credit Commitments of any Series, being replaced by such Refinancing Incremental Facility Revolving Credit Commitments, and shall not have a commitment termination date earlier than the scheduled commitment termination date for the Commitments being replaced or a commitment reduction schedule with an average life to maturity earlier than the average life to maturity of the commitment reduction schedule of the Commitments being replaced,

(vii) the aggregate amount of the Refinancing Incremental Facility Term Loans of any Series shall not exceed the aggregate amount of the corresponding Term Loans of a Class, or Incremental Facility Term Loans of any Series, being refinanced by such Refinancing Incremental Facility Term Loans, and shall not have a final maturity date earlier than the final maturity date of the Loans being refinanced or an average life to maturity earlier than the average life to maturity of the Loans being refinanced and

(viii) except for the amortization and interest rate and financial covenants (which may be less restrictive than those set forth in Section 8.10 hereof) to be applicable thereto, any fees to be paid in connection therewith and, if applicable, the terms upon which Incremental Facility Letters of Credit are to be issued, the Incremental Facility Loans and Incremental Facility Letters of Credit of any Series shall have the same terms applicable to the Revolving Credit Loans, Term Loans and Letters of Credit hereunder, provided that any Incremental Facility Loans may provide for any terms, whether or not the same as those applicable to the Revolving Credit Loans, Term Loans and Letters of Credit hereunder, if such terms become effective upon the payment in full of the Revolving Credit Loans, Term Loans and Letters of Credit hereunder.

Following execution and delivery by the Borrowers, one or more Incremental Facility Lenders and the Administrative Agent as provided above of an Incremental Facility Agreement with respect to any Series then, subject to the terms and conditions set forth herein:

(x) if such Incremental Facility Loans are to be Incremental Facility Revolving Credit Loans, each Incremental Facility Lender of such Series agrees to make Incremental Facility Revolving Credit Loans of such Series to the Borrowers, and (if applicable) issue Incremental Facility Letters of Credit of such Series for the account of the Borrowers, from time to time during the availability period for such Loans as set forth in such Incremental Facility Agreement, in each case in an aggregate amount that will not result in such Lender's Incremental Facility Revolving Credit Loans and Incremental

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Facility Letters of Credit of such Series exceeding such Lender's Incremental Facility Revolving Credit Commitment of such Series; within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Incremental Facility Revolving Credit Loans of such Series; and

(y) if such Incremental Facility Loans are to be Incremental Facility Term Loans, each Incremental Facility Term Loan Lender of such Series agrees to make Incremental Facility Term Loans of such Series to the Borrowers from time to time during the availability period for such Loans set forth in such Incremental Facility Agreement, in a principal amount up to but not exceeding such Lender's Incremental Facility Term Loan Commitment of such Series.

Proceeds of Incremental Facility Loans and Incremental Facility Letters of Credit hereunder shall be available for any use permitted under Section 8.16(b) hereof.

(e) Certain Limitations on Eurodollar Loans. No more than eight separate Interest Periods in respect of Eurodollar Loans of a Class from each Lender may be outstanding at any one time.

2.02 Borrowings. The Borrowers shall give the Administrative Agent notice of each borrowing hereunder as provided in Section 4.05 hereof. Not later than (a) with respect to same-day borrowings of Base Rate Loans, 11:00 a.m. New York time on the date specified for each borrowing hereunder in the relevant borrowing notice delivered pursuant to Section 4.05 hereof and (b) with respect to borrowings other than same-day Base Rate Loans, 1:00 p.m. New York time on the date for each borrowing hereunder specified in the relevant borrowing notice delivered pursuant to Section 4.05 hereof, each Lender shall make available the amount of the Loan or Loans to be made by it on such date to the Administrative Agent, at an account designated by the Administrative Agent to the Lenders, in immediately available funds, for the account of the Borrowers. The amount so received by the Administrative Agent shall, subject to the terms and conditions of this Agreement, be made available to the Borrowers by depositing the same, in immediately available funds, in an account of the Borrowers designated by the Borrowers and maintained with JPMCB at its principal office.

2.03 Letters of Credit. Subject to the terms and conditions of this Agreement, the Revolving Credit Commitments (and, if specified at the time they shall be established, the Incremental Facility Revolving Credit Commitments of any Series) may be utilized, upon the request of the Borrowers, in addition to the Revolving Credit Loans provided for by Section 2.01(a) hereof (and, if applicable, in addition to the Incremental Facility Revolving Credit Loans provided for by Section 2.01(d) hereof), by the issuance by any Issuing Lender of Letters of Credit of the applicable Class for the account of the Borrowers or any of their Subsidiaries (as specified by the relevant Borrower), provided that in no event shall

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(i) the aggregate amount of all Letter of Credit Liabilities of any Class, together with the aggregate principal amount of the Loans of such Class, exceed (x) in the case of Letters of Credit issued under the Revolving Credit Commitments, the aggregate amount of the Revolving Credit Commitments as in effect from time to time or (y) in the case of Letters of Credit issued under the Incremental Facility Revolving Credit Commitments of any Series, the aggregate amount of the Incremental Facility Revolving Credit Commitments of such Series,

(ii) the outstanding aggregate amount of all Letter of Credit Liabilities under the Revolving Credit Commitments exceed \$200,000,000, or the outstanding aggregate amount of all Letters of Credit under the Incremental Facility Revolving Credit Commitments of any Series exceed the respective limits therefor specified at the time such Incremental Facility Revolving Credit Commitments are established and

(iii) the expiration date of any Letter of Credit of any Class extend beyond the earlier of the date five Business Days prior to the Revolving Credit Commitment Termination Date (or, in the case of an Incremental Facility Letter of Credit, the commitment termination date of the applicable Series of Incremental Facility Revolving Credit Commitments) and the date twelve months following the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, twelve months after the then-current expiration date of such Letter of Credit, so long as such renewal or extension occurs within three months of such then-current expiration date).

The Borrowers may request any Issuing Lender to issue Letters of Credit for the account of the Borrowers to support an obligation of an Affiliate of the Borrowers so long as the face amount of such Letter of Credit does not exceed the amount of Restricted Payments the Borrowers may then make pursuant to Section 8.09(d). The following additional provisions shall apply to Letters of Credit:

(a) Notice of Issuance. The Borrowers shall give the Administrative Agent at least three Business Days' irrevocable prior notice (effective upon receipt) specifying the Business Day (which shall be no later than 30 days preceding the Revolving Credit Commitment Termination Date or, if applicable, the commitment termination date for the respective Series of Incremental Facility Revolving Credit Commitments) each Letter of Credit is to be issued and the account party or parties therefor and describing in reasonable detail the proposed terms of such Letter of Credit (including the beneficiary thereof) and the nature of the transactions or obligations proposed to be supported thereby (including whether such Letter of Credit is to be a commercial letter of credit or a standby letter of credit). Upon receipt of any such notice, the Administrative Agent shall advise the relevant Issuing Lender of the contents thereof.

(b) Participations in Letters of Credit. On each day during the period commencing with the issuance by any Issuing Lender of any Letter of Credit of any Class

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and until such Letter of Credit shall have expired or been terminated, the Revolving Credit Commitment of each Revolving Credit Lender (or, as applicable, the Incremental Facility Revolving Credit Commitment of each Incremental Facility Revolving Credit Lender) shall be deemed to be utilized for all purposes of this Agreement in an amount equal to such Lender's Letter of Credit Commitment Percentage of the then undrawn face amount of such Letter of Credit. Each Revolving Credit Lender and each Incremental Facility Revolving Credit Lender (other than the relevant Issuing Lender) agrees that, upon the issuance of any Revolving Credit Letter of Credit or Incremental Facility Letter of Credit hereunder, as applicable, it shall automatically acquire a participation in such Issuing Lender's liability under such Letter of Credit in an amount equal to such Lender's Letter of Credit Commitment Percentage of such liability, and each such Lender (other than the relevant Issuing Lender) thereby shall absolutely, unconditionally and irrevocably assume, as primary obligor and not as surety, and shall be unconditionally obligated to such Issuing Lender to pay and discharge when due, its Letter of Credit Commitment Percentage of such Issuing Lender's liability under such Letter of Credit.

(c) Notice by Issuing Lender of Drawings. Upon receipt from the beneficiary of any Letter of Credit of any demand for payment under such Letter of Credit, the relevant Issuing Lender shall promptly notify the Borrowers (through the Administrative Agent) of the amount to be paid by such Issuing Lender as a result of such demand and the date on which payment is to be made by such Issuing Lender to such beneficiary in respect of such demand. Notwithstanding the identity of the account party of any Letter of Credit, the Borrowers hereby jointly and severally unconditionally agree to pay and reimburse the Administrative Agent for the account of the relevant Issuing Lender for the amount of each demand for payment under such Letter of Credit that is in substantial compliance with the provisions of such Letter of Credit at or prior to the date on which payment is to be made by such Issuing Lender to the beneficiary thereunder, without presentment, demand, protest or other formalities of any kind.

(d) Notice by the Borrowers of Borrowing for Reimbursement. Forthwith upon its receipt of a notice referred to in paragraph (c) of this Section 2.03, the Borrowers shall advise the Administrative Agent whether or not the Borrowers intend to borrow hereunder to finance their obligation to reimburse such Issuing Lender for the amount of the related demand for payment and, if they do, submit a notice of such borrowing as provided in Section 4.05 hereof.

(e) Payments by Lenders to Issuing Lender. Each Revolving Credit Lender and each Incremental Facility Revolving Credit Lender (other than the relevant Issuing Lender), as applicable, shall pay to the Administrative Agent for the account of such Issuing Lender at its principal office in Dollars and in immediately available funds, the amount of such Lender's Letter of Credit Commitment Percentage of any payment under a Revolving Letter of Credit or Incremental Facility Letter of Credit, as applicable, upon notice by such Issuing Lender (through the Administrative Agent) to such Lender

requesting such payment and specifying such amount. Each such Lender's obligation to make such payment to the Administrative Agent for the account of such Issuing Lender under this paragraph (e), and such Issuing Lender's right to receive the same, shall be absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, the failure of any other Lender to make its payment under this paragraph (e), the financial condition of the Borrowers (or any other account party), the existence of any Default or the termination of the Commitments. Each such payment to any Issuing Lender shall be made without any offset, abatement, withholding or reduction whatsoever. If any Revolving Credit Lender or Incremental Facility Revolving Credit Lender shall default in its obligation to make any such payment to the Administrative Agent for the account of an Issuing Lender, for so long as such default shall continue the Administrative Agent may at the request of such Issuing Lender withhold from any payments received by the Administrative Agent under this Agreement for the account of such Lender the amount so in default and, to the extent so withheld, pay the same to such Issuing Lender in satisfaction of such defaulted obligation.

(f) Participations in Reimbursement Obligations. Upon the making of each payment by a Lender to an Issuing Lender pursuant to paragraph (e) above in respect of any Letter of Credit, such Lender shall, automatically and without any further action on the part of the Administrative Agent, such Issuing Lender or such Lender, acquire (i) a participation in an amount equal to such payment in the Reimbursement Obligation owing to such Issuing Lender by the Borrowers hereunder and under the Letter of Credit Documents relating to such Letter of Credit and (ii) a participation in a percentage equal to such Lender's Letter of Credit Commitment Percentage in any interest or other amounts payable by the Borrowers hereunder and under such Letter of Credit Documents in respect of such Reimbursement Obligation (other than the commissions, charges, costs and expenses payable to such Issuing Lender pursuant to paragraph (g) of this Section 2.03). Upon receipt by an Issuing Lender from or for the account of the Borrowers of any payment in respect of any Reimbursement Obligation or any such interest or other amount (including by way of setoff or application of proceeds of any collateral security) such Issuing Lender shall promptly pay to the Administrative Agent for the account of each Lender entitled thereto, such Lender's Letter of Credit Commitment Percentage of such payment, each such payment by such Issuing Lender to be made in the same money and funds in which received by such Issuing Lender. In the event any payment received by an Issuing Lender and so paid to a Lender hereunder is rescinded or must otherwise be returned by such Issuing Lender, such Lender shall, upon the request of such Issuing Lender (through the Administrative Agent), repay to such Issuing Lender (through the Administrative Agent) the amount of such payment paid to such Lender, with interest at the rate specified in paragraph (j) of this Section 2.03.

(g) Letter of Credit Fees. The Borrowers shall pay to the Administrative Agent for the account of each Revolving Credit Lender or Incremental Facility Revolving Credit Lender (ratably in accordance with their respective Letter of Credit Commitment

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Percentages) a letter of credit fee in respect of each Revolving Credit Letter of Credit or Incremental Facility Letter of Credit, as applicable, in an amount equal to the Applicable Margin, in effect from time to time, for Revolving Credit Loans or Incremental Facility Revolving Credit Loans of the respective Series, as applicable, that are Eurodollar Loans on the daily average undrawn face amount of such Letter of Credit for the period from and including the date of issuance of such Letter of Credit (i) in the case of a Letter of Credit that expires in accordance with its terms, to and including such expiration date and (ii) in the case of a Letter of Credit that is drawn in full or is otherwise terminated other than on the stated expiration date of such Letter of Credit, to but excluding the date such Letter of Credit is drawn in full or is terminated (such fee to be non-refundable, to be paid in arrears not later than the third Business Day following each Quarterly Date and on the Revolving Credit Commitment Termination Date (or, as applicable, the commitment termination date for the Incremental Facility Revolving Credit Commitments of the relevant Series) and to be calculated for any day after giving effect to any payments made under such Letter of Credit on such day).

In addition, the Borrowers shall pay to the Administrative Agent for the account of the relevant Issuing Lender a fronting fee in respect of each Letter of Credit issued by such Issuing Lender in an amount equal to 1/4 of 1% per annum of the daily average undrawn face amount of such Letter of Credit for the period from and including the date of issuance of such Letter of Credit (i) in the case of a Letter of Credit that expires in accordance with its terms, to and including such expiration date and (ii) in the case of a Letter of Credit that is drawn in full or is otherwise terminated other than on the stated expiration date of such Letter of Credit, to but excluding the date such Letter of Credit is drawn in full or is terminated (such fee to be non-refundable, to be paid in arrears not later than the third Business Day following each Quarterly Date and on the Revolving Credit Commitment Termination Date or, as applicable, the commitment termination date for the Incremental Facility Revolving Credit Commitments of the relevant Series, and to be calculated for any day after giving effect to any payments made under such Letter of Credit on such day) plus all commissions, charges, costs and expenses in the amounts customarily charged by such Issuing Lender from time to time in like circumstances with respect to the issuance of each Letter of Credit and drawings and other transactions relating thereto.

(h) Information Provided by Issuing Lender. Promptly following the end of each calendar month, the Issuing Lenders shall deliver (through the Administrative Agent) to each Revolving Credit Lender or Incremental Facility Revolving Credit Lender, as applicable, and the Borrowers a notice describing the aggregate amount of all Letters of Credit outstanding at the end of such month. Upon the request of any Lender from time to time, the Issuing Lenders shall deliver any other information reasonably requested by such Lender with respect to each Letter of Credit then outstanding in which such Lender holds a Letter of Credit Interest.

(i) Conditions Precedent to Issuance. The issuance by any Issuing Lender of each Letter of Credit shall, in addition to the conditions precedent set forth in Section 6 hereof, be subject to the conditions precedent that (i) such Letter of Credit shall be in such form, contain such terms and support such transactions as shall be satisfactory to such Issuing Lender consistent with its then current practices and procedures with respect to letters of credit of the same type and (ii) the Borrowers shall have executed and delivered such applications, agreements and other instruments relating to such Letter of Credit as such Issuing Lender shall have reasonably requested consistent with its then current practices and procedures with respect to letters of credit of the same type, provided that in the event of any conflict between any such application, agreement or other instrument and the provisions of this Agreement or any Security Document, the provisions of this Agreement and the Security Documents shall control.

(j) Interest Payable to Issuing Lender by Lenders. To the extent that any Lender shall fail to pay any amount required to be paid pursuant to paragraph (e) or (f) of this Section 2.03 on the due date therefor, such Lender shall pay interest to the relevant Issuing Lender (through the Administrative Agent) on such amount from and including such due date to but excluding the date such payment is made at a rate per annum equal to the Federal Funds Rate, provided that if such Lender shall fail to make such payment to such Issuing Lender within three Business Days of such due date, then, retroactively to the due date, such Lender shall be obligated to pay interest on such amount at the Post-Default Rate.

(k) Modifications and Supplements. The issuance by an Issuing Lender of any modification or supplement to any Letter of Credit hereunder shall be subject to the same conditions applicable under this Section 2.03 to the issuance of new Letters of Credit, and no such modification or supplement shall be issued hereunder unless either (i) the respective Letter of Credit affected thereby would have complied with such conditions had it originally been issued hereunder in such modified or supplemented form or (ii) the Majority Lenders of the applicable Class shall have consented thereto.

(l) Existing Letters of Credit. To the extent that on the Closing Date any "Letters of Credit" under and as defined in the Existing Credit Agreements shall be outstanding then, on the Closing Date, subject to the satisfaction of the conditions precedent set forth in Section 6 hereof, each of such "Letters of Credit" shall automatically, and without any action on the part of any Person, become a Letter of Credit hereunder, and JPMCB, as the "Issuing Lender" under the Existing Credit Agreements, hereby unconditionally releases each "Revolving Credit Lender" under the Existing Credit Agreements from any liability under such "Revolving Credit Lender's" participation in respect of such "Letter of Credit".

The Borrowers hereby indemnify and hold harmless each Lender and the Administrative Agent from and against any and all claims and damages, losses, liabilities, costs or expenses that such

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Lender or the Administrative Agent may incur (or that may be claimed against such Lender or the Administrative Agent by any Person whatsoever) by reason of or in connection with the execution and delivery or transfer of or payment or refusal to pay by any Issuing Lender under any Letter of Credit; provided that the Borrowers shall not be required to indemnify any Lender or the Administrative Agent for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (x) the willful misconduct or gross negligence of any Issuing Lender in determining whether a request presented under any Letter of Credit complied with the terms of such Letter of Credit or (y) in the case of any Issuing Lender, such Lender's failure to pay under any Letter of Credit after the presentation to it of a request strictly complying with the terms and conditions of such Letter of Credit. Nothing in this Section 2.03 is intended to limit the other obligations of the Borrowers, any Lender or the Administrative Agent under this Agreement.

#### 2.04 Changes of Commitments.

(a) Optional Reductions of Commitments. The Borrowers shall have the right at any time or from time to time (i) so long as no Revolving Credit Loans or Letter of Credit Liabilities in respect of Revolving Credit Letters of Credit are outstanding, to terminate the Revolving Credit Commitments, (ii) so long as no Incremental Facility Revolving Credit Loans or Incremental Facility Letters of Credit of a Series are outstanding, to terminate the Incremental Facility Commitments of such Series and (iii) to reduce the aggregate unused amount of the Revolving Credit Commitments or Incremental Facility Revolving Credit Commitments of any Series (for which purpose use of such Commitments shall be deemed to include the aggregate amount of Letter of Credit Liabilities in respect of Letters of Credit issued under such Commitments); provided that (x) the Borrowers shall give notice of each such termination or reduction as provided in Section 4.05 hereof, (y) each partial reduction shall be in an aggregate amount at least equal to \$1,000,000 (or a larger multiple of \$500,000) and (z) each such reduction of Commitments shall be applied ratably to the Commitments of each Class.

(b) Mandatory Reductions or Terminations of Commitments. Unless previously terminated, the aggregate amount of the Revolving Credit Commitments shall terminate on the Revolving Credit Commitment Termination Date. In the event that the Tranche A Term Loan Commitments are not fully drawn on the Tranche A Term Loan Commitment Expiration Date, then on such date the full aggregate amount of the Tranche A Term Loan Commitments shall be terminated. In the event that the Tranche B Term Loan Commitments are not fully drawn on the Closing Date as provided in Section 2.01(c) hereof, then on such date the full aggregate amount of the Tranche B Term Loan Commitments shall be terminated. The aggregate amount of the Incremental Facility Commitments of any Series shall be automatically reduced to zero on the date specified at the time the Incremental Facility Commitments of such Series are established.

(c) No Reinstatement. The Commitments once terminated or reduced may not be reinstated.

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2.05 Commitment Fee. The Borrowers shall pay to the Administrative Agent for the account of each Revolving Credit Lender a commitment fee on the daily average unused amount of such Lender's Revolving Credit Commitment (for which purpose (i) the aggregate amount of any Letter of Credit Liabilities in respect of Revolving Credit Letters of Credit shall be deemed to be a pro rata (based on the Revolving Credit Commitments) use of each Lender's Revolving Credit Commitment and (ii) any Reserved Commitment Amount shall be deemed to be unused), for the period from and including the date hereof to but not including the earlier of the date such Revolving Credit Commitment is terminated and the Revolving Credit Commitment Termination Date, at a rate per annum equal to (x) 5/8 of 1% at any time the then-current Rate Ratio (determined pursuant to Section 3.03 hereof) is greater than 3.00 to 1 and (y) 1/2 of 1% at any time the then-current Rate Ratio (so determined) is equal to or less than 3.00 to 1, provided that for the period from the Closing Date to the day prior to the first Quarterly Date occurring thereafter, such commitment fee shall be determined based upon the certificate delivered pursuant to Section 6.01(1) hereof. The Borrowers shall pay to the Administrative Agent for the account of each Incremental Facility Lender of any Series a commitment fee in such amounts, and on such dates, as shall have been agreed to by the Borrowers and such Incremental Facility Lender upon the establishment of the Incremental Facility Commitment of such Series to such Lender pursuant to Section 2.01(d) hereof. Accrued commitment fee shall be payable not later than the third Business Day following each Quarterly Date and on the earlier of the date the relevant Commitments are terminated and the Revolving Credit Commitment Termination Date or the Incremental Facility Commitments of such Series terminate, as the case may be.

2.06 Lending Offices. The Loans of each Type made by each Lender shall be made and maintained at such Lender's Applicable Lending Office for Loans of such Type.

2.07 Several Obligations; Remedies Independent. The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but neither any Lender nor the Administrative Agent shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender, and (except as otherwise provided in Section 4.06 hereof) no Lender shall have any obligation to the Administrative Agent or any other Lender for the failure by such Lender to make any Loan required to be made by such Lender. Anything in this Agreement to the contrary notwithstanding, each Lender hereby agrees with each other Lender that no Lender shall take any action to protect or enforce its rights arising out of this Agreement (including, without limitation, exercising any rights of off-set) without first obtaining the prior written consent of the Administrative Agent or the Majority Lenders, it being the intent of the Lenders that any such action to protect or enforce rights under this Agreement shall be taken in concert and at the direction or with the consent of the Administrative Agent or the Majority Lenders and not individually by a single Lender.

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2.08 Loan Accounts; Promissory Notes.

(a) Maintenance of Records by Lenders. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender to the Borrowers, including the amounts of principal and interest payable and paid to such Lender by the Borrowers from time to time hereunder.

(b) Maintenance of Records by the Administrative Agent. The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder to the Borrowers, the Class and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrowers for the account of the Lenders and each Lender's share thereof.

(c) Effect of Entries. The entries made in the accounts maintained pursuant to paragraph (a) or (b) of this Section 2.08 shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(d) Promissory Notes. Any Lender may request that Loans of any Class made by it to the Borrowers be evidenced by a promissory note. In such event, the Borrowers shall prepare, execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans of the Borrowers evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 11.06 hereof) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

2.09 Optional Prepayments and Conversions or Continuations of Loans. Subject to Section 4.04 hereof, the Borrowers shall have the right to prepay Loans, or to Convert Loans of one Type into Loans of another Type or Continue Loans of one Type as Loans of the same Type, at any time or from time to time, provided that:

(a) the Borrowers shall give the Administrative Agent notice of each such prepayment, Conversion or Continuation as provided in Section 4.05 hereof (and, upon the date specified in any such notice of prepayment, the amount to be prepaid shall become due and payable hereunder);

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(b) Eurodollar Loans may be prepaid or Converted at any time from time to time, provided that the Borrowers shall pay any amounts owing under Section 5.05 hereof in the event of any such prepayment or Conversion on any date other than the last day of an Interest Period for such Loans;

(c) prepayments of any Class of Term Loans or Incremental Facility Term Loans shall be applied to the remaining installments of such Loans ratably in accordance with the respective principal amounts thereof; and

(d) any Conversion or Continuation of Eurodollar Loans shall be subject to the provisions of Section 2.01(e) hereof.

It shall not be necessary in connection with the prepayment of any Class of Term Loans or Incremental Facility Term Loans that concurrent prepayments be made of any other Class of Loans. Notwithstanding the foregoing, and without limiting the rights and remedies of the Lenders under Section 9 hereof, in the event that any Event of Default shall have occurred and be continuing, the Administrative Agent may (and at the request of the Majority Lenders shall) suspend the right of the Borrowers to Convert any Loan into a Eurodollar Loan, or to Continue any Loan as a Eurodollar Loan, in which event all Loans shall be Converted (on the last day(s) of the respective Interest Periods therefor) or Continued, as the case may be, as Base Rate Loans.

Notwithstanding the foregoing, any optional prepayment of Tranche B Term Loans effected on or prior to the first anniversary of the Closing Date with the proceeds of a substantially concurrent borrowing of Incremental Facility Term Loans under this Agreement (or any other class of term loans permitted under this Agreement pursuant to an amendment hereto), shall be accompanied by a prepayment fee equal to 1.00% of the aggregate amount of such prepayment in the event that the Applicable Margin in respect of such Incremental Facility Term Loans (or other term loans) is less than the corresponding Applicable Margin in respect of the Tranche B Term Loans.

#### 2.10 Mandatory Prepayments and Reductions of Commitments.

(a) Casualty Events. Upon the date one year following the receipt by any Borrower or any of its Subsidiaries of the proceeds of insurance, condemnation award or other compensation in respect of any Casualty Event affecting any Property of any of the Borrowers or any of their Subsidiaries (or upon such earlier date as the Borrowers or any such Subsidiary, as the case may be, shall have determined not to repair or replace the Property affected by such Casualty Event), the Borrowers shall prepay the Loans (and/or provide cover for Letter of Credit Liabilities as specified in paragraph (f) below) in an aggregate amount, if any, equal to 100% of the Net Available Proceeds of such Casualty Event not theretofore applied (or committed to be applied pursuant to executed construction contracts or equipment orders) to the repair or replacement of such Property, such prepayment to be effected in each case in the manner and to the extent specified in paragraph (e) of this Section 2.10. Notwithstanding the foregoing, the

Borrowers shall not be required to make any prepayment (and/or provide cover for Letter of Credit Liabilities) under this paragraph (a) until the aggregate amount of the Net Available Proceeds that must be prepaid under this paragraph (a) exceeds \$20,000,000.

(b) Excess Cash Flow. Not later than the date 150 days after the end of each fiscal year of the Borrowers (or, if earlier, 30 days after the delivery of the audited financial statements for such fiscal year pursuant to Section 8.01(b) hereof), commencing with the fiscal year ending on December 31, 2009, the Borrowers shall prepay the Loans (and/or provide cover for Letter of Credit Liabilities as specified in paragraph (f) below) in an aggregate amount equal to the excess of (A) 50% of Excess Cash Flow for such fiscal year over (B) the aggregate amount of voluntary prepayments of Term Loans and Incremental Facility Term Loans made during such fiscal year pursuant to Section 2.09 hereof (other than that portion, if any, of such prepayments applied to installments of the Term Loans and Incremental Facility Term Loans falling due in such fiscal year), such prepayment to be effected in each case in the manner and to the extent specified in paragraph (e) of this Section 2.10, provided that the provisions of this paragraph (b) shall not be applicable if as at the last day of such fiscal year the Total Leverage Ratio shall be less than or equal to 4.50 to 1.

(c) Debt Issuances. Upon any Debt Issuance, the Borrowers shall prepay the Loans (and/or provide cover for Letter of Credit Liabilities as specified in paragraph (f) below) in an aggregate amount equal to 100% of the Net Available Proceeds thereof, such prepayment to be effected in each case in the manner and to the extent specified in paragraph (e) of this Section 2.10.

(d) Sale of Assets. Without limiting the obligation of the Borrowers to obtain the consent of the Majority Lenders pursuant to Section 8.05 hereof to any Disposition not otherwise permitted hereunder, in the event that the Net Available Proceeds of any Disposition (herein, the "Current Disposition"), and of all prior Dispositions after the date hereof (including amounts which were set aside for reinvestment pursuant to the second paragraph of this Section 2.10(d) but were not in fact so reinvested within one year) as to which a prepayment has not yet been made under this Section 2.10(d), shall exceed \$30,000,000 then, no later than five Business Days after the occurrence of the Current Disposition, the Borrowers will deliver to the Administrative Agent (which shall promptly provide a copy thereof to the Lenders) a statement, certified by a Senior Officer, in form and detail satisfactory to the Administrative Agent, of the amount of the Net Available Proceeds of the Current Disposition and of all such prior Dispositions and will prepay the Loans (and/or provide cover for Letter of Credit Liabilities as specified in paragraph (f) below) in an aggregate amount equal to 100% of the Net Available Proceeds of the Current Disposition and such prior Dispositions, such prepayment to be effected in each case in the manner and to the extent specified in paragraph (e) of this Section 2.10.

Notwithstanding the foregoing, the Borrowers shall not be required to make a prepayment pursuant to this paragraph (d) with respect to Net Available Proceeds from any Disposition in the event that the Borrowers advise the Administrative Agent at the time the Net

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Available Proceeds from such Disposition are received that they intend to reinvest such Net Available Proceeds in replacement assets pursuant to an Acquisition permitted under Section 8.05(d)(iv) hereof or otherwise as Capital Expenditures permitted under Section 8.12 hereof, so long as

(x) such Net Available Proceeds are either (i) held by (A) the Administrative Agent or (B) as permitted under Section 4.01 of the Pledge Agreement, a Qualified Intermediary (as defined thereunder), in the Collateral Account pending such reinvestment, in which event the Administrative Agent (or the Qualified Intermediary, as the case may be) need not release such Net Available Proceeds except upon presentation of evidence satisfactory to it that such Net Available Proceeds are to be so reinvested in compliance with the provisions of this Agreement or (ii) applied by the Borrowers to the prepayment of Revolving Credit Loans hereunder (in which event the Borrowers agree to advise the Administrative Agent in writing at the time of such prepayment of Revolving Credit Loans that such prepayment is being made from the proceeds of a Disposition and that, as contemplated by Section 2.01(a) hereof, a portion of the Revolving Credit Commitments hereunder equal to the amount of such prepayment gives rise to a Reserved Commitment Amount that shall be available hereunder only for purposes of making an acquisition under Section 8.05(d)(iv) hereof or making of Capital Expenditures permitted under Section 8.12 hereof),

(y) the Net Available Proceeds from any Disposition are in fact so reinvested within one year of such Disposition (it being understood that, in the event Net Available Proceeds from more than one Disposition are paid into the Collateral Account or applied to the prepayment of Revolving Credit Loans as provided in clause (x) above, such Net Available Proceeds shall be deemed to be released (or, as the case may be, Revolving Credit Loans utilizing the Reserved Commitment Amount shall be deemed to be made) in the same order in which such Dispositions occurred and, accordingly, (A) any such Net Available Proceeds so held for more than one year shall be forthwith applied to the prepayment of Loans as provided above and (B) any Reserved Commitment Amount that remains so unutilized for more than one year shall, subject to the satisfaction of the conditions precedent to such borrowing in Section 6.02 hereof, be utilized through the borrowing by the Borrowers of Revolving Credit Loans the proceeds of which shall be applied to the prepayment of Loans as provided in paragraph (e) of this Section 2.10) and

(z) the aggregate amount of Net Available Proceeds (together with investment earnings thereon) so held at any time by the Administrative Agent (or the Qualified Intermediary) pending reinvestment as contemplated by this sentence, together with the aggregate amount of the Reserved Commitment Amount, shall not at any time exceed \$100,000,000 or such greater amount as the Majority Lenders may otherwise agree.

As contemplated by Section 4.01 of the Pledge Agreement, nothing in this paragraph (d) shall be deemed to obligate the Administrative Agent to release any of such proceeds from the Collateral

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Account to the Borrowers for purposes of reinvestment as aforesaid upon the occurrence and during the continuance of any Event of Default.

(e) Application. Prepayments and reductions of Commitments described above in this Section 2.10 shall be applied, first, to the Term Loans and Incremental Facility Term Loans of each Class then outstanding ratably in accordance with the respective principal amounts of such Loans outstanding at the time, second, following the prepayment in full of such Loans, to the Revolving Credit Loans and the Incremental Facility Revolving Credit Loans, without reduction of the Revolving Credit Commitments or the Incremental Facility Revolving Credit Commitments and, third, to cover for outstanding Letter of Credit Liabilities as provided in paragraph (f) below, ratably to Letter of Credit Liabilities under the Revolving Credit Commitments and Incremental Facility Revolving Credit Commitments of each Series.

(f) Cover for Letter of Credit Liabilities. In the event that the Borrowers shall be required pursuant to this Section 2.10, to provide cover for Letter of Credit Liabilities, the Borrowers shall effect the same by paying to the Administrative Agent immediately available funds in an amount equal to the required amount, which funds shall be retained by the Administrative Agent in the Collateral Account (as collateral security in the first instance for the Letter of Credit Liabilities) until such time as the Letters of Credit shall have been terminated and all of the Letter of Credit Liabilities paid in full.

(g) Change in Commitments. If at any time either (i) the aggregate outstanding amount of Revolving Credit Loans and Letter of Credit Liabilities in respect of Revolving Credit Letters of Credit exceeds the aggregate amount of the Revolving Credit Commitments then in effect, or (ii) the aggregate outstanding amount of Incremental Facility Revolving Credit Loans of any Series and the Letter of Credit Liabilities in respect of Incremental Facility Letters of Credit of such Series exceeds the aggregate amount of the Incremental Facility Revolving Credit Commitments of such Series, then and in either such event the Borrowers shall prepay such Loans (and/or provide cover for such Letter of Credit Liabilities as specified in paragraph (f) above) in such amounts as shall be necessary so that after giving effect to such prepayment (and cover), the aggregate outstanding amount of such Loans and such Letter of Credit Liabilities does not exceed the aggregate amount of such Commitments, provided that any such prepayment shall be accompanied by any amounts payable under Section 5.05 hereof.

### Section 3. Payments of Principal and Interest.

#### 3.01 Repayment of Loans.

(a) Revolving Credit Loans. The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for the account of each Lender the entire outstanding principal amount of such Lender's Revolving Credit Loans, and each Revolving Credit Loan shall mature, on the Revolving Credit Commitment Termination Date.

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(b) Tranche A Term Loans. The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for the account of the Tranche A Term Loan Lenders the principal of the Tranche A Term Loans on each Principal Payment Date set forth in column (A) below, by an amount equal to the percentage of the Tranche A Closing Balance (as defined below) set forth in column (B) below of the aggregate principal amount of the Tranche A Term Loans:

(A) Principal Payment Date -----	(B) Percentage Reduction -----
March 31, 2008	2.50%
June 30, 2008	2.50%
September 30, 2008	2.50%
December 31, 2008	2.50%
March 31, 2009	3.00%
June 30, 2009	3.00%
September 30, 2009	3.00%
December 31, 2009	3.00%
March 31, 2010	6.25%
June 30, 2010	6.25%
September 30, 2010	6.25%
December 31, 2010	6.25%
March 31, 2011	6.50%
June 30, 2011	6.50%
September 30, 2011	6.50%
December 31, 2011	6.50%
March 31, 2012	9.00%
June 30, 2012	9.00%
September 30, 2012	9.00%

For purposes hereof, the "Tranche A Closing Balance" shall mean the aggregate principal amount of the Tranche A Term Loans outstanding hereunder on the close of business on the Tranche A Term Loan Commitment Expiration Date.

(c) Tranche B Term Loans. The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for the account of the Tranche B Term Loan Lenders the principal of the Tranche B Term Loans on each Principal Payment Date set forth in column (A) below, by an amount equal to the percentage of the Tranche B Closing Balance (as

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defined below) set forth in column (B) below of the aggregate principal amount of the Tranche B Term Loans:

(A) Principal Payment Date -----	(B) Percentage Reduction -----
March 31, 2005	0.25%
June 30, 2005	0.25%
September 30, 2005	0.25%
December 31, 2005	0.25%
March 31, 2006	0.25%
June 30, 2006	0.25%
September 30, 2006	0.25%
December 31, 2006	0.25%
March 31, 2007	0.25%
June 30, 2007	0.25%
September 30, 2007	0.25%
December 31, 2007	0.25%
March 31, 2008	0.25%
June 30, 2008	0.25%
September 30, 2008	0.25%
December 31, 2008	0.25%
March 31, 2009	0.25%
June 30, 2009	0.25%
September 30, 2009	0.25%
December 31, 2009	0.25%
March 31, 2010	0.25%
June 30, 2010	0.25%
September 30, 2010	0.25%
December 31, 2010	0.25%
March 31, 2011	0.25%
June 30, 2011	0.25%
September 30, 2011	0.25%
December 31, 2011	0.25%

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March 31, 2012	0.25%
June 30, 2012	0.25%
September 30, 2012	0.25%
December 31, 2012	0.25%
March 31, 2013	92.00%

For purposes hereof, the "Tranche B Closing Balance" shall mean the aggregate principal amount of the Tranche B Term Loans outstanding hereunder on the close of business on the Closing Date.

(d) Incremental Facility Revolving Credit Loans. The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for the account of each Lender the entire outstanding principal amount of such Lender's Incremental Facility Revolving Credit Loans of any Series, and each Incremental Facility Revolving Credit Loan of such Series shall mature, on the commitment termination date for such Series specified pursuant to Section 2.01(d) hereof at the time the respective Incremental Facility Revolving Credit Commitments of such Series are established.

(e) Incremental Facility Term Loans. The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for the account of the Incremental Facility Term Lenders of any Series the principal of the Incremental Facility Term Loans of such Series on the respective Principal Payment Dates agreed upon between the Borrowers and such Incremental Facility Term Lenders pursuant to Section 2.01(d) hereof at the time such Lenders become obligated to make such Incremental Facility Term Loans hereunder.

3.02 Interest. The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for the account of each Lender interest on the unpaid principal amount of each Loan made by such Lender for the period from and including the date of such Loan to but excluding the date such Loan shall be paid in full, at the following rates per annum:

(a) during such periods as such Loan is a Base Rate Loan, the Base Rate (as in effect from time to time) plus the Applicable Margin and

(b) during such periods as such Loan is a Eurodollar Loan, for each Interest Period relating thereto, the Eurodollar Rate for such Loan for such Interest Period plus the Applicable Margin.

Notwithstanding the foregoing, the Borrowers jointly and severally promise to pay to the Administrative Agent for the account of each Lender interest at the applicable Post-Default Rate on any principal of any Loan made by such Lender, on any Reimbursement Obligation held by such Lender and on any other amount payable by the Borrowers hereunder to or for the account of such Lender, that shall not be paid in full when due (whether at stated maturity, by

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acceleration, by mandatory prepayment or otherwise), for the period from and including the due date thereof to but excluding the date the same is paid in full. Accrued interest on each Loan shall be payable (i) in the case of a Base Rate Loan, quarterly not later than the third Business Day following the Quarterly Dates, (ii) in the case of a Eurodollar Loan, on the last day of each Interest Period therefor and, if such Interest Period is longer than three months, at three-month intervals following the first day of such Interest Period, (iii) in the case of any Eurodollar Loan, upon the payment, prepayment or Conversion thereof (but only on the principal amount so paid, prepaid or Converted) and (iv) in the case of all Loans, upon the payment or prepayment in full of the principal of the Loans, and the termination of the Commitments, hereunder, except that interest payable at the Post-Default Rate shall be payable from time to time on demand. Promptly after the determination of any interest rate provided for herein or any change therein, the Administrative Agent shall give notice thereof to the Lenders to which such interest is payable and to the Borrowers.

### 3.03 Determination of Applicable Margin.

(a) Determinations Generally. The Applicable Margin for the period from the Closing Date to the day prior to the Quarterly Date falling on or nearest to December 31, 2004 shall be determined as provided in the definition of "Applicable Margin." Thereafter, the Applicable Margin for each Quarterly Payment Period shall be determined based upon a Rate Ratio Certificate for such Quarterly Payment Period delivered by the Borrowers to the Administrative Agent under this Section 3.03. If the Rate Ratio Certificate for any Quarterly Payment Period is delivered to the Administrative Agent (which shall promptly provide a copy thereof to the Lenders) three or more days prior to the first day of such Quarterly Payment Period, any adjustment in the Applicable Margin required to be made, as shown in such Rate Ratio Certificate, shall be effective on the first day of such Quarterly Payment Period.

(b) Effectiveness of Adjustments. If the Rate Ratio Certificate for any Quarterly Payment Period is delivered by the Borrowers to the Administrative Agent later than three days prior to the commencement of such Quarterly Payment Period, then (i) any decrease in the Applicable Margin for such Quarterly Payment Period shall not become effective on the first day of such Quarterly Payment Period but shall instead become effective on the third day following receipt by the Administrative Agent of such Rate Ratio Certificate and (ii) any increase in the Applicable Margin for such Quarterly Payment Period shall become effective retroactively from the first day of such Quarterly Payment Period.

(c) Retroactive Adjustments. If it shall be determined at any time, on the basis of a certificate of a Senior Officer delivered pursuant to the last sentence of Section 8.01 hereof, that the Applicable Margin then in effect for the current Quarterly Payment Period, or any previous Quarterly Payment Period, is or was incorrect, and that a correction would have the effect of increasing the Applicable Margin, then the Applicable Margin shall be so increased (solely with respect to such Quarterly Payment Period or Periods), effective retroactively from the first day of such Quarterly Payment Period, provided that in the event such certificate for any

fiscal quarter is not delivered pursuant to said Section 8.01 within 60 days of the end of such fiscal quarter, then, unless the Borrowers shall deliver such certificate within 10 days after notice of such non-delivery shall be given by any Lender or the Administrative Agent to the Borrowers, the Applicable Margin for such Quarterly Payment Period shall be deemed to be the highest Applicable Margin provided for in the definition of such term in Section 1.01 hereof.

(d) Recalculation of Interest. In the event of any retroactive increase in the Applicable Margin for any Quarterly Payment Period pursuant to paragraph (a), (b) or (c) above, the amount of interest in respect of any Loan outstanding during all or any portion of such Quarterly Payment Period shall be recalculated using the Applicable Margin as so increased. On the Business Day immediately following receipt by the Borrowers of notice from the Administrative Agent of such increase, the Borrowers shall pay to the Administrative Agent, for the account of the Lenders, an amount equal to the difference between (i) the amount of interest previously paid or payable by the Borrowers in respect of such Loan for such Quarterly Payment Period and (ii) the amount of interest in respect of such Loan as so recalculated for such Quarterly Payment Period.

#### Section 4. Payments; Pro Rata Treatment; Computations; Etc.

##### 4.01 Payments.

(a) Payments by the Borrowers. Except to the extent otherwise provided herein, all payments of principal, interest, Reimbursement Obligations and other amounts to be made by the Borrowers under this Agreement, and except to the extent otherwise provided therein, all payments to be made by the Borrowers under any other Loan Document shall be made in Dollars, in immediately available funds, without deduction, set-off or counterclaim, to the Administrative Agent at an account designated by the Administrative Agent to the Borrowers, not later than 1:00 p.m. New York time on the date on which such payment shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day).

(b) Debit for Payment. Any Lender for whose account any such payment is to be made may (but shall not be obligated to) debit the amount of any such payment that is not made by such time to any ordinary deposit account of the Borrowers with such Lender (with notice to the Borrowers and the Administrative Agent), provided that such Lender's failure to give such notice shall not affect the validity thereof.

(c) Application of Payments. The Borrowers shall, at the time of making each payment under this Agreement for the account of any Lender, specify to the Administrative Agent (which shall so notify the intended recipient(s) thereof) the Loans, Reimbursement Obligations or other amounts payable by the Borrowers hereunder to which such payment is to be applied (and in the event that the Borrowers fail to so specify, or if an Event of Default has occurred and is continuing, the Administrative Agent may distribute such payment to the

Lenders for application in such manner as it or the Majority Lenders, subject to Section 4.02 hereof, may determine to be appropriate).

(d) Forwarding of Payments by Administrative Agent. Except to the extent otherwise provided in the last sentence of Section 2.03(e) hereof, each payment received by the Administrative Agent under this Agreement for the account of any Lender shall be paid by the Administrative Agent promptly to such Lender, in immediately available funds, for the account of such Lender's Applicable Lending Office for the Loan or other obligation in respect of which such payment is made.

(e) Extensions to Next Business Day. If the due date of any payment under this Agreement would otherwise fall on a day that is not a Business Day, such date shall be extended to the next succeeding Business Day, and interest shall be payable for any principal so extended for the period of such extension.

4.02 Pro Rata Treatment. Except to the extent otherwise provided herein:

(a) each borrowing of Loans of a particular Class (including of a particular Series of Incremental Facility Loans) from the Lenders under Section 2.01 hereof shall be made from the relevant Lenders, each payment of commitment fee under Section 2.05 hereof in respect of Commitments of a particular Class shall be made for the account of the relevant Lenders, and each termination or reduction of the amount of the Commitments of a particular Class under Section 2.04 hereof shall be applied to the respective Commitments of such Class of the relevant Lenders, pro rata according to the amounts of their respective Commitments of such Class;

(b) except as otherwise provided in Section 5.04 hereof, Eurodollar Loans of any Class (including of a particular Series of Incremental Facility Loans) having the same Interest Period shall be allocated pro rata among the relevant Lenders according to the amounts of their respective Revolving Credit, Tranche A Term Loan, Tranche B Term Loan and Incremental Facility Loan Commitments of the relevant Series (in the case of the making of Loans) or their respective Revolving Credit, Term and Incremental Facility Loans of the relevant Series (in the case of Conversions and Continuations of Loans);

(c) each payment or prepayment of principal of Revolving Credit Loans, Tranche A Term Loans, Tranche B Term Loans and Incremental Facility Loans by the Borrowers shall be made for the account of the relevant Lenders pro rata in accordance with the respective unpaid principal amounts of the Loans of such Class held by them; and

(d) each payment of interest on Revolving Credit Loans, Tranche A Term Loans, Tranche B Term Loans and Incremental Facility Loans by the Borrowers shall be

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made for the account of the relevant Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

4.03 Computations. Interest on Eurodollar Loans shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day) occurring in the period for which payable and interest on Base Rate Loans and Reimbursement Obligations, commitment fee and letter of credit fees shall be computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed (including the first day but, except as otherwise provided in Section 2.03(g) hereof, excluding the last day) occurring in the period for which payable. Notwithstanding the foregoing, for each day that the Base Rate is calculated by reference to the Federal Funds Rate, interest on Base Rate Loans shall be computed on the basis of a year of 360 days and actual days elapsed.

4.04 Minimum Amounts. Except for mandatory prepayments made pursuant to Section 2.10 hereof and Conversions or prepayments made pursuant to Section 5.04 hereof, each borrowing, Conversion and partial prepayment of principal of Base Rate Loans (other than mandatory prepayments of Term Loans or Incremental Facility Term Loans, as to which the provisions of Section 2.10 hereof shall apply) shall be in an aggregate amount at least equal to \$1,000,000 or a larger multiple of \$500,000 and each borrowing, Conversion and partial prepayment of Eurodollar Loans (other than prepayments of Term Loans, as to which the provisions of Section 2.09(c) hereof shall apply) shall be in an aggregate amount at least equal to \$3,000,000 or a larger multiple of \$1,000,000 (borrowings, Conversions or prepayments of or into Loans of different Types or, in the case of Eurodollar Loans, having different Interest Periods at the same time hereunder to be deemed separate borrowings, Conversions and prepayments for purposes of the foregoing, one for each Type or Interest Period). If any Eurodollar Loans would otherwise be in a lesser principal amount for any period, such Loans shall be Base Rate Loans during such period.

4.05 Certain Notices. Notices by the Borrowers to the Administrative Agent of terminations or reductions of the Commitments, of borrowings, Conversions, Continuations and optional prepayments of Loans and of Classes of Loans, of Types of Loans and of the duration of Interest Periods shall be irrevocable and shall be effective only if received by the Administrative Agent not later than (a) with respect to same day borrowings or prepayments of Base Rate Loans, 11:00 a.m. New York time on the date of the relevant borrowing or prepayment and (b) with respect to borrowings other than same-day Base Rate Loans or prepayments of Loans other than Base Rate Loans, 1:00 p.m. New York time on the number of Business Days prior to the date of the relevant termination, reduction, borrowing, Conversion, Continuation or prepayment or the first day of such Interest Period specified below:

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Notice -----	Number of Business Days Prior -----
Termination or reduction of Commitments	3
Borrowing of same day Base Rate Loans and prepayment of Base Rate Loans	same day
Borrowing of non-same day Base Rate Loans	1
Conversions into Base Rate Loans	1
Borrowing or prepayment of, Conversions into, Continuations as, or duration of Interest Period for, Eurodollar Loans	3

Each such notice of termination or reduction shall specify the amount and the Class of the Commitments to be terminated or reduced. Each such notice of borrowing, Conversion, Continuation or optional prepayment shall specify the Class of Loans (including, if applicable, the particular Series of Incremental Facility Loans) to be borrowed, Converted, Continued or prepaid and the amount (subject to Section 4.04 hereof) and Type of each Loan to be borrowed, Converted, Continued or prepaid and the date of borrowing, Conversion, Continuation or optional prepayment (which shall be a Business Day). Each such notice of the duration of an Interest Period shall specify the Loans to which such Interest Period is to relate.

The Administrative Agent shall promptly notify the Lenders of the contents of each such notice. In the event that the Borrowers fail to select the Type of Loan, or the duration of any Interest Period for any Eurodollar Loan, within the time period and otherwise as provided in this Section 4.05, such Loan (if outstanding as a Eurodollar Loan) will be automatically Converted into a Base Rate Loan on the last day of the then current Interest Period for such Loan or (if outstanding as a Base Rate Loan) will remain as, or (if not then outstanding) will be made as, a Base Rate Loan.

4.06 Non-Receipt of Funds by the Administrative Agent. Unless the Administrative Agent shall have been notified by a Lender or the Borrowers (the "Payor") prior to the date on which the Payor is to make payment to the Administrative Agent of (in the case of a Lender) the proceeds of a Loan to be made by such Lender hereunder or (in the case of the Borrowers) a payment to the Administrative Agent for the account of one or more of the Lenders

hereunder (such payment being herein called the "Required Payment"), which notice shall be effective upon receipt, that the Payor does not intend to make the Required Payment to the Administrative Agent, the Administrative Agent may assume that the Required Payment has been made and may, in reliance upon such assumption (but shall not be required to), make the amount thereof available to the intended recipient(s) on such date; and, if the Payor has not in fact made the Required Payment to the Administrative Agent, the recipient(s) of such payment shall, on demand, repay to the Administrative Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date (the "Advance Date") such amount was so made available by the Administrative Agent until the date the Administrative Agent recovers such amount at a rate per annum equal to the Federal Funds Rate for such day and, if such recipient(s) shall fail promptly to make such payment, the Administrative Agent shall be entitled to recover such amount, on demand, from the Payor, together with interest as aforesaid, provided that if neither the recipient(s) nor the Payor shall return the Required Payment to the Administrative Agent within three Business Days of the Advance Date, then, retroactively to the Advance Date, the Payor and the recipient(s) shall each be obligated to pay interest on the Required Payment as follows:

(i) if the Required Payment shall represent a payment to be made by the Borrowers to the Lenders, the Borrowers and the recipient(s) shall each be obligated retroactively to the Advance Date to pay interest in respect of the Required Payment at the Post-Default Rate (without duplication of the obligation of the Borrowers under Section 3.02 hereof to pay interest on the Required Payment at the Post-Default Rate), it being understood that the return by the recipient(s) of the Required Payment to the Administrative Agent shall not limit such obligation of the Borrowers under said Section 3.02 to pay interest at the Post-Default Rate in respect of the Required Payment and

(ii) if the Required Payment shall represent proceeds of a Loan to be made by the Lenders to the Borrowers, the Payor and the Borrowers shall each be obligated retroactively to the Advance Date to pay interest in respect of the Required Payment pursuant to whichever of the rates specified in Section 3.02 hereof is applicable to the Type of such Loan, it being understood that the return by the Borrowers of the Required Payment to the Administrative Agent shall not limit any claim the Borrowers may have against the Payor in respect of such Required Payment.

#### 4.07 Sharing of Payments, Etc.

(a) Right of Set-off. Each Borrower agrees that, in addition to (and without limitation of) any right of set-off, banker's lien or counterclaim a Lender may otherwise have, each Lender shall be entitled, at its option (to the fullest extent permitted by law), to set off and apply any deposit (general or special, time or demand, provisional or final), or other indebtedness, held by it for the credit or account of such Borrower at any of its offices, in Dollars or in any other currency, against any principal of or interest on any of such Lender's Loans,

Reimbursement Obligations or any other amount payable to such Lender hereunder, that is not paid when due (regardless of whether such deposit or other indebtedness are then due to such Borrower), in which case it shall promptly notify such Borrower and the Administrative Agent thereof, provided that such Lender's failure to give such notice shall not affect the validity thereof.

(b) Sharing. If any Lender shall obtain from any Borrower payment of any principal of or interest on any Loan or Letter of Credit Liability of any Class owing to it or payment of any other amount under this Agreement or any other Loan Document through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise (other than from the Administrative Agent as provided herein), and, as a result of such payment, such Lender shall have received a greater percentage of the principal of or interest on the Loans or Letter of Credit Liabilities of any Class or such other amounts then due hereunder or thereunder by such Borrower to such Lender than the percentage received by any other Lender, it shall promptly purchase from such other Lenders participations in (or, if and to the extent specified by such Lender, direct interests in) the Loans or Letter of Credit Liabilities of any Class or such other amounts, respectively, owing to such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses that may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans or Letter of Credit Liabilities of any Class or such other amounts, respectively, owing to each of the Lenders. To such end all the Lenders shall make appropriate adjustments among themselves (by the resale of participations sold or otherwise) if such payment is rescinded or must otherwise be restored.

(c) Consent by the Borrowers. Each Borrower agrees that any Lender so purchasing such a participation (or direct interest) may exercise all rights of set-off, banker's lien, counterclaim or similar rights with respect to such participation as fully as if such Lender were a direct holder of Loans or other amounts (as the case may be) owing to such Lender in the amount of such participation.

(d) Rights of Lenders; Bankruptcy. Nothing contained herein shall require any Lender to exercise any such right or shall affect the right of any Lender to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of the Borrowers. If, under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a set-off to which this Section 4.07 applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 4.07 to share in the benefits of any recovery on such secured claim.

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Section 5. Yield Protection, Etc.

5.01 Additional Costs.

(a) Costs of Making or Maintaining Eurodollar Loans. The Borrowers shall pay directly to each Lender from time to time such amounts as such Lender may determine to be necessary to compensate such Lender for any costs that such Lender determines are attributable to its making or maintaining of any Eurodollar Loans or its obligation to make any Eurodollar Loans hereunder, or any reduction in any amount receivable by such Lender hereunder in respect of any of such Loans or such obligation (such increases in costs and reductions in amounts receivable being herein called "Additional Costs"), resulting from any Regulatory Change that:

(i) shall subject any Lender (or its Applicable Lending Office for any of such Loans) to any tax, duty or other charge in respect of such Loans or changes the basis of taxation of any amounts payable to such Lender under this Agreement in respect of any of such Loans (excluding changes in the rate of tax on the overall net income of such Lender or of such Applicable Lending Office by the jurisdiction in which such Lender has its principal office or such Applicable Lending Office); or

(ii) imposes or modifies any reserve, special deposit or similar requirements (other than the Reserve Requirement utilized in the determination of the Eurodollar Rate for such Loan) relating to any extensions of credit or other assets of, or any deposits with or other liabilities of, such Lender (including, without limitation, any of such Loans or any deposits referred to in the definition of "Eurodollar Base Rate" in Section 1.01 hereof), or any commitment of such Lender (including, without limitation, the Commitments of such Lender hereunder); or

(iii) imposes any other condition affecting this Agreement (or any of such extensions of credit or liabilities) or its Commitments.

If any Lender requests compensation from the Borrowers under this Section 5.01(a), the Borrowers may, by notice to such Lender (with a copy to the Administrative Agent), suspend the obligation of such Lender thereafter to make or Continue Eurodollar Loans, or to Convert Base Rate Loans into Eurodollar Loans, until the Regulatory Change giving rise to such request ceases to be in effect (in which case the provisions of Section 5.04 hereof shall be applicable), provided that such suspension shall not affect the right of such Lender to receive the compensation so requested.

(b) Capital Costs. Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), the Borrowers shall pay directly to each Lender from time to time on request such amounts as such Lender may determine to be necessary to compensate such Lender (or, without duplication, the bank holding company of which such Lender is a subsidiary) for any costs that it determines are attributable to the maintenance by



such Lender (or any Applicable Lending Office or such bank holding company), pursuant to any law or regulation or any interpretation, directive or request (whether or not having the force of law and whether or not failure to comply therewith would be unlawful) of any court or governmental or monetary authority (i) following any Regulatory Change or (ii) implementing any risk-based capital guideline or other requirement (whether or not having the force of law and whether or not the failure to comply therewith would be unlawful) hereafter issued by any government or governmental or supervisory authority implementing at the national level the Basle Accord, of capital in respect of its Commitments or Loans (such compensation to include, without limitation, an amount equal to any reduction of the rate of return on assets or equity of such Lender (or any Applicable Lending Office or such bank holding company) to a level below that which such Lender (or any Applicable Lending Office or such bank holding company) could have achieved but for such law, regulation, interpretation, directive or request).

(c) Notification and Certification. Each Lender shall notify the Borrowers of any event occurring after the date hereof entitling such Lender to compensation under paragraph (a) or (b) of this Section 5.01 as promptly as practicable, but in any event within 45 days, after such Lender obtains actual knowledge thereof; provided that (i) if any Lender fails to give such notice within 45 days after it obtains actual knowledge of such an event, such Lender shall, with respect to compensation payable pursuant to this Section 5.01 in respect of any costs resulting from such event, only be entitled to payment under this Section 5.01 for costs incurred from and after the date 45 days prior to the date that such Lender does give such notice and (ii) each Lender will designate a different Applicable Lending Office for the Loans of such Lender affected by such event if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the sole opinion of such Lender, be disadvantageous to such Lender, except that such Lender shall have no obligation to designate an Applicable Lending Office located in the United States of America. Each Lender will furnish to the Borrowers a certificate setting forth the basis and amount of each request by such Lender for compensation under paragraph (a) or (b) of this Section 5.01. Determinations and allocations by any Lender for purposes of this Section 5.01 of the effect of any Regulatory Change pursuant to paragraph (a) of this Section 5.01, or of the effect of capital maintained pursuant to paragraph (b) of this Section 5.01, on its costs or rate of return of maintaining Loans or its obligation to make Loans, or on amounts receivable by it in respect of Loans, and of the amounts required to compensate such Lender under this Section 5.01, shall be conclusive, provided that such determinations and allocations are made on a reasonable basis.

5.02 Limitation on Types of Loans. Anything herein to the contrary notwithstanding, if, on or prior to the determination of any Eurodollar Base Rate for any Interest Period:

(a) the Administrative Agent determines, which determination shall be conclusive, that quotations of interest rates for the relevant deposits referred to in the definition of "Eurodollar Base Rate" in Section 1.01 hereof are not being provided in the

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relevant amounts or for the relevant maturities for purposes of determining rates of interest for Eurodollar Loans as provided herein; or

(b) if the related Loans are of a particular Class, the Majority Lenders of such Class determine, which determination shall be conclusive, and notify the Administrative Agent that the relevant rates of interest referred to in the definition of "Eurodollar Base Rate" in Section 1.01 hereof upon the basis of which the rate of interest for Eurodollar Loans for such Interest Period is to be determined are not likely adequately to cover the cost to such Lenders of making or maintaining Eurodollar Loans for such Interest Period;

then the Administrative Agent shall give the Borrowers and each Lender prompt notice thereof and, so long as such condition remains in effect, the Lenders shall be under no obligation to make additional Eurodollar Loans, to Continue Eurodollar Loans or to Convert Base Rate Loans into Eurodollar Loans, and the Borrowers shall, on the last day(s) of the then current Interest Period(s) for the outstanding Eurodollar Loans, either prepay such Loans or Convert such Loans into Base Rate Loans in accordance with Section 2.09 hereof.

5.03 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its Applicable Lending Office to honor its obligation to make or maintain Eurodollar Loans hereunder (and, in the sole opinion of such Lender, the designation of a different Applicable Lending Office would either not avoid such unlawfulness or would be disadvantageous to such Lender), then such Lender shall promptly notify the Borrowers thereof (with a copy to the Administrative Agent) and such Lender's obligation to make or Continue, or to Convert Loans of any other Type into, Eurodollar Loans shall be suspended until such time as such Lender may again make and maintain Eurodollar Loans (in which case the provisions of Section 5.04 hereof shall be applicable).

5.04 Treatment of Affected Loans. If the obligation of any Lender to make Eurodollar Loans of any Class or to Continue, or to Convert Base Rate Loans into, Eurodollar Loans of any Class shall be suspended pursuant to Section 5.01 or 5.03 hereof, such Lender's Eurodollar Loans of such Class shall be automatically Converted into Base Rate Loans of such Class on the last day(s) of the then current Interest Period(s) for Eurodollar Loans (or, in the case of a Conversion resulting from a circumstance described in Section 5.03 hereof, on such earlier date as such Lender may specify to the Borrowers with a copy to the Administrative Agent) and, unless and until such Lender gives notice as provided below that the circumstances specified in Section 5.01 or 5.03 hereof that gave rise to such Conversion no longer exist:

(a) to the extent that such Lender's Eurodollar Loans of such Class have been so Converted, all payments and prepayments of principal that would otherwise be applied to such Lender's Eurodollar Loans of such Class shall be applied instead to its Base Rate Loans of such Class; and

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(b) all Loans of such Class that would otherwise be made or Continued by such Lender as Eurodollar Loans shall be made or Continued instead as Base Rate Loans, and all Base Rate Loans of such Class of such Lender that would otherwise be Converted into Eurodollar Loans shall remain as Base Rate Loans.

If such Lender gives notice to the Borrowers with a copy to the Administrative Agent that the circumstances specified in Section 5.01 or 5.03 hereof that gave rise to the Conversion of such Lender's Eurodollar Loans pursuant to this Section 5.04 no longer exist (which such Lender agrees to do promptly upon such circumstances ceasing to exist) at a time when Eurodollar Loans of the same Class made by other Lenders are outstanding, such Lender's Base Rate Loans of such Class shall be automatically Converted, on the first day(s) of the next succeeding Interest Period(s) for such outstanding Eurodollar Loans, to the extent necessary so that, after giving effect thereto, all Base Rate and Eurodollar Loans of such Class are allocated among the Lenders ratably (as to principal amounts, Types and Interest Periods) in accordance with their respective Commitments of such Class.

5.05 Compensation. The Borrowers shall pay to the Administrative Agent for the account of each Lender, upon the request of such Lender through the Administrative Agent, such amount or amounts as shall be sufficient (in the reasonable opinion of such Lender) to compensate it for any loss, cost or expense that such Lender determines is attributable to:

(a) any payment, mandatory or optional prepayment or Conversion of a Eurodollar Loan made by such Lender for any reason (including, without limitation, the acceleration of the Loans pursuant to Section 9 hereof) on a date other than the last day of the Interest Period for such Loan; or

(b) any failure by the Borrowers for any reason (including, without limitation, the failure of any of the conditions precedent specified in Section 6 hereof to be satisfied) to borrow a Eurodollar Loan from such Lender on the date for such borrowing specified in the relevant notice of borrowing given pursuant to Section 2.02 hereof.

Without limiting the effect of the preceding sentence, such compensation shall include an amount equal to the excess, if any, of (i) the amount of interest that otherwise would have accrued on the principal amount so paid, prepaid, Converted or not borrowed for the period from the date of such payment, prepayment, Conversion or failure to borrow to the last day of the then current Interest Period for such Loan (or, in the case of a failure to borrow, the Interest Period for such Loan that would have commenced on the date specified for such borrowing) at the applicable rate of interest for such Loan provided for herein over (ii) the amount of interest that otherwise would have accrued on such principal amount at a rate per annum equal to the interest component of the amount such Lender would have bid in the London interbank market for Dollar deposits of leading banks in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by such Lender).

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5.06 Additional Costs in Respect of Letters of Credit. Without limiting the obligations of the Borrowers under Section 5.01 hereof (but without duplication), if as a result of any Regulatory Change or any risk-based capital guideline or other requirement heretofore or hereafter issued by any government or governmental or supervisory authority implementing at the national level the Basle Accord there shall be imposed, modified or deemed applicable any tax, reserve, special deposit, capital adequacy or similar requirement against or with respect to or measured by reference to Letters of Credit issued or to be issued hereunder and the result shall be to increase the cost to any Lender or Lenders of issuing (or purchasing participations in) or maintaining its obligation hereunder to issue (or purchase participations in) any Letter of Credit hereunder or reduce any amount receivable by any Lender hereunder in respect of any Letter of Credit (which increases in cost, or reductions in amount receivable, shall be the result of such Lender's or Lenders' reasonable allocation of the aggregate of such increases or reductions resulting from such event), then, upon demand by such Lender or Lenders (through the Administrative Agent), the Borrowers shall pay immediately to the Administrative Agent for the account of such Lender or Lenders, from time to time as specified by such Lender or Lenders (through the Administrative Agent), such additional amounts as shall be sufficient to compensate such Lender or Lenders (through the Administrative Agent) for such increased costs or reductions in amount. A statement as to such increased costs or reductions in amount incurred by any such Lender or Lenders, submitted by such Lender or Lenders to the Borrowers shall be conclusive in the absence of manifest error as to the amount thereof.

5.07 U.S. Taxes.

(a) Gross-up for Deduction or Withholding of U.S. Taxes. The Borrowers jointly and severally agree to pay to each Lender that is not a U.S. Person such additional amounts as are necessary in order that the payment of any amount due to such Lender hereunder after deduction for or withholding in respect of any U.S. Taxes imposed with respect to such payment will not be less than the amount stated herein to be then due and payable, provided that the foregoing obligation to pay such additional amounts shall not apply:

(i) (A) to any payment to any Lender that is a "bank" within the meaning of Section 881(c)(3)(A) of the Code unless such Lender is, on the date hereof (or on the date it becomes a Lender hereunder as provided in Section 11.06 hereof) and on the date of any change in the Applicable Lending Office of such Lender, either entitled to submit a Form W-8BEN claiming complete exemption from withholding of U.S. Taxes with respect to any payment of interest to be received by it hereunder in respect of the Loans under an income tax convention or a Form W-8ECI claiming a complete exemption from withholding of U.S. Taxes on income effectively connected to a U.S. trade or business, or (B) to any payment to any Lender that is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code unless such Lender is, on the date hereof (or on the date it becomes a Lender hereunder as provided in Section 11.06 hereof) entitled to submit a Form W-8BEN claiming a complete exemption from withholding of U.S. Taxes under

Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", or is entitled to the withholding exemptions set forth in clause (A) above; or

(ii) to any U.S. Taxes imposed solely by reason of the failure by a Lender (or, if such Lender is not the beneficial owner of the relevant Loan, such beneficial owner) to properly complete, duly execute and comply with applicable certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connections with the United States of America of such Lender (or beneficial owner, as the case may be) if such compliance is required by statute or regulation of the United States of America as a precondition to relief or exemption from such U.S. Taxes.

In addition, if a Lender or the Administrative Agent receives a refund in respect of any U.S. Taxes as to which a Lender or the Administrative Agent has been indemnified by a Borrower pursuant to this Section 5.07(a), such Lender or the Administrative Agent shall, within 30 days from the date of receipt of such refund, pay over such refund to such Borrower.

For the purposes of this Section 5.07(a), (A) "Form W-8BEN" shall mean Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) of the Department of the Treasury of the United States of America and (B) "Form W-8ECI" shall mean Form W-8ECI (Certificate of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with the Conduct of a Trade or Business in the United States) of the Department of the Treasury of the United States of America (or in relation to either such Form such successor and related forms (including Form W-8IMY or Form W-8EXP) as may from time to time be adopted by the relevant taxing authorities of the United States of America to document a claim to which such Form relates).

(b) Evidence of Deduction, Etc. Within 30 days after paying any amount to the Administrative Agent or any Lender from which it is required by law to make any deduction or withholding, and within 30 days after it is required by law to remit such deduction or withholding to any relevant taxing or other authority, the Borrowers shall deliver to the Administrative Agent for delivery to such Lender evidence satisfactory to such Lender of such deduction or withholding (as the case may be).

5.08 Replacement of Lenders. If any Lender or the Administrative Agent on behalf of any Lender requests compensation pursuant to Section 5.01, 5.06 or 5.07 hereof, or any Lender's obligation to make or Continue, or to Convert Loans of any Type into, the other Type of Loan shall be suspended pursuant to Section 5.01 or 5.03 hereof (any such Lender requesting such compensation being herein called a "Requesting Lender"), the Borrowers, upon three Business Days notice, may require that such Requesting Lender transfer all of its right, title and interest under this Agreement to any bank or other financial institution (a "Proposed Lender") identified by the Borrowers that is reasonably satisfactory to the Administrative Agent (i) if such Proposed Lender agrees to assume all of the obligations of such Requesting Lender hereunder, and to purchase all of such Requesting Lender's Loans hereunder for consideration equal to the

aggregate outstanding principal amount of such Requesting Lender's Loans, together with interest thereon to the date of such purchase, and satisfactory arrangements are made for payment to such Requesting Lender of all other amounts payable hereunder to such Requesting Lender on or prior to the date of such transfer (including any fees accrued hereunder and any amounts that would be payable under Section 5.05 hereof, as if all of such Requesting Lender's Loans were being prepaid in full on such date) and (ii) if such Requesting Lender has requested compensation pursuant to said Section 5.01, 5.06 or 5.07 hereof, such Proposed Lender's aggregate requested compensation, if any, pursuant to said Section 5.01, 5.06 or 5.07 with respect to such Requesting Lender's Loans is lower than that of the Requesting Lender. Subject to the provisions of Section 11.06(b) hereof, such Proposed Lender shall be a "Lender" for all purposes hereunder. Without prejudice to the survival of any other agreement of the Borrowers hereunder the agreements of the Borrowers contained in Sections 5.01, 5.06, 5.07 and 11.03 hereof (without duplication of any payments made to such Requesting Lender by the Borrowers or the Proposed Lender) shall survive for the benefit of such Requesting Lender under this Section 5.08 with respect to the time prior to such replacement.

#### Section 6. Conditions Precedent.

6.01 Initial Extension of Credit. The obligation of any Lender to make its initial extension of credit hereunder (whether by making a Loan or issuing a Letter of Credit) is subject to the conditions precedent that (i) such extension of credit shall occur on or before November 30, 2004 and (ii) the Administrative Agent shall have received the following documents (with, in the case of clauses (a), (b), (c) and (d) below, sufficient copies for each Lender), each of which shall be satisfactory to the Administrative Agent (and to the extent specified below, to each Lender) in form and substance:

(a) Organizational Documents. Certified copies of the Operating Agreements and of the charter and by-laws (or equivalent documents) of each Obligor and of all limited liability company and corporate authority for each Obligor (including, without limitation, board of director and shareholder resolutions, member approvals and evidence of incumbency, including specimen signatures, of officers of each Obligor) with respect to the execution, delivery and performance of the Basic Documents to which such Obligor is to be a party and each other document to be delivered by such Obligor from time to time in connection herewith and the extensions of credit hereunder (and the Administrative Agent and each Lender may conclusively rely on such certificate until it receives notice in writing from such Obligor to the contrary).

(b) Officer's Certificate. A certificate of a Senior Officer, dated the Closing Date, to the effect set forth in the first sentence of Section 6.02 hereof.

(c) Opinion of Counsel to the Obligors. An opinion, dated the Closing Date, of Sonnenschein Nath & Rosenthal LLP, counsel to the Obligors, substantially in the form of Exhibit G hereto and covering such other matters as the Administrative Agent or

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any Lender may reasonably request (and the Borrowers hereby instruct such counsel to deliver such opinion to the Lenders and the Administrative Agent).

(d) Opinion of Special New York Counsel to JPMCB. An opinion, dated the Closing Date, of Milbank, Tweed, Hadley & McCloy LLP, special New York counsel to JPMCB, substantially in the form of Exhibit H hereto (and JPMCB hereby instructs such counsel to deliver such opinion to the Lenders).

(e) Notes. Promissory notes for each Lender that shall have requested the execution and delivery of a promissory note, on or prior to the Closing Date, pursuant to Section 2.08(d) hereof.

(f) Pledge Agreement. The Pledge Agreement, duly executed and delivered by the Borrowers and the Administrative Agent. In addition, each such Obligor shall have taken such other action as the Administrative Agent shall have requested in order to perfect the security interests created pursuant to the Pledge Agreement, including, without limitation, delivering to the Administrative Agent, for filing, appropriately completed and duly executed copies of Uniform Commercial Code financing statements.

(g) Guarantee and Pledge Agreement. The Guarantee and Pledge Agreement, duly executed and delivered by Mediacom LLC, MCC and the Administrative Agent and the certificates (if any) evidencing the ownership interests in the Borrowers held by Mediacom LLC, accompanied by undated powers executed in blank. In addition, Mediacom LLC shall have taken such other action as the Administrative Agent shall have requested in order to perfect the security interests created pursuant to the Guarantee and Pledge Agreement, including, without limitation, delivering to the Administrative Agent, for filing, appropriately completed and duly executed copies of Uniform Commercial Code financing statements.

(h) Management Fee Subordination Agreement. The Management Fee Subordination Agreement, duly executed and delivered by the Manager, the Borrowers and the Administrative Agent.

(i) Affiliate Subordinated Indebtedness Subordination Agreements. An Affiliate Subordinated Indebtedness Subordination Agreement, duly executed and delivered by the Borrowers, the Administrative Agent and by each holder of Affiliate Subordinated Indebtedness.

(j) Termination of Existing Credit Agreements. Evidence that (i) except for any outstanding "Letters of Credit" under and as defined in the Existing Credit Agreements (as to which the provisions of Section 2.03(1) hereof shall be applicable), the principal of and interest on, and all other amounts owing under the Existing Credit Agreements are being paid in full with the proceeds of the initial Loans hereunder and the

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commitments thereunder terminated and (ii) to the extent the assets of Mediacom LLC, the Borrowers or any of their Subsidiaries are subject to Liens not permitted hereunder, such Liens shall have been released (or arrangements for such release satisfactory to the Administrative Agent shall have been made).

(k) Approvals. Evidence of receipt of all material licenses, permits, approvals and consents, if any, required (or, in the reasonable discretion of the Administrative Agent, advisable) with respect to the transactions contemplated hereby and the continuing operation of the Borrowers and their Subsidiaries, and that each of such licenses, permits, approvals and consents is in full force and effect, and that all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority which would restrain, prevent or otherwise impose adverse conditions on the transactions contemplated hereby.

(l) Rate Ratio Certificate. A certificate of a Senior Officer, dated the Closing Date, setting forth, in reasonable detail, the calculation (and the basis for such calculation) of the Rate Ratio as of such date.

(m) Other Documents. Such other documents as the Administrative Agent or any Lender or special New York counsel to JPMCB may reasonably request.

The obligation of any Lender to make its initial extension of credit hereunder is also subject to the payment by the Borrowers of such fees as the Borrowers shall have agreed to pay or deliver to any Lender or the Administrative Agent in connection herewith, including, without limitation, the reasonable fees and expenses of Milbank, Tweed, Hadley & McCloy LLP, special New York counsel to JPMCB, in connection with the negotiation, preparation, execution and delivery of this Agreement and the other Loan Documents and the extensions of credit hereunder (to the extent that statements for such fees and expenses have been delivered to the Borrowers).

6.02 Initial and Subsequent Extensions of Credit. The obligation of the Lenders to make any Loan or otherwise extend any credit to the Borrowers upon the occasion of each borrowing or other extension of credit hereunder (including the initial borrowing) is subject to the further conditions precedent that, both immediately prior to the making of such Loan or other extension of credit and also after giving effect thereto and to the intended use thereof:

(a) no Default shall have occurred and be continuing; and

(b) the representations and warranties made by the Borrowers in Section 7 hereof, and by each Obligor in the other Loan Documents to which it is a party, shall be true and complete on and as of the date of the making of such Loan or other extension of credit with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).

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Each notice of borrowing or request for the issuance of a Letter of Credit by the Borrowers hereunder shall constitute a certification by the Borrowers to the effect set forth in the preceding sentence (both as of the date of such notice or request and, unless the Borrowers otherwise notify the Administrative Agent prior to the date of such borrowing or issuance, as of the date of such borrowing or issuance).

Section 7. Representations and Warranties. The Borrowers represent and warrant to the Administrative Agent and the Lenders that:

7.01 Existence. Each Borrower and its Subsidiaries: (a) is a corporation, partnership, limited liability company or other entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) has all requisite corporate or other power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (c) is qualified to do business and is in good standing in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify could (either individually or in the aggregate) have a Material Adverse Effect.

7.02 Financial Condition. The Borrowers have heretofore furnished to each of the Lenders the following financial statements:

(a) the audited consolidated financial statements of Mediacom LLC, including consolidated balance sheets, as of December 31, 2002 and 2003, and the related audited consolidated statements of operation and cash flow for the years ended on said respective dates, certified by PricewaterhouseCoopers LLP;

(b) the respective audited combined financial statements of the Mediacom Midwest Borrowers and their Subsidiaries, and the Mediacom USA Borrowers and their Subsidiaries, including in each case combined balance sheets, as of December 31, 2002 and 2003, and the related audited combined statements of operation and cash flow for the years ended on said respective dates, in each case certified by PricewaterhouseCoopers; and

(c) the unaudited combined financial statements of the Borrowers and their Subsidiaries, including combined balance sheets, as of and for the three-month and six-month periods ended March 31, 2004 and June 30, 2004, respectively, and the related unaudited combined statements of operation and cash flow for the three-month period and six-month periods ended on said respective dates.

All such financial statements fairly present in all material respects the individual or combined financial condition of the respective entities as at said respective dates and the individual or combined results of their operations for the applicable periods ended on said respective dates, all

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in accordance with generally accepted accounting principles and practices applied on a consistent basis (subject to ordinary year end adjustments and footnotes).

As of the date hereof, there are no material contingent liabilities, material liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated material losses from any unfavorable commitments of the Borrowers and their Subsidiaries, except as referred to or reflected or provided for in the balance sheets as at June 30, 2004 referred to above.

Since December 31, 2003, there has been no material adverse change in the combined financial condition, operations, business or prospects of the Borrowers and their Subsidiaries taken as a whole from that set forth in said audited financial statements as at said date referred to in clause (b) above.

7.03 Litigation. Except as set forth on Schedule VIII hereto, there are no legal or arbitral proceedings, or any proceedings or investigations by or before any governmental or regulatory authority or agency, now pending or (to the knowledge of any Borrower) threatened against any Borrower or any of its Subsidiaries that, if adversely determined could (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

7.04 No Breach. None of the execution and delivery of this Agreement and the other Basic Documents, the consummation of the transactions herein and therein contemplated or compliance with the terms and provisions hereof and thereof will conflict with or result in a breach of, or require any consent under, the Operating Agreements, or any applicable law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any agreement or instrument to which any Borrower or any of its Subsidiaries is a party or by which any of them or any of their Property is bound or to which any of them is subject, or constitute a default under any such agreement or instrument, or (except for the Liens created pursuant to the Security Documents) result in the creation or imposition of any Lien upon any Borrower or any of its Subsidiaries pursuant to the terms of any such agreement or instrument.

7.05 Action. Each Borrower has all necessary corporate or limited liability company power, authority and legal right to execute, deliver and perform its obligations under each of the Basic Documents to which it is a party; the execution, delivery and performance by each Borrower of each of the Basic Documents to which it is a party have been duly authorized by all necessary corporate or limited liability company action on its part (including, without limitation, any required stockholder or member approvals); and this Agreement has been duly and validly executed and delivered by each Borrower and constitutes, and the other Basic Documents to which it is a party when executed and delivered will constitute, its legal, valid and binding obligation, enforceable against each Borrower in accordance with its terms, except as such enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and (b) the

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application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

7.06 Approvals. No authorizations, approvals or consents of, and no filings or registrations with, any governmental or regulatory authority or agency, or any securities exchange, are necessary for the execution, delivery or performance by any Borrower of this Agreement or any of the other Basic Documents to which it is a party or for the legality, validity or enforceability hereof or thereof, except for (i) filings and recordings in respect of the Liens created pursuant to the Security Documents and (ii) the exercise of remedies under the Security Documents may require prior approval of the FCC or the issuing municipalities or States under one or more of the Franchises.

7.07 ERISA. Each Plan, and, to the knowledge of each Borrower, each Multiemployer Plan, is in compliance in all material respects with, and has been administered in all material respects in compliance with, the applicable provisions of ERISA, the Code and any other Federal or State law, and no event or condition has occurred and is continuing as to which such Borrower would be under an obligation to furnish a report to the Administrative Agent under Section 8.01(e) hereof.

7.08 Taxes. Except as set forth in Schedule II hereto, each Borrower and each of its Subsidiaries has filed all Federal income tax returns and all other material tax returns and information statements that are required to be filed by them and have paid all taxes due pursuant to such returns or pursuant to any assessment received by such Borrower or any of its Subsidiaries, except such taxes, if any, as are being contested in good faith and as to which adequate reserves have been set aside by such Borrower in accordance with GAAP. The charges, accruals and reserves on the books of the Borrowers and their Subsidiaries in respect of taxes and other governmental charges are, in the opinion of the Borrowers, adequate. None of the Borrowers has given or been requested to give a waiver of the statute of limitations relating to the payment of any Federal, state, local and foreign taxes or other impositions.

7.09 Investment Company Act. None of the Borrowers nor any of its Subsidiaries is an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

7.10 Public Utility Holding Company Act. None of the Borrowers nor any of its Subsidiaries is a "holding company", or an "affiliate" of a "holding company" or a "subsidiary company" of a "holding company", within the meaning of the Public Utility Holding Company Act of 1935, as amended.

7.11 Material Agreements and Liens.

(a) Indebtedness. Part A of Schedule III hereto sets forth (i) a complete and correct list of each credit agreement, loan agreement, indenture, purchase agreement, guarantee,

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letter of credit or other arrangement (other than the Loan Documents) providing for or otherwise relating to any Indebtedness or any extension of credit (or commitment for any extension of credit) to, or guarantee by, the Borrowers or any of their Subsidiaries, outstanding on the date hereof, or that (after giving effect to the transactions contemplated hereunder to occur on or before the Closing Date) will be outstanding on the Closing Date, the aggregate principal or face amount of which equals or exceeds (or may equal or exceed) \$1,000,000, and the aggregate principal or face amount outstanding or that may become outstanding under each such arrangement is correctly described in Part A of said Schedule III, and (ii) a statement of the aggregate amount of obligations in respect of surety and performance bonds backing pole rental or conduit attachments and the like, or backing obligations under Franchises, of the Borrowers or any of their Subsidiaries outstanding on the date hereof.

(b) Liens. Part B of Schedule III hereto is a complete and correct list of each Lien (other than the Liens created pursuant to the Security Documents) securing Indebtedness of any Person outstanding on the date hereof, or that (after giving effect to the transactions contemplated hereunder to occur on or before the Closing Date) will be outstanding on the Closing Date, the aggregate principal or face amount of which equals or exceeds (or may equal or exceed) \$1,000,000 and covering any Property (including real property) of the Borrowers or any of their Subsidiaries, and the aggregate Indebtedness secured (or that may be secured) by each such Lien and the Property covered by each such Lien is correctly described in Part B of said Schedule III.

7.12 Environmental Matters. Each of the Borrowers and their Subsidiaries has obtained all environmental, health and safety permits, licenses and other authorizations required under all Environmental Laws to carry on its business as now being or as proposed to be conducted, except to the extent failure to have any such permit, license or authorization would not (either individually or in the aggregate) have a Material Adverse Effect. Each of such permits, licenses and authorizations is in full force and effect and each of the Borrowers and its Subsidiaries is in compliance with the terms and conditions thereof, and is also in compliance with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in any applicable Environmental Law or in any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder, except to the extent failure to comply therewith would not (either individually or in the aggregate) have a Material Adverse Effect. In addition, no notice, notification, demand, request for information, citation, summons or order has been issued, no complaint has been filed, no penalty has been assessed and, to the Borrowers' knowledge, no investigation or review is pending or threatened by any governmental or other entity with respect to any alleged failure by the Borrowers or any of their Subsidiaries to have any environmental, health or safety permit, license or other authorization required under any Environmental Law in connection with the conduct of the business of the Borrowers or any of their Subsidiaries or with respect to any generation, treatment, storage, recycling, transportation, discharge or disposal, or any Release of any Hazardous Materials generated by the Borrowers or any of their Subsidiaries. All environmental investigations, studies, audits, tests, reviews or

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other analyses conducted by or that are in the possession of the Borrowers or any of their Subsidiaries in relation to facts, circumstances or conditions at or affecting any site or facility now or previously owned, operated or leased by the Borrowers or any of their Subsidiaries and that could result in a Material Adverse Effect have been made available to the Lenders.

7.13 Capitalization. The Borrowers have heretofore delivered to the Lenders true and complete copies of the Operating Agreements. The only members of Mediacom California on the date hereof are Mediacom LLC and Mediacom Management Corporation; the only members of Mediacom Arizona on the date hereof are Mediacom LLC and Mediacom California; and the only member of Mediacom Delaware, Mediacom Illinois, Mediacom Indiana, Mediacom Iowa, Mediacom Minnesota, Mediacom Southeast, Mediacom Wisconsin is Mediacom LLC. Each of Mediacom Delaware, Mediacom Illinois, Mediacom Indiana, Mediacom Iowa, Mediacom Minnesota, Mediacom Southeast, Mediacom Wisconsin and Zylstra is a Wholly-Owned Subsidiary of Mediacom LLC. As of the date hereof, except for Sections 6.2 and 7.3 of the Operating Agreement for Mediacom Southeast relating to Preferred Membership Interests, (x) there are no outstanding Equity Rights with respect to any of the Borrowers and (y) except for the redemption permitted pursuant to Section 8.09(d) hereof, there are no outstanding obligations of any of the Borrowers or any of their Subsidiaries to repurchase, redeem, or otherwise acquire any equity interests in the Borrowers nor are there any outstanding obligations of any Borrower or any of their Subsidiaries to make payments to any Person, such as "phantom stock" payments, where the amount thereof is calculated with reference to the fair market value or equity value of such Borrowers or any of their Subsidiaries.

7.14 Subsidiaries and Investments, Etc.

(a) Subsidiaries. Set forth on Part A of Schedule IV hereto is a complete and correct list of all Subsidiaries of the Borrowers.

(b) Investments. Set forth in Part B of Schedule IV hereto is a complete and correct list of all Investments (other than Investments of the type referred to in paragraphs (b), (c) and (e) of Section 8.08 hereof) held by the Borrowers or any of their Subsidiaries in any Person on the date hereof and, for each such Investment, (x) the identity of the Person or Persons holding such Investment and (y) the nature of such Investment. Except as disclosed in Part B of Schedule IV hereto, each of the Borrowers and their Subsidiaries owns, free and clear of all Liens (other than the Liens created pursuant to the Security Documents), all such Investments.

7.15 True and Complete Disclosure. The information, reports, financial statements, exhibits and schedules (including the Information Memorandum) furnished in writing by or on behalf of the Borrowers to the Administrative Agent or any Lender in connection with the negotiation, preparation or delivery of this Agreement and the other Loan Documents or included herein or therein or delivered pursuant hereto or thereto, when taken as a whole do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which

they were made, not misleading. All written information furnished after the date hereof by the Borrowers and their Subsidiaries to the Administrative Agent and the Lenders in connection with this Agreement and the other Loan Documents and the transactions contemplated hereby and thereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to the Borrowers that could reasonably be expected to have a Material Adverse Effect (other than facts affecting the cable television industry in general) that has not been disclosed herein, in the other Loan Documents or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to the Lenders for use in connection with the transactions contemplated hereby or thereby.

#### 7.16 Franchises.

(a) Franchises. Set forth in Schedule V hereto is a complete and correct list of all Franchises (identified by issuing authority, operating company and expiration date) owned or operated by the Borrowers and their Subsidiaries on the date hereof. Schedule V lists all the Franchises that are required under applicable law for the Borrowers and their Subsidiaries to operate the CATV Systems and, to the knowledge of Borrowers, each such Franchise is in full force and effect and no material default has occurred and is continuing thereunder. Except as set forth on Schedule V hereto, none of the Borrowers or any of their Subsidiaries have received any notice from the granting body or any other governmental authority with respect to any breach of any covenant under, or any default with respect to, any Franchise which could reasonably be expected to have a Material Adverse Effect. Complete and correct copies of all Franchises have heretofore been made available to the Administrative Agent.

(b) Licenses and Permits. Each of the Borrowers and their Subsidiaries possesses or has the right to use all copyrights, licenses, permits, patents, trademarks, service marks, trade names or other rights (collectively, the "Licenses"), including licenses, permits and registrations granted or issued by the FCC, agreements with public utilities and microwave transmission companies, pole or conduit attachment, use, access or rental agreements and utility easements that are necessary for the legal operation and conduct of the CATV Systems of the Borrowers and their Subsidiaries, except for such of the foregoing the absence of which could not reasonably be expected to have a Material Adverse Effect on the Borrowers or any of their Subsidiaries, and each of such Licenses is in full force and effect and, to the knowledge of Borrowers, no material default has occurred and is continuing thereunder. Except as set forth on Schedule V hereto, none of the Borrowers or any of their Subsidiaries have received any notice from the granting body or any other governmental authority with respect to any breach of any covenant under, or any default with respect to, any Licenses which could reasonably be expected to have a Material Adverse Effect. Complete and correct copies of all material Licenses have heretofore been made available to the Administrative Agent.

7.17 The CATV Systems.

(a) Compliance with Law. Except as set forth in Schedule VI hereto, each of the Borrowers and their Subsidiaries and the CATV Systems owned or operated by them are in compliance in all material respects with all applicable federal, state and local laws, rules and regulations, including without limitation, the Communications Act of 1934, as amended (the "Communications Act"), the Copyright Act of 1976, as amended (the "Copyright Act"), and the rules and regulations of the FCC, the FAA and the United States Copyright Office (the "Copyright Office"), including, without limitation, rules and laws governing system registration, use of restricted frequencies, signal carriage and program exclusivity requirements, leased access channels, emergency alert system requirements, equal employment opportunity, cumulative leakage index testing and reporting, signal leakage, tower registration and clearance, subscriber notices, and privacy requirements, except to the extent that the failure to so comply with any of the foregoing could not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect. Without limiting the generality of the foregoing, except to the extent that the failure to comply with any of the following could not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect and except as set forth in Schedule VI hereto:

(i) the communities included in the areas covered by the Franchises have been registered with the FCC;

(ii) all of the current annual performance tests on such CATV Systems required under the rules and regulations of the FCC have been timely performed and the results of such tests demonstrate satisfactory compliance with the applicable FCC requirements in all material respects;

(iii) to the knowledge of the Borrowers, as of the most recent annual performance tests, such CATV Systems currently meet or exceed the technical standards set forth in the rules and regulations of the FCC;

(iv) such CATV Systems are being operated in compliance with the provisions of 47 C.F.R. Sections 76.610 through 76.619 (mid-band and super-band signal carriage), including 47 C.F.R. Section 76.611 (compliance with the cumulative signal leakage index); and

(v) where required, appropriate authorizations from the FCC have been obtained for the use of all restricted frequencies in use in such CATV Systems and, to the knowledge of the Borrowers, such CATV Systems are presently being operated in compliance with such authorizations (and all required certificates, permits and clearances from governmental agencies, including the FAA, with respect to all towers, earth stations, business radios and frequencies utilized and carried by such CATV Systems have been obtained).

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(b) Copyright Filings. Except as set forth in Schedule VI hereto, for all periods covered by any applicable statute of limitations, all notices, statements of account, supplements and other documents required under Section 111 of the Copyright Act, and under the rules of the Copyright Office, with respect to the carriage of broadcast station signals by the CATV Systems (collectively, the "Copyright Filings") owned or operated by the Borrowers and their Subsidiaries have been duly filed, and the proper amount of copyright fees have been paid on a timely basis, and each such CATV System qualifies for the compulsory license under Section 111 of the Copyright Act, except to the extent that the failure to so file or pay could not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect. To the knowledge of the Borrowers, there is no pending claim, action, demand or litigation by any other Person with respect to the Copyright Filings or related royalty payments made by the CATV Systems.

(c) Carriage of Broadcast Signals. To the knowledge of the Borrowers and except as set forth in Schedule VI, the carriage of all Broadcast signals by the CATV Systems owned by the Borrowers and their Subsidiaries is permitted by valid retransmission consent agreements or by must-carry elections by broadcasters, or is otherwise permitted under applicable law, except to the extent the failure to obtain any of the foregoing could not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

7.18 Rate Regulation. Each of the Borrowers and their Subsidiaries have reviewed and evaluated in detail the FCC rules currently in effect (the "Rate Regulation Rules") implementing the cable television rate regulation provisions of the Communications Act and the applicability of such Rate Regulation Rules to the CATV Systems. Except to the extent that the failure to comply with such Rate Regulation Rules could not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect and except as set forth in Schedule VII hereto:

(i) there are no cable service programming rate complaints or appeals of adverse cable programming service rate decisions pending with the FCC relating to the CATV Systems;

(ii) for communities that are authorized to regulate basic service and equipment rates under the Rate Regulations Rules, all FCC rate forms required to be submitted by the Borrowers or their Subsidiaries have been timely submitted to local franchising authorities and have justified the basic service and equipment rates in effect for all periods in which the local franchising authority currently has the authority to review and to take adverse action;

(iii) for communities that are not authorized to regulate basic service and equipment rates under the Rate Regulations Rules, the Borrowers or their Subsidiaries

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have timely submitted to local franchising authorities and subscribers all required notices for basic service and equipment rates in effect within one year of the date hereof;

(iv) no reduction of rates or refunds to subscribers are required by an outstanding order of the FCC or any local franchising authority as of the date hereof under the Communications Act and the Rate Regulation Rules applicable to the CATV Systems of the Borrowers and their Subsidiaries; and

(v) each of the CATV Systems are in compliance with the Communications Act and the Rate Regulation Rules concerning the uniform pricing requirements and tier buy-through limitations (i.e., 47 U.S.C. Section 543(b)(8), (d)).

7.19 Use of Credit. None of the Borrowers or any of their Subsidiaries is engaged principally, or as one of their important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying Margin Stock in violation of Regulations T, U or X.

Section 8. Covenants of the Borrowers. The Borrowers covenant and agree with the Lenders and the Administrative Agent that, so long as any Commitment, Loan or Letter of Credit Liability is outstanding and until payment in full of all amounts payable by the Borrowers hereunder:

8.01 Financial Statements Etc. The Borrowers shall deliver to the Administrative Agent (which shall promptly provide a copy thereof to the Lenders):

(a) as soon as available and in any event within 60 days after the end of each of the first three quarterly fiscal periods of each fiscal year of the Borrowers, combined statements of income, retained earnings and cash flows of the Borrowers and their Subsidiaries for such period and for the period from the beginning of the respective fiscal year to the end of such period, and the related combined balance sheet of the Borrowers and their Subsidiaries as at the end of such period, setting forth in each case in comparative form the corresponding figures for the corresponding periods in the preceding fiscal year (except that, in the case of balance sheets, such comparison shall be to the last day of the prior fiscal year), accompanied by a certificate of a Senior Officer, which certificate shall state that said financial statements fairly present in all material respects the combined financial condition and results of operations of the Borrowers and their Subsidiaries in accordance with generally accepted accounting principles consistently applied as at the end of, and for, such period (subject to normal year-end audit adjustments);

(b) as soon as available and in any event within 120 days after the end of each fiscal year of the Borrowers, combined statements of income, retained earnings and cash flows of the Borrowers and their Subsidiaries for such fiscal year and the related

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combined balance sheet of the Borrowers and their Subsidiaries as at the end of such fiscal year, setting forth in each case in comparative form the corresponding combined figures for the preceding fiscal year and accompanied by an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that said combined financial statements fairly present in all material respects the combined financial condition and results of operations of the Borrowers and their Subsidiaries as at the end of, and for, such fiscal year in accordance with generally accepted accounting principles;

(c) promptly upon their becoming available, copies of all registration statements and regular periodic reports, if any, that the Borrowers shall have filed with the Securities and Exchange Commission (or any governmental agency substituted therefor) or any national securities exchange;

(d) promptly upon the mailing thereof by the Borrowers to the shareholders or members of the Borrowers generally, to holders of Affiliate Subordinated Indebtedness generally, or by Mediacom LLC to the holders of any outstanding notes or other debt issuances, copies of all financial statements, reports and proxy statements so mailed;

(e) as soon as possible, and in any event within ten days after any Borrower knows or has reason to believe that any of the events or conditions specified below with respect to any Plan or Multiemployer Plan has occurred or exists, a statement signed by a Senior Officer setting forth details respecting such event or condition and the action, if any, that the Borrowers or their ERISA Affiliates propose to take with respect thereto (and a copy of any report or notice required to be filed with or given to the PBGC by the Borrowers or an ERISA Affiliate with respect to such event or condition):

(i) any reportable event, as defined in Section 4043(b) of ERISA and the regulations issued thereunder, with respect to a Plan, as to which the PBGC has not by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event (provided that a failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA, including, without limitation, the failure to make on or before its due date a required installment under Section 412(m) of the Code or Section 302(e) of ERISA, shall be a reportable event regardless of the issuance of any waivers in accordance with Section 412(d) of the Code); and any request for a waiver under Section 412(d) of the Code for any Plan;

(ii) the distribution under Section 4041 of ERISA of a notice of intent to terminate any Plan or any action taken by the Borrowers or an ERISA Affiliate to terminate any Plan;

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(iii) the institution by the PBGC of proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by the Borrowers or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan;

(iv) the complete or partial withdrawal from a Multiemployer Plan by the Borrowers or any ERISA Affiliate that results in liability under Section 4201 or 4204 of ERISA (including the obligation to satisfy secondary liability as a result of a purchaser default) or the receipt by any Borrower or any ERISA Affiliate of notice from a Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA or that it intends to terminate or has terminated under Section 4041A of ERISA;

(v) the institution of a proceeding by a fiduciary of any Multiemployer Plan against the Borrowers or any ERISA Affiliate to enforce Section 515 of ERISA, which proceeding is not dismissed within 30 days; and

(vi) the adoption of an amendment to any Plan that, pursuant to Section 401(a)(29) of the Code or Section 307 of ERISA, could result in the loss of tax-exempt status of the trust of which such Plan is a part if the Borrowers or an ERISA Affiliate fails to timely provide security to the Plan in accordance with the provisions of said Sections;

(f) within 60 days of the end of each quarterly fiscal period of the Borrowers (90 days after the last quarterly fiscal period in any fiscal year), a Quarterly Officer's Report as at the end of such period;

(g) promptly after any Borrower knows or has reason to believe that any Default has occurred, a notice of such Default describing the same in reasonable detail and, together with such notice or as soon thereafter as possible, a description of the action that the Borrowers have taken or propose to take with respect thereto; and

(h) from time to time such other information regarding the financial condition, operations, business or prospects of the Borrowers or any of their Subsidiaries (including, without limitation, any Plan or Multiemployer Plan and any reports or other information required to be filed under ERISA) as any Lender or the Administrative Agent may reasonably request.

The Borrowers will furnish to each Lender, at the time they furnish each set of financial statements pursuant to paragraph (a) or (b) above, a certificate of a Senior Officer (i) to the effect that no Default has occurred and is continuing (or, if any Default has occurred and is continuing, describing the same in reasonable detail and describing the action that the Borrowers have taken

or proposes to take with respect thereto) and (ii) setting forth in reasonable detail the computations necessary to determine whether the Borrowers are in compliance with Sections 8.07, 8.08, 8.09, 8.10, 8.11, 8.12 and 8.15 hereof (including, without limitation, calculations demonstrating compliance with the requirements of Section 8.09(d)(ii) hereof after giving effect to any Capital Expenditure pursuant to Section 8.12(b) hereof) as of the end of the respective quarterly fiscal period or fiscal year.

8.02 Litigation. The Borrowers will promptly give to each Lender notice of all legal or arbitral proceedings, and of all proceedings or investigations by or before any governmental or regulatory authority or agency, and any material development in respect of such legal or other proceedings, affecting the Borrowers or any of their Subsidiaries or any of their Franchises, except proceedings that, if adversely determined, could not (either individually or in the aggregate) have a Material Adverse Effect. Without limiting the generality of the foregoing, the Borrowers will give to each Lender (i) notice of the assertion of any Environmental Claim by any Person against, or with respect to the activities of, the Borrowers or any of their Subsidiaries and notice of any alleged violation of or non-compliance with any Environmental Laws or any permits, licenses or authorizations, other than any Environmental Claim or alleged violation that, if adversely determined, could not (either individually or in the aggregate) have a Material Adverse Effect and (ii) copies of any notices received by the Borrowers or any of their Subsidiaries under any Franchise of a material default by the Borrowers or any of their Subsidiaries in the performance of its obligations thereunder.

8.03 Existence, Etc. Each Borrower will, and will cause each of its Subsidiaries to:

(a) preserve and maintain its legal existence and all of its material rights, privileges, licenses and franchises (provided that nothing in this Section 8.03 shall prohibit any transaction expressly permitted under Section 8.05 hereof);

(b) comply with the requirements of all applicable laws, rules, regulations and orders of governmental or regulatory authorities if failure to comply with such requirements could (either individually or in the aggregate) have a Material Adverse Effect;

(c) pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its Property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained;

(d) maintain, in all material respects, all of its Properties used or useful in its business in good working order and condition, ordinary wear and tear excepted;

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(e) keep adequate records and books of account, in which complete entries will be made in accordance with generally accepted accounting principles consistently applied; and

(f) permit representatives of any Lender or the Administrative Agent, during normal business hours, to examine, copy and make extracts from its books and records, to inspect any of its Properties, and to discuss its business and affairs with its officers, all to the extent reasonably requested by such Lender or the Administrative Agent (as the case may be).

8.04 Insurance. Each Borrower will, and will cause each of its Subsidiaries to, maintain insurance with financially sound and reputable insurance companies, or may self-insure, and with respect to Property and risks of a character usually maintained by Persons engaged in the same or similar business similarly situated, against loss, damage and liability of the kinds and in the amounts customarily maintained by such corporations, provided that each Borrower will in any event maintain (with respect to itself and each of its Subsidiaries) casualty insurance and insurance against claims for damages with respect to defamation, libel, slander, privacy or other similar injury to person or reputation (including misappropriation of personal likeness), in such amounts as are then customary for Persons engaged in the same or similar business similarly situated.

#### 8.05 Prohibition of Fundamental Changes.

(a) Restrictions on Merger. None of the Borrowers will nor will it permit any of its Subsidiaries to, enter into any transaction of merger or consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution).

(b) Restrictions on Acquisitions. None of the Borrowers will nor will it permit any of its Subsidiaries to, acquire any business or Property from, or capital stock of, or be a party to any acquisition of, any Person except for purchases of equipment, programming rights and other Property to be sold or used in the ordinary course of business, Investments permitted under Section 8.08(f) hereof, and Capital Expenditures permitted under Section 8.12 hereof.

(c) Restrictions on Sales and Other Dispositions. None of the Borrowers will nor will it permit any of its Subsidiaries to, convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, any part of its business or Property, whether now owned or hereafter acquired (including, without limitation, receivables and leasehold interests, but excluding (i) obsolete or worn-out Property, tools or equipment no longer used or useful in its business so long as the amount thereof sold in any single fiscal year by the Borrowers and their Subsidiaries shall not have a fair market value in excess of \$10,000,000 and (ii) any equipment, programming rights or other Property sold or disposed of in the ordinary course of business and on ordinary business terms).

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(d) Certain Permitted Transactions. Notwithstanding the foregoing provisions of this Section 8.05:

(i) Intercompany Mergers and Consolidations. Any Borrower may be merged or consolidated with any other Borrower, and any Subsidiary of a Borrower may be merged or consolidated with or into: (x) such Borrower if such Borrower shall be the continuing or surviving corporation or (y) any other such Subsidiary; provided that if any such transaction shall be between a Subsidiary and a Wholly Owned Subsidiary, the Wholly Owned Subsidiary shall be the continuing or surviving corporation.

(ii) Intercompany Dispositions. Any Borrower may sell, lease, transfer or otherwise dispose of any or all of its Property to any other Borrower or a Wholly Owned Subsidiary of the Borrowers, and any Subsidiary of a Borrower may sell, lease, transfer or otherwise dispose of any or all of its Property (upon voluntary liquidation or otherwise) to any Borrower or a Wholly Owned Subsidiary of the Borrowers.

(iii) Permitted Dispositions. Any Borrower or any Wholly Owned Subsidiary of the Borrowers may enter into one or more transactions intended to trade (by means of either an exchange or a sale and subsequent purchase) one or more of the CATV Systems owned by any Borrower or any such Subsidiary for one or more CATV Systems owned by any other Person, which transactions may be effected either by

(I) the Borrowers or such Wholly Owned Subsidiary selling one or more CATV Systems owned by it, and either depositing the Net Available Proceeds thereof into the Collateral Account, or prepaying Revolving Credit Loans (and creating a Reserved Commitment Amount), as contemplated by the second paragraph of Section 2.10(d) hereof, and then within one year acquiring one or more other CATV Systems or

(II) exchanging one or more CATV Systems, together with cash not exceeding 20% of the fair market value of such acquired CATV Systems,

so long as

(x) (A) at the time of any such transactions and after giving effect thereto, no Default shall have occurred and be continuing and (B) after giving effect to such transaction the Borrowers shall be in compliance with Section 8.10 hereof (the determination of such compliance to be calculated on a pro forma basis, as at the end of and for the fiscal quarter most recently ended prior to the date of such transaction for which financial statements of the Borrowers and their Subsidiaries are available, under the assumption that such transaction shall have occurred, and any Indebtedness in connection therewith shall have been incurred, at the beginning of the applicable period, and under the assumption that interest

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for such period had been equal to the actual weighted average interest rate in effect for the Loans hereunder on the date of such transaction), and the Borrowers shall have delivered to the Administrative Agent a certificate of a Senior Officer showing such calculations in reasonable detail to demonstrate such compliance,

(y) with respect to any single exchange of CATV Systems pursuant to clause (II) above, the sum of the System Cash Flow for the period of four fiscal quarters ending on, or most recently ended prior to, the date of such exchange attributable to the CATV Systems being exchanged does not exceed more than 15% of System Cash Flow for such period and

(z) the sum of (A) the System Cash Flow for the period referred to in subclause (y) above plus (B) the System Cash Flow attributable to all other CATV Systems previously exchanged pursuant to clause (II) above (whether during the period referred to in subclause (y) above, or prior thereto), does not exceed an amount equal to 35% of Adjusted System Cash Flow for the period referred to in subclause (y) above.

If, in connection with an exchange permitted under this subparagraph (iii), the Borrowers or Wholly Owned Subsidiary receives cash in excess of 20% of the fair market value of the acquired CATV Systems, such exchange shall be permitted as a sale under this subparagraph (iii) and the cash received by the Borrowers in connection with such transaction shall be applied in accordance with Section 2.10(d).

(iv) Acquisitions. Any Borrower or a Wholly Owned Subsidiary of such Borrower may acquire any business or Property from, or capital stock of, or be a party to any acquisition of, any Person, so long as:

(A) the aggregate Purchase Price of any individual such acquisition shall not exceed \$500,000,000;

(B) such acquisition (if by purchase of assets, merger or consolidation) shall be effected in such manner so that the acquired business, and the related assets, are owned either by a Borrower or a Wholly Owned Subsidiary of a Borrower and, if effected by merger or consolidation involving a Borrower, such Borrower shall be the continuing or surviving entity and, if effected by merger or consolidation involving a Wholly Owned Subsidiary of a Borrower, such Wholly Owned Subsidiary shall be the continuing or surviving entity;

(C) such acquisition (if by purchase of stock) shall be effected in such manner so that the acquired entity becomes a Wholly Owned Subsidiary of a Borrower;

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(D) with respect to any acquisition involving an aggregate Purchase Price in excess of \$50,000,000, the Borrowers shall deliver to the Administrative Agent (which shall promptly notify the Lenders of such acquisition and forward a copy to each Lender which requests one) (1) no later than five Business Days after the execution and delivery thereof, copies of the respective agreements or instruments pursuant to which such acquisition is to be consummated (including, without limitation, any related management, non-compete, employment, option or other material agreements), any schedules to such agreements or instruments and all other material ancillary documents to be executed or delivered in connection therewith and (2) promptly following request therefor (but in any event within three Business Days following such request), copies of such other information or documents relating to each such acquisition as the Administrative Agent shall have requested;

(E) with respect to any acquisition involving an aggregate Purchase Price in excess of \$50,000,000, the Administrative Agent shall have received (and shall promptly forward a copy thereof to each Lender which requests one) a letter (in the case of each legal opinion delivered to the Borrowers pursuant to such acquisition) from each Person delivering such opinion (which shall in any event include an opinion of special FCC counsel) authorizing reliance thereon by the Administrative Agent and the Lenders;

(F) with respect to any acquisition involving an aggregate Purchase Price in excess of \$50,000,000, the Borrowers shall have delivered to the Administrative Agent and the Lenders evidence satisfactory to the Administrative Agent and the Majority Lenders of receipt of all licenses, permits, approvals and consents, if any, required with respect to such acquisition (including, without limitation, the consents of the respective municipal franchising authorities to the acquisition of the respective CATV Systems being acquired (if any));

(G) the entire amount of the consideration payable by the Borrowers and their Subsidiaries in connection with such acquisition (other than customary post-closing adjustments and indemnity obligations, and other than Indebtedness incurred in connection with such acquisition that is permitted under paragraphs (c) or (f) of Section 8.07 hereof) shall be payable on the date of such acquisition;

(H) none of the Borrowers nor any of its Subsidiaries shall, in connection with such acquisition, assume or remain liable in respect of (x) any Indebtedness of the seller or sellers (except for Indebtedness permitted under Section 8.07(f) hereof) or (y) other obligations of the seller or sellers (except for obligations incurred in the ordinary course of business in operating the CATV



System so acquired and necessary or desirable to the continued operation of such CATV System);

(I) to the extent the assets purchased in such acquisition shall be subject to any Liens not permitted hereunder, such Liens shall have been released (or arrangements for such release satisfactory to the Administrative Agent shall have been made);

(J) to the extent applicable, the Borrowers shall have complied with the provisions of Section 8.17 hereof, including, without limitation, to the extent not theretofore delivered, delivery to the Administrative Agent of (x) the certificates representing the shares of stock or other ownership interests, accompanied by undated stock powers or other powers executed in blank, and (y) the agreements, instruments, opinions of counsel and other documents required under Section 8.17 hereof;

(K) after giving effect to such acquisition the Borrowers shall be in compliance with Section 8.10 hereof (the determination of such compliance to be calculated on a pro forma basis, as at the end of and for the fiscal quarter most recently ended prior to the date of such acquisition for which financial statements of the Borrowers and their Subsidiaries are available, under the assumption that such acquisition shall have occurred, and any Indebtedness in connection therewith shall have been incurred, at the beginning of the applicable period, and under the assumption that interest for such period had been equal to the actual weighted average interest rate in effect for the Loans hereunder on the date of such acquisition), and the Borrowers shall have delivered to the Administrative Agent a certificate of a Senior Officer showing such calculations in reasonable detail to demonstrate such compliance;

(L) immediately prior to such acquisition and after giving effect thereto, no Default shall have occurred and be continuing; and

(M) the Borrowers shall deliver such other documents and shall have taken such other action as the Majority Lenders or the Administrative Agent may reasonably request.

8.06 Limitation on Liens. None of the Borrowers will, nor will it permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any of its Property, whether now owned or hereafter acquired, except:

(a) Liens created pursuant to the Security Documents;

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(b) Liens in existence on the date hereof and listed in Part B of Schedule III hereto (or, to the extent not meeting the minimum thresholds for required listing on said Schedule III pursuant to Section 7.11 hereof, in an aggregate amount not exceeding \$10,000,000);

(c) Liens imposed by any governmental authority for taxes, assessments or charges not yet due or that are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Borrowers or the affected Subsidiaries, as the case may be, in accordance with GAAP;

(d) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business that are not overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings and Liens securing judgments but only to the extent for an amount and for a period not resulting in an Event of Default under Section 9.01(i) hereof;

(e) pledges or deposits under worker's compensation, unemployment insurance and other social security legislation;

(f) deposits to secure the performance of bids, trade contracts (other than for Indebtedness), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business and encumbrances consisting of zoning restrictions, easements, licenses, restrictions on the use of Property or minor imperfections in title thereto that, in the aggregate, are not material in amount, and that do not in any case materially detract from the value of the Property subject thereto or interfere with the ordinary conduct of the business of the Borrowers or any of their Subsidiaries; and

(h) Liens upon real and/or tangible personal Property acquired after the date hereof (by purchase, construction or otherwise) by the Borrowers or any of their Subsidiaries and securing Indebtedness permitted under Section 8.07(f) hereof, each of which Liens either (A) existed on such Property before the time of its acquisition and was not created in anticipation thereof or (B) was created solely for the purpose of securing Indebtedness representing, or incurred to finance, refinance or refund, the cost (including the cost of construction) of such Property; provided that (i) no such Lien shall extend to or cover any Property of a Borrower or any such Subsidiary other than the Property so acquired and improvements thereon and (ii) the principal amount of Indebtedness secured by any such Lien shall at no time exceed the fair market value (as determined in good faith by a Senior Officer) of such Property at the time it was acquired (by purchase, construction or otherwise).

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8.07 Indebtedness. None of the Borrowers will, nor will it permit any of its Subsidiaries to, create, incur or suffer to exist any Indebtedness except:

(a) Indebtedness to the Lenders hereunder, including, without limitation, Incremental Facility Loans in an aggregate principal amount up to but not exceeding \$650,000,000;

(b) Indebtedness outstanding on the date hereof and listed in Part A of Schedule III hereto (or, to the extent not meeting the minimum thresholds for required listing on said Schedule III pursuant to Section 7.11 hereof, in an aggregate amount not exceeding \$10,000,000);

(c) Affiliate Subordinated Indebtedness incurred in accordance with Section 8.13 hereof;

(d) Indebtedness of the Borrowers to any Subsidiary of the Borrowers, and of any Subsidiary of the Borrowers to the Borrowers or its other Subsidiaries;

(e) Indebtedness (other than Affiliate Subordinated Indebtedness) of the Borrowers and their Subsidiaries that is subordinated in right of payment to the obligations of the Borrowers and their Subsidiaries under the Loan Documents (and which contains terms, including in respect of interest, amortization, defaults, mandatory redemptions and prepayments, and covenants) that are in each case satisfactory to the Administrative Agent and the Majority Lenders; and

(f) additional Indebtedness of the Borrowers and their Subsidiaries (including, without limitation, Capital Lease Obligations and other Indebtedness secured by Liens permitted under Section 8.06(h) hereof) up to but not exceeding an aggregate amount of \$100,000,000 at any one time outstanding.

In addition to the foregoing, the Borrowers will not, nor will they permit their Subsidiaries to, incur or suffer to exist any obligations in an aggregate amount in excess of \$50,000,000 at any one time outstanding in respect of surety and performance bonds backing pole rental or conduit attachments and the like, or backing obligations under Franchises, arising in the ordinary course of business of the CATV Systems of the Borrowers and their Subsidiaries.

8.08 Investments. The Borrowers will not, nor will they permit any of their Subsidiaries to, make or permit to remain outstanding any Investments except:

(a) Investments outstanding on the date hereof and identified in Part B of Schedule IV hereto;

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(b) operating deposit accounts with banks;

(c) Permitted Investments;

(d) Investments by the Borrowers and their Subsidiaries in the Borrowers and their Subsidiaries;

(e) Interest Rate Protection Agreements entered into in the ordinary course of business of the Borrowers and not for speculative purposes;

(f) Investments by the Borrowers and their Subsidiaries consisting of exchanges or acquisitions permitted under subparagraphs (iii) or (iv) of Section 8.05(d);

(g) Investments consisting of the issuance of a Letter of Credit for the account of the Borrowers to support an obligation of an Affiliate of the Borrowers, in such amounts as would be permitted under Section 8.09(d)(ii) hereof; and

(h) additional Investments (including, without limitation, Investments by the Borrowers or any of their Subsidiaries in Affiliates of the Borrowers), so long as the aggregate amount of all such Investments shall not exceed \$300,000,000.

8.09 Restricted Payments. The Borrowers will not make any Restricted Payment at any time, provided that, so long as at the time thereof, and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing, the Borrowers may make the following Restricted Payments (subject, in each case, to the applicable conditions set forth below):

(a) the Borrowers may make Restricted Payments in cash to their members in an amount equal to the Tax Payment Amount with respect to any fiscal period or portion thereof (net of Restricted Payments previously made under this paragraph (a) in respect of such period), so long as at least fifteen days prior to making any such Restricted Payment, the Borrowers shall have delivered to each Lender (i) notification of the amount and proposed payment date of such Restricted Payment and (ii) a statement of a Senior Officer (and, in the event such period is a full fiscal year, the Borrower's independent certified public accountants) setting forth a detailed calculation of the Tax Payment Amount for such period and showing the amount of such Restricted Payment and all previous Restricted Payments made pursuant to this Section 8.09(a) in respect of such period;

(b) the Borrowers may make payments in cash in respect of Management Fees to the extent permitted under Section 8.11 hereof;

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(c) the Borrowers may make payments in cash in respect of the interest on Affiliate Subordinated Indebtedness constituting Supplemental Capital or Cure Monies; and

(d) the Borrowers may make payments in cash in respect of the principal of Affiliate Subordinated Indebtedness and distributions in respect of the equity capital of the Borrowers and may request the issuance of Affiliate Letters of Credit (such payment and issuance being collectively called "Permitted Transactions"), so long as

(i) in the case of any Permitted Transaction consisting of a payment in respect of the principal of Affiliate Subordinated Indebtedness, or distribution in respect of equity capital, constituting Cure Monies, at least one complete fiscal quarter shall have elapsed subsequent to the last date upon which the Borrowers shall have utilized their cure rights under Section 9.02 hereof, without the occurrence of any Event of Default (and, for purposes hereof, unless the Borrowers indicate otherwise at the time of any such payment, such payment or distribution shall be deemed to be made first from Cure Monies and second from Supplemental Capital);

(ii) after giving effect to any Permitted Transaction during any fiscal quarter (the "current fiscal quarter") and to the making of any Capital Expenditures pursuant to Section 8.12(b) hereof during the current fiscal quarter, the Borrowers would (as at the last day of the most recent fiscal quarter immediately prior to the current fiscal quarter) have been in compliance on a pro forma basis with Section 8.10 hereof, the determination of such compliance to be determined as if

(x) for purposes of calculating the Total Leverage Ratio, there were added to Indebtedness the sum (herein, the "Relevant Sum") of the amount of such Permitted Transaction plus the amount of all other Permitted Transactions made during the current fiscal quarter through the date of such Permitted Transaction, minus the amount of Special Reductions through such date plus the amount of any such Capital Expenditures, and

(y) for purposes of calculating the Interest Coverage Ratio and Debt Service Coverage Ratio, the Relevant Sum plus any Cure Monies received during the period for which the Interest Coverage Ratio or Debt Service Coverage Ratio is calculated represented additional principal of the Loans outstanding hereunder at all times during the respective fiscal quarter for which such Ratios are calculated and the amount of interest that would have been payable hereunder during such fiscal quarter was recalculated to take into account such additional principal;

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(iii) after giving effect to distributions made in respect of the equity capital of any Borrower, the Equity Contribution Amount shall not be less than zero; and

(iv) the aggregate amount of Permitted Transactions as at any date (minus the aggregate amount of Special Reductions through such date), shall not exceed the Applicable Permitted Transaction Amount for such date.

Nothing herein shall be deemed to prohibit the payment of dividends by any Subsidiary of a Borrower to such Borrower or to any other Subsidiary of such Borrower.

8.10 Certain Financial Covenants.

(a) Total Leverage Ratio. The Borrowers will not permit the Total Leverage Ratio to exceed the following respective ratios at any time during the following respective periods:

Period -----	Total Leverage Ratio -----
From the Closing Date through March 31, 2006	6.00 to 1
From April 1, 2006 through March 31, 2007	5.75 to 1
From April 1, 2007 through March 31, 2008	5.50 to 1
From April 1, 2008 through March 31, 2009	4.75 to 1
From April 1, 2009 and at all times thereafter	4.50 to 1

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(b) Interest Coverage Ratio. The Borrowers will not permit the Interest Coverage Ratio to be less than the following respective ratios as at the last day of any fiscal quarter ending during the following respective periods:

Period -----	Ratio -----
From the Closing Date through March 31, 2006	1.50 to 1
From April 1, 2006 through March 31, 2007	1.60 to 1
From April 1, 2007 through March 31, 2008	1.70 to 1
From April 1, 2008 through March 31, 2009	1.90 to 1
From April 1, 2009 and at all times thereafter	2.00 to 1

(c) Debt Service Coverage Ratio. The Borrowers will not permit the Debt Service Coverage Ratio to be less than 1.10 to 1 as at any time.

8.11 Management Fees. The Borrowers will not permit the aggregate amount of Management Fees accrued in respect of any fiscal year of the Borrowers to exceed 4.50% of the Gross Operating Revenue of the Borrowers and their Subsidiaries for such fiscal year. In addition, the Borrowers will not, as at the last day of the first, second and third fiscal quarters in any fiscal year, permit the amount of Management Fees paid during the portion of such fiscal year ending with such fiscal quarter to exceed 4.50% of the Gross Operating Revenue of the Borrowers and their Subsidiaries for such portion of such fiscal year (based upon the financial statements of the Borrowers provided pursuant to Section 8.01(a) hereof), provided that in any event the Borrowers will not pay any Management Fees at any time following the occurrence and during the continuance of any Default. Any Management Fees that are accrued for any fiscal quarter (the "current fiscal quarter") but which are not paid during the current fiscal quarter may be paid at any time during the period of four fiscal quarters following the current fiscal quarter (and for these purposes any payment of Management Fees during such period shall be deemed to be applied to Management Fees in the order of the fiscal quarters in respect of which such Management Fees are accrued). Any Management Fees which may not be paid as a result of the limitations set forth in the forgoing provisions of this Section 8.11 shall be deferred and shall not be payable until the principal of and interest on the Loans, and all other amounts owing hereunder, shall have been paid in full.

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For purposes of this Section 8.11 "Gross Operating Revenue" shall mean the aggregate gross operating revenues derived by the Borrowers and their Subsidiaries from their CATV Systems and from related communications businesses, including the sale of local advertising on CATV Systems, as determined in accordance with GAAP excluding, however, revenue or income derived by the Borrowers from any of the following sources: (i) from the sale of any asset of such CATV Systems not in the ordinary course of business, (ii) interest income, (iii) proceeds from the financing or refinancing of any Indebtedness of the Borrowers or any of their Subsidiaries and (iv) extraordinary gains in accordance with GAAP.

None of the Borrowers nor any of their Subsidiaries shall be obligated to pay Management Fees to any Person, unless the Borrowers and such Person shall have executed and delivered to the Administrative Agent a Management Fee Subordination Agreement, and none of the Borrowers nor any of its Subsidiaries shall pay Management Fees to any Person except to the extent permitted under the respective Management Fee Subordination Agreement to which such Person is a party.

None of the Borrowers nor any of their Subsidiaries shall employ or retain any executive management personnel (or pay any Person, other than the Manager, in respect of executive management personnel or matters, for the Borrowers or any of their Subsidiaries), it being the intention of the parties hereto that all executive management personnel required in connection with the business or operations of the Borrowers and their Subsidiaries shall be employees of the Manager (and that the Executive Compensation for such employees shall be covered by Management Fees payable hereunder). For purposes hereof, "executive management personnel" shall not include any individual (such as a system manager or a regional manager) who is employed solely in connection with the day-to-day operations of a CATV System or a Region.

8.12 Capital Expenditures.

(a) Scheduled Capital Expenditures. The Borrowers will not permit the aggregate amount of Capital Expenditures to exceed the following respective amounts for the following respective fiscal years of the Borrowers:

Fiscal Year Ending -----	Amount -----
December 31, 2004	\$ 85,000,000
December 31, 2005	\$ 106,000,000
December 31, 2006	\$ 120,000,000
December 31, 2007	\$ 121,000,000
December 31, 2008	\$ 114,000,000
December 31, 2009	\$ 97,000,000
December 31, 2010	\$ 97,000,000
December 31, 2011	\$ 97,000,000



December 31, 2012	\$ 94,000,000
December 31, 2013	\$ 91,000,000

provided that, the amounts set forth above for any fiscal year of the Borrowers in which the Borrowers enter into an Acquisition pursuant to Section 8.05(d)(iv) shall be increased by such amount (which amount shall be based on a proposed budget and operating plan set forth in such notice) as the Borrowers shall propose in a notice to the Administrative Agent (which shall promptly provide a copy thereof to the Lenders), or directly to the Lenders, which increase shall become effective unless the Requisite Lenders object to such amount, by notice to the Administrative Agent, within 10 Business Days following the Lenders' receipt of the Borrowers' notice from the Administrative Agent or from the Borrowers. "Requisite Lenders" shall mean Lenders having at least 50% of the sum of (a) the aggregate outstanding principal amount of the Term Loans of each Class or, if the Term Loans of either Class shall not have been made, the aggregate outstanding principal amount of the Term Loan Commitments of such Class plus (b) the aggregate outstanding principal amount of the Incremental Facility Term Loans of each Series or, if the Incremental Facility Term Loans of such Series shall not have been made, the aggregate outstanding principal amount of the Incremental Facility Commitments of such Series plus (c) the sum of (i) the aggregate unused amount, if any, of the Incremental Facility Revolving Credit Commitments of each Series at such time plus (ii) the aggregate amount of Letter of Credit Liabilities in respect of Incremental Facility Letters of Credit at such time plus (iii) the aggregate outstanding principal amount of the Incremental Facility Revolving Credit Loans of each Series at such time plus (d) the sum of (i) the aggregate unused amount, if any, of the Revolving Credit Commitments at such time plus (ii) the aggregate amount of Letter of Credit Liabilities in respect of Revolving Credit Letters of Credit at such time plus (iii) the aggregate outstanding principal amount of the Revolving Credit Loans at such time.

If the aggregate amount of Capital Expenditures for any fiscal year of the Borrowers shall be less than the amount set forth opposite such fiscal year in the schedule above, then the shortfall shall be added to the amount of Capital Expenditures permitted for the immediately succeeding (but not any other) fiscal year and, for purposes hereof, the amount of Capital Expenditures made during any fiscal year shall be deemed to have been made first from the carryover from any previous fiscal year and last from the permitted amount for such fiscal year.

(b) Additional Capital Expenditures. In addition to the Capital Expenditures permitted under paragraph (a) above, the Borrowers and their Subsidiaries may make Additional Capital Expenditures during any fiscal quarter in such amounts as would be permitted under Section 8.09(d)(ii) (in the case of a payment of principal of Affiliate Subordinated Indebtedness, as if such Capital Expenditure constituted a payment in respect of Supplemental Capital thereunder).

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8.13 Affiliate and Additional Subordinated Indebtedness.

(a) Affiliate Subordinated Indebtedness. The Borrowers may at any time after the date hereof incur Affiliate Subordinated Indebtedness to Mediacom LLC or one or more other Affiliates, so long as the proceeds of any such Affiliate Subordinated Indebtedness constituting Cure Monies are immediately applied, first, ratably among the Term Loans and Incremental Facility Term Loans of each Series hereunder and, second, after prepayment in full of all Term Loans and Incremental Facility Term Loans, to prepayments of the Revolving Credit Loans and Incremental Facility Revolving Credit Loans of each Series hereunder. Prepayments of Term Loans and Incremental Facility Term Loans of each Series shall be applied to the respective installments thereof ratably in accordance with the respective principal amounts thereof.

(b) Repayment of Affiliate Subordinated Indebtedness. The Borrowers will not, nor will they permit any of their Subsidiaries to, purchase, redeem, retire or otherwise acquire for value, or set apart any money for a sinking, defeasance or other analogous fund for the purchase, redemption, retirement or other acquisition of, or make any voluntary payment or prepayment of the principal of or interest on, or any other amount owing in respect of, any Affiliate Subordinated Indebtedness, except to the extent permitted under Section 8.09 hereof.

(c) Repayment of Certain Other Indebtedness. The Borrowers will not, nor will they permit any of their Subsidiaries to, purchase, redeem, retire or otherwise acquire for value, or set apart any money for a sinking, defeasance or other analogous fund for the purchase, redemption, retirement or other acquisition of, or make any voluntary payment or prepayment of the principal of or interest on, or any other amount owing in respect of, any Indebtedness at any time issued pursuant to Section 8.07(e).

8.14 Lines of Business. The Borrowers will at all times ensure that not more than 15% of gross operating revenue of the Borrowers and their Subsidiaries for any fiscal year shall be derived from any line or lines of business activity other than the business of owning and operating CATV Systems and related communications businesses, including the sale of local advertising on CATV systems.

8.15 Transactions with Affiliates. Except as expressly permitted by this Agreement, none of the Borrowers will, nor will it permit any of its Subsidiaries to, directly or indirectly: (a) make any Investment in an Affiliate except for Investments permitted under Section 8.08(h), provided that, the monetary or business consideration arising therefrom would be substantially as advantageous to a Borrower and its Subsidiaries as the monetary or business consideration that would obtain in a comparable transaction with a Person not an Affiliate; (b) transfer, sell, lease, assign or otherwise dispose of any Property to an Affiliate; (c) merge into or consolidate with or purchase or acquire Property from an Affiliate; (d) make any contribution towards, or reimbursement for, any Federal income taxes payable by any shareholder or member

of a Borrower or any of its Subsidiaries in respect of income of a Borrower; or (e) enter into any other transaction directly or indirectly with or for the benefit of an Affiliate (including, without limitation, Guarantees and assumptions of obligations of an Affiliate); provided that

(i) any Affiliate who is an individual may serve as a director, officer or employee of a Borrower or any of its Subsidiaries and receive reasonable compensation for his or her services in such capacity,

(ii) a Borrower and its Subsidiaries may enter into transactions (other than extensions of credit by such Borrower or any of its Subsidiaries to an Affiliate) providing for the leasing of Property, the rendering or receipt of services or the purchase or sale of equipment, programming rights, advertising time and other Property in the ordinary course of business, or the purchase, sale, exchange or swapping of CATV Systems or portions thereof, if the monetary or business consideration arising therefrom would be substantially as advantageous to such Borrower and its Subsidiaries as the monetary or business consideration that would obtain in a comparable transaction with a Person not an Affiliate,

(iii) the Borrowers may enter into and perform their respective obligations under, the Management Agreements, and

(iv) the Borrowers and their Subsidiaries may pay to the Manager the aggregate amount of intercompany shared expenses payable to Mediacom LLC that are allocated by Mediacom LLC and MCC to the Borrowers and their Subsidiaries in accordance with Section 5.04 of the Guarantee and Pledge Agreement.

#### 8.16 Use of Proceeds.

(a) Revolving Credit and Term Loans. The Borrowers will use the proceeds of the Revolving Credit Loans and Term Loans hereunder solely to (i) refinance, within the applicable availability period, the loans outstanding under the Existing Credit Agreements, (ii) repay Affiliate Subordinated Indebtedness and make other Restricted Payments, (iii) pay Management Fees, (iv) make Investments permitted under Section 8.08 hereof, (v) finance capital expenditures, repay Indebtedness (including other Loans hereunder) and meet working capital needs of the Borrowers and their Subsidiaries and acquisitions permitted hereunder and (vi) pay fees and expenses related to any of the foregoing (in each case in compliance with all applicable legal and regulatory requirements); provided that (x) any borrowing of Revolving Credit Loans hereunder that would constitute a utilization of any Reserved Commitment Amount shall be applied solely to make Acquisitions, or to make prepayments of Loans under Section 2.10(d) hereof and (y) neither the Administrative Agent nor any Lender shall have any responsibility as to the use of any of such proceeds.

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(b) Incremental Facility Loans. The Borrowers will use the proceeds of the Incremental Facility Loans for any of the purposes described in paragraph (a) above and, in the case of Refinancing Incremental Facility Loans, to refinance Loans hereunder as contemplated by the definition of "Refinancing" in Section 1.01 hereof (in each case in compliance with all applicable legal and regulatory requirements); provided that neither the Administrative Agent nor any Lender shall have any responsibility as to the use of any of such proceeds.

8.17 Certain Obligations Respecting Subsidiaries; Further Assurances.

(a) Subsidiary Guarantors. In the event that any Borrower or any of its Subsidiaries shall form or acquire any Subsidiary after the date hereof, such Borrower shall cause, and shall cause its Subsidiaries to cause, such Subsidiary to:

(i) execute and deliver to the Administrative Agent a Subsidiary Guarantee Agreement in the form of Exhibit E hereto (and, thereby, to become a "Subsidiary Guarantor", and an "Obligor" hereunder and a "Securing Party" under the Pledge Agreement);

(ii) deliver the shares of its stock or other ownership interests accompanied by undated stock powers or other powers executed in blank to the Administrative Agent, and to take other such action, as shall be necessary to create and perfect valid and enforceable first priority Liens (subject to Liens permitted under Section 8.06 hereof) on substantially all of the Property of such new Subsidiary as collateral security for the obligations of such new Subsidiary under the Subsidiary Guarantee Agreement, and

(iii) deliver such proof of corporate action, limited liability company action or partnership action, as the case may be, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by each Obligor pursuant to Section 6.01 hereof on the Closing Date or as the Administrative Agent shall have reasonably requested.

(b) Ownership of Subsidiaries. Each Borrower will, and will cause each of its Subsidiaries to, take such action from time to time as shall be necessary to ensure that each of its Subsidiaries is a Wholly Owned Subsidiary. In the event that any additional shares of stock or other ownership interests shall be issued by any Subsidiary of a Borrower, such Borrower agrees forthwith to deliver to the Administrative Agent pursuant to the Pledge Agreement the certificates evidencing such shares of stock or other ownership interests, accompanied by undated stock or other powers executed in blank and to take such other action as the Administrative Agent shall request to perfect the security interest created therein pursuant to the Pledge Agreement.

(c) Further Assurances. Each Borrower will, and will cause each of its Subsidiaries to, take such action from time to time (including filing appropriate Uniform

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Commercial Code financing statements and executing and delivering such assignments, security agreements and other instruments) as shall be requested by the Administrative Agent to create, in favor of the Administrative Agent for the benefit of the Lenders, perfected security interests and Liens in shares of stock or other ownership interests of their Subsidiaries. In addition, the Borrowers will not issue additional equity interests ("Additional Equity Interests") after the date hereof to any Person (a "New Equity Owner") other than Mediacom LLC (as to which the provisions of the Guarantee and Pledge Agreement shall be applicable) unless such New Equity Owner shall:

(i) pledge such Additional Equity Interests to the Administrative Agent on behalf of the Lenders pursuant to a pledge agreement in substantially the form (other than negative covenants) of the Guarantee and Pledge Agreement and otherwise in form and substance satisfactory to the Administrative Agent;

(ii) deliver to the Administrative Agent any certificates evidencing the Additional Equity Interests accompanied by undated powers executed in blank;

(iii) deliver to the Administrative Agent such proof of corporate action, limited liability company, partnership or other action, as applicable, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by Mediacom LLC pursuant to Section 6.01 hereof on the Closing Date or as the Administrative Agent shall have reasonably requested; and,

(iv) take other such additional action, as shall be necessary to create and perfect valid and enforceable first priority security interests in the Additional Equity Interests in favor of the Administrative Agent.

(d) Certain Restrictions. The Borrowers will not, and will not permit any of their Subsidiaries to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of the Borrowers or any Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets securing the obligations of the Borrowers or any Subsidiary under any of the Loan Documents or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its capital stock or other ownership interests or to make or repay loans or advances to the Borrowers or any Subsidiary or to Guarantee Indebtedness of the Borrowers or any Subsidiary under any of the Loan Documents; provided that (i) the foregoing shall not apply to restrictions and conditions imposed by law or by any of the Loan Documents, (ii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (iii) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement or any other Loan Document if such restrictions or conditions apply only to the property or assets securing such

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Indebtedness and (iv) clause (a) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof.

8.18 Modifications of Certain Documents. The Borrowers will not consent to any modification, supplement or waiver of any of the provisions of any Management Agreement (other than modifications, supplements or waivers that do not alter any of the material rights or obligations of the Borrowers thereunder, it being understood that any modification of the management fee provisions thereof that would have the effect of increasing the management fees payable pursuant thereto shall be deemed material for purposes hereof) or any agreement, instrument or other document evidencing or relating to Affiliate Subordinated Indebtedness or Indebtedness permitted under Section 8.07(e) hereof without the prior consent of the Administrative Agent (with the approval of the Majority Lenders).

#### Section 9. Events of Default.

9.01 Events of Default. If one or more of the following events (herein called "Events of Default") shall occur and be continuing:

(a) The Borrowers shall default in the payment when due (whether at stated maturity or upon mandatory or optional prepayment) of any principal of or interest on any Loan or any Reimbursement Obligation, any fee or any other amount payable by them hereunder or under any other Loan Document;  
or

(b) Any Borrower or any Subsidiary of a Borrower shall default in the payment when due of any principal of or interest on any of its other Indebtedness aggregating \$10,000,000 or more; or any event specified in any note, agreement, indenture or other document evidencing or relating to any such Indebtedness shall occur if the effect of such event is to cause, or (without the lapse of time or the taking of any action, other than the giving of notice) to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, such Indebtedness to become due, or to be prepaid in full (whether by redemption, purchase, offer to purchase or otherwise), prior to its stated maturity; or any Borrower shall default in the payment when due of any amount aggregating \$10,000,000 or more under any Interest Rate Protection Agreement; or any event specified in any Interest Rate Protection Agreement shall occur if the effect of such event is to cause, or (with the giving of any notice or the lapse of time or both) to permit, termination or liquidation payment or payments aggregating \$10,000,000 or more to become due under such Interest Rate Protection Agreement; or

(c) Any representation, warranty or certification made or deemed made herein or in any other Loan Document (or in any modification or supplement hereto or thereto) by any Obligor, or any certificate furnished to any Lender or the Administrative Agent

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pursuant to the provisions hereof or thereof, shall prove to have been false or misleading as of the time made or furnished in any material respect; or

(d) Any Borrower shall default in the performance of any of its obligations under any of Sections 8.01(g), 8.05, 8.06, 8.07, 8.08, 8.09, 8.10, 8.11, 8.12, 8.13, 8.15, 8.17 or 8.18 hereof; or any Borrower shall default in the performance of any of its other obligations in this Agreement or any Obligor shall default in the performance of its obligations under any other Loan Document to which it is a party, and such default shall continue unremedied for a period of thirty or more days after notice thereof to the Borrowers by the Administrative Agent or any Lender (through the Administrative Agent); or

(e) Any Obligor shall admit in writing its inability to, or be generally unable to, pay its debts as such debts become due; or

(f) Any Obligor shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, examiner or liquidator of itself or of all or a substantial part of its Property, (ii) make a general assignment for the benefit of its creditors, (iii) commence a voluntary case under the Bankruptcy Code, (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, liquidation, dissolution, arrangement or winding-up, or composition or readjustment of debts, (v) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code or (vi) take any corporate action for the purpose of effecting any of the foregoing; or

(g) A proceeding or case shall be commenced, without the application or consent of any Obligor, in any court of competent jurisdiction, seeking (i) its reorganization, liquidation, dissolution, arrangement or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a receiver, custodian, trustee, examiner, liquidator or the like of such Obligor or of all or any substantial part of its Property or (iii) similar relief in respect of such Obligor under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 or more days; or an order for relief against such Obligor shall be entered in an involuntary case under the Bankruptcy Code; or

(h) Any Borrower shall be terminated, dissolved or liquidated (as a matter of law or otherwise), or proceedings shall be commenced by a Borrower seeking the termination, dissolution or liquidation of a Borrower, or proceedings shall be commenced by any Person (other than the Borrowers) seeking the termination, dissolution or

liquidation of a Borrower and such proceeding shall continue undismissed for a period of 60 or more days; or

(i) A final judgment or judgments for the payment of money of \$10,000,000 or more in the aggregate (exclusive of judgment amounts fully covered by insurance where the insurer has admitted liability in respect of such judgment) or of \$20,000,000 or more in the aggregate (regardless of insurance coverage) shall be rendered by one or more courts, administrative tribunals or other bodies having jurisdiction against the Borrowers or any of their Subsidiaries and the same shall not be discharged (or provision shall not be made for such discharge), or a stay of execution thereof shall not be procured, within 30 days from the date of entry thereof and the relevant Borrower or Subsidiary shall not, within said period of 30 days, or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal; or

(j) An event or condition specified in Section 8.01(e) hereof shall occur or exist with respect to any Plan or Multiemployer Plan and, as a result of such event or condition, together with all other such events or conditions, the Borrowers or any ERISA Affiliate shall incur or in the opinion of the Majority Lenders shall be reasonably likely to incur a liability to a Plan, a Multiemployer Plan or the PBGC (or any combination of the foregoing) that, in the determination of the Majority Lenders, would (either individually or in the aggregate) have a Material Adverse Effect; or

(k) A reasonable basis shall exist for the assertion against any Borrower or any of its Subsidiaries, or any predecessor in interest of any Borrower or any of its Subsidiaries or Affiliates, of (or there shall have been asserted against any Borrower or any of its Subsidiaries) an Environmental Claim that, in the judgment of the Majority Lenders is reasonably likely to be determined adversely to such Borrower or any of its Subsidiaries, and the amount thereof (either individually or in the aggregate) is reasonably likely to have a Material Adverse Effect (insofar as such amount is payable by such Borrower or any of its Subsidiaries but after deducting any portion thereof that is reasonably expected to be paid by other creditworthy Persons jointly and severally liable therefor); or

(l) A Change of Control shall occur and be continuing; or

(m) Except for Franchises that cover fewer than 10% of the Basic Subscribers of the Borrowers and their Subsidiaries (determined as at the last day of the most recent fiscal quarter for which a Quarterly Officers' Report shall have been delivered) one or more Franchises relating to the CATV Systems of the Borrowers and their Subsidiaries shall be terminated or revoked such that the respective Borrower or Subsidiary is no longer able to operate such Franchises and retain the revenue received therefrom or the respective Borrower or Subsidiary or the grantors of such Franchises shall fail to renew

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such Franchises at the stated expiration thereof such that the respective Borrower or Subsidiary is no longer able to operate such Franchises and retain the revenue received therefrom; or

(n) The Liens created by the Security Documents shall at any time not constitute a valid and perfected Lien on the collateral intended to be covered thereby (to the extent perfection by control, filing, registration, recordation or possession is required herein or therein) in favor of the Administrative Agent, free and clear of all other Liens (other than Liens permitted under Section 8.06 hereof or under the respective Security Documents), or, except for expiration in accordance with its terms, any of the Security Documents shall for whatever reason be terminated or cease to be in full force and effect, or the enforceability thereof shall be contested by any Obligor; or

(o) Any Operating Agreement shall be modified without the prior consent of the Administrative Agent (with the approval of the Majority Lenders) in any manner that would adversely affect the obligations of the Borrowers, or the rights of the Lenders or the Administrative Agent, hereunder or under any of the other Loan Documents;

THEREUPON: (1) in the case of an Event of Default other than one referred to in clause (f) or (g) of this Section 9.01 with respect to any Borrower, the Administrative Agent shall, if instructed by the Majority Lenders, by notice to the Borrowers, terminate the Commitments and/or declare the principal amount then outstanding of, and the accrued interest on, the Loans, the Reimbursement Obligations and all other amounts payable by the Borrowers hereunder (including, without limitation, any amounts payable under Section 5.05 or 5.06 hereof) to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrowers; and (2) in the case of the occurrence of an Event of Default referred to in clause (f) or (g) of this Section 9.01 with respect to any Borrower, the Commitments shall automatically be terminated and the principal amount then outstanding of, and the accrued interest on, the Loans, Reimbursement Obligations and all other amounts payable by the Borrowers hereunder (including, without limitation, any amounts payable under Section 5.05 or 5.06 hereof) shall automatically become immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrowers.

In addition, upon the occurrence and during the continuance of any Event of Default (if the Administrative Agent has declared the principal amount then outstanding of, and accrued interest on, the Revolving Credit Loans and all other amounts payable by the Borrowers hereunder to be due and payable), the Borrowers agree that they shall, if requested by the Administrative Agent or the Majority Revolving Credit Lenders through the Administrative Agent (and, in the case of any Event of Default referred to in clause (f) or (g) of this Section 9.01 with respect to the Borrowers, forthwith, without any demand or the taking of any other action by the Administrative Agent or such Lenders) provide cover for the Letter of Credit Liabilities

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by paying to the Administrative Agent immediately available funds in an amount equal to the then aggregate undrawn face amount of all Letters of Credit, which funds shall be held by the Administrative Agent in the Collateral Account as collateral security in the first instance for the Letter of Credit Liabilities and be subject to withdrawal only as therein provided.

9.02 Certain Cure Rights.

(a) Total Leverage Ratio. Notwithstanding the provisions of Section 9.01 hereof, but without limiting the obligations of the Borrowers under Section 8.10(a) hereof, a breach by the Borrowers as of the last day of any fiscal quarter or any fiscal year of its obligations under said Section 8.10(a) shall not constitute an Event of Default hereunder (except for purposes of Section 6 hereof) until the date (for purposes of this clause (a), the "Cut-Off Date") which is the earlier of the date thirty days after (a) the date the financial statements for the Borrowers and their Subsidiaries with respect to such fiscal quarter or fiscal year, as the case may be, are delivered pursuant to Section 8.01(a) or 8.01(b) hereof or (b) the latest date on which such financial statements are required to be delivered pursuant to said Section 8.01(a) or 8.01(b), provided that, if following the last day of such fiscal quarter or fiscal year and prior to the Cut-Off Date, the Borrowers shall have received Cure Monies (and shall have applied the proceeds thereof to the prepayment of the Loans hereunder, which prepayment, in the case of Affiliate Subordinated Indebtedness, shall be effected in the manner provided in Section 8.13(a) hereof), or shall have prepaid the Loans hereunder from available cash, in an amount sufficient to bring the Borrowers into compliance with said Section 8.10(a) assuming that the Total Leverage Ratio, as of the last day of such fiscal quarter or fiscal year, as the case may be, were recalculated to subtract such prepayment from the aggregate outstanding amount of Indebtedness, then such breach or breaches shall be deemed to have been cured; provided, further, that breaches of Section 8.10 hereof (including pursuant to paragraph (b) below) may not be deemed to be cured pursuant to this Section 9.02 (x) more than three times during the term of this Agreement or (y) during consecutive fiscal quarters.

(b) Interest Coverage Ratio; Debt Service Coverage Ratio.

Notwithstanding the provisions of Section 9.01 hereof, but without limiting the obligations of the Borrowers under Section 8.10(b) or 8.10(c) hereof, a breach by the Borrowers as of the last day of any fiscal quarter or any fiscal year of its obligations under said Section 8.10(b) or 8.10(c) shall not constitute an Event of Default hereunder (except for purposes of Section 6 hereof) until the date (for purposes of this clause (b), the "Cut-Off Date") which is the earlier of the date thirty days after (a) the date the financial statements for the Borrowers and their Subsidiaries with respect to such fiscal quarter or fiscal year, as the case may be, are delivered pursuant to Section 8.01(a) or 8.01(b) hereof or (b) the latest date on which such financial statements are required to be delivered pursuant to said Section 8.01(a) or 8.01(b), provided that, if following the last day of such fiscal quarter or fiscal year and prior to the Cut-Off Date, the Borrowers shall have received Cure Monies (and shall have applied the proceeds thereof to the prepayment of the Loans hereunder, which prepayment, in the case of Affiliate Subordinated Indebtedness, shall be effected in the manner provided in Section 8.13(a) hereof), or shall have prepaid the Loans

hereunder from available cash, in an amount sufficient to bring the Borrowers into compliance with said Section 8.10(b) or 8.10(c) assuming that the Interest Coverage Ratio and the Debt Service Coverage Ratio (as the case may be), as of the last day of such fiscal quarter or fiscal year, as the case may be, were recalculated to deduct from Interest Expense the aggregate amount of interest that would not have been required to be paid hereunder if such prepayment had been made on the first day of the period for which the Interest Coverage Ratio and the Debt Service Coverage Ratio is determined under said Section 8.10(b) or 8.10(c), then such breach or breaches shall be deemed to have been cured; provided, further, that breaches of Section 8.10 hereof (including pursuant to paragraph (a) above) may not be deemed to be cured pursuant to this Section 9.02 (x) more than three times during the term of this Agreement or (y) during consecutive fiscal quarters.

Section 10. The Administrative Agent.

10.01 Appointment, Powers and Immunities. Each Lender hereby appoints and authorizes the Administrative Agent to act as its agent hereunder and under the other Loan Documents with such powers as are specifically delegated to the Administrative Agent by the terms of this Agreement and under the other Loan Documents, together with such other powers as are reasonably incidental thereto. The Administrative Agent (which term as used in this sentence and in Section 10.05 and the first sentence of Section 10.06 hereof shall include reference to its affiliates and its own and its affiliates' officers, directors, employees and agents):

(a) shall have no duties or responsibilities except those expressly set forth in this Agreement and in the other Loan Documents, and shall not by reason of this Agreement or any other Loan Document be a trustee for any Lender;

(b) shall not be responsible to the Lenders for any recitals, statements, representations or warranties contained in this Agreement or in any other Loan Document, or in any certificate or other document referred to or provided for in, or received by any of them under, this Agreement or any other Loan Document, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or any other document referred to or provided for herein or therein or for any failure by the Borrowers or any other Person to perform any of its obligations hereunder or thereunder;

(c) shall not, except to the extent expressly instructed by the Majority Lenders with respect to the collateral security under the Security Documents, be required to initiate or conduct any litigation or collection proceedings hereunder or under any other Loan Document; and

(d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other Loan Document or under any other document or instrument

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referred to or provided for herein or therein or in connection herewith or therewith, except for its own gross negligence or willful misconduct.

The Administrative Agent may employ agents and attorneys-in-fact and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith.

10.02 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon any certification, notice or other communication (including, without limitation, any thereof by telephone, telecopy, telegram or cable) reasonably believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Administrative Agent. As to any matters not expressly provided for by this Agreement or any other Loan Document, the Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder or thereunder in accordance with instructions given by the Majority Lenders or, if provided herein, in accordance with the instructions given by the Majority Lenders of a particular Class or all of the Lenders as is required in such circumstance, and such instructions of such Lenders and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders.

10.03 Defaults. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of a Default unless the Administrative Agent has received notice from a Lender or the Borrowers specifying such Default and stating that such notice is a "Notice of Default". In the event that the Administrative Agent receives such a notice of the occurrence of a Default, the Administrative Agent shall give prompt notice thereof to the Lenders. The Administrative Agent shall (subject to Section 10.07 hereof) take such action with respect to such Default as shall be directed by the Majority Lenders or, if provided herein, the Majority Lenders of a particular Class, provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interest of the Lenders except to the extent that this Agreement expressly requires that such action be taken, or not be taken, only with the consent or upon the authorization of the Majority Lenders of a particular Class or all of the Lenders.

10.04 Rights as a Lender. With respect to its Commitments and the Loans made by it, JPMCB (and any successor acting as Administrative Agent) in its capacity as a Lender hereunder shall have the same rights and powers hereunder as any other Lender and may exercise the same as though it were not acting as the Administrative Agent, and the term "Lender" or "Lenders" shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. JPMCB (and any successor acting as Administrative Agent) and its affiliates may (without having to account therefor to any Lender) accept deposits from, lend money to, make investments in and generally engage in any kind of banking, trust or other business with the Borrowers (and any of their Subsidiaries or Affiliates) as if it were not acting

as the Administrative Agent, and JPMCB (and any such successor) and its affiliates may accept fees and other consideration from the Borrowers for services in connection with this Agreement or otherwise without having to account for the same to the Lenders.

10.05 Indemnification. The Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed under Section 11.03 hereof, but without limiting the obligations of the Borrowers under said Section 11.03) ratably in accordance with the aggregate principal amount of the Loans and Letter of Credit Liabilities held by the Lenders (or, if no Loans or Letter of Credit Liabilities are at the time outstanding, ratably in accordance with their respective Commitments), for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted against the Administrative Agent (including by any Lender) arising out of or by reason of any investigation in or in any way relating to or arising out of this Agreement or any other Loan Document, any other documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby (including, without limitation, the costs and expenses that the Borrowers are obligated to pay under Section 11.03 hereof, but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof or thereof or of any such other documents, provided that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

10.06 Non-Reliance on Administrative Agent and Other Lenders. Each Lender agrees that it has, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Borrowers and their Subsidiaries and decision to enter into this Agreement and that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement or under any other Loan Document. The Administrative Agent shall not be required to keep itself informed as to the performance or observance by the Borrowers of this Agreement or any of the other Loan Documents or any other document referred to or provided for herein or therein or to inspect the Properties or books of the Borrowers or any of their Subsidiaries. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder or under the Security Documents, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrowers or any of their Subsidiaries (or any of their affiliates) that may come into the possession of the Administrative Agent or any of its affiliates.

10.07 Failure to Act. Except for action expressly required of the Administrative Agent hereunder and under the other Loan Documents, the Administrative Agent shall in all cases be fully justified in failing or refusing to act hereunder or thereunder unless it shall receive

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further assurances to its satisfaction from the Lenders of their indemnification obligations under Section 10.05 hereof against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action.

10.08 Resignation or Removal of Administrative Agent. Subject to the appointment and acceptance of a successor Administrative Agent as provided below, the Administrative Agent may resign at any time by giving five days prior notice thereof to the Lenders and the Borrowers, and the Administrative Agent may be removed at any time with or without cause by the Majority Lenders. Upon any such resignation or removal, the Majority Lenders shall have the right, in consultation with the Borrowers, to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent's giving of notice of resignation or the Majority Lenders' removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Lenders, in consultation with the Borrowers, appoint a successor Administrative Agent, that shall be a bank that has an office in New York, New York with a combined capital and surplus of at least \$5,000,000,000. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Section 10 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent.

10.09 Consents under Other Loan Documents. Except as otherwise provided in Section 11.04 hereof with respect to this Agreement, the Administrative Agent may, with the prior consent of the Majority Lenders (but not otherwise), consent to any modification, supplement or waiver under any of the Loan Documents, provided that, without the prior consent of each Lender, the Administrative Agent shall not (except as provided herein or in the Security Documents) release Mediacom LLC from its guarantee obligations under the Guarantee and Pledge Agreement or release all or substantially all of the Subsidiary Guarantors from their obligations under the Security Documents, or release all or substantially all of the collateral or otherwise terminate all or substantially all of the Liens under the Security Documents (taken as a whole), or agree to additional obligations being secured by all or substantially all such collateral security (unless such additional obligations arise under this Agreement, or the Lien for such additional obligations shall be junior to the Lien in favor of the other obligations secured by such Security Document, in either of which events the Administrative Agent may consent to such Lien, provided that it obtains the consent of the Majority Lenders thereto), alter the relative priorities of the obligations entitled to the benefits of all or substantially all of the Liens under the Security Documents, except that no such consent shall be required, and the Administrative Agent is hereby authorized, to release any Lien covering Property (and to release any Subsidiary

Guarantor) that is the subject of either a disposition of Property permitted hereunder or a Disposition to which the Majority Lenders have consented.

10.10 Other Agents. Except as expressly provided herein, the Joint Lead Arrangers and Joint Bookrunners, the Syndication Agent and the Co-Documentation Agents named on the cover page of this Agreement shall not have any right, power, obligation, liability, responsibility or duty under this Agreement. Without limiting the generality of the foregoing, no such Person shall have or be deemed to have any fiduciary relationship with any other Lender in connection herewith. Each Lender acknowledges that it has not relied, and will not rely, on any such entity in deciding to enter into this Agreement or in taking or not taking action hereunder.

#### Section 11. Miscellaneous.

11.01 Waiver. No failure on the part of the Administrative Agent or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

Each Borrower irrevocably waives, to the fullest extent permitted by applicable law, any claim that any action or proceeding commenced by the Administrative Agent or any Lender relating in any way to this Agreement should be dismissed or stayed by reason, or pending the resolution, of any action or proceeding commenced by a Borrower relating in any way to this Agreement whether or not commenced earlier. To the fullest extent permitted by applicable law, the Borrowers shall take all measures necessary for any such action or proceeding commenced by the Administrative Agent or any Lender to proceed to judgment prior to the entry of judgment in any such action or proceeding commenced by a Borrower.

11.02 Notices. All notices, requests and other communications provided for herein and under the Security Documents (including, without limitation, any modifications of, or waivers, requests or consents under, this Agreement) shall be given or made in writing (including, without limitation, by telecopy) delivered to the intended recipient at (i) in the case of the Borrowers and the Administrative Agent, the "Address for Notices" specified below its name on the signature pages hereof and (ii) in the case of each of the Lenders, the address (or telecopy number) set forth in its Administrative Questionnaire; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Notwithstanding the foregoing, notices of borrowing, prepayment and Conversion of Loans pursuant to Section 4.05 hereof may be made by telephone, so long as the same are promptly confirmed in writing. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by telecopier or personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid.

11.03 Expenses, Etc. The Borrowers jointly and severally agree to pay or reimburse each of the Lenders and the Administrative Agent for: (a) all reasonable out-of-pocket costs and expenses of the Administrative Agent (including, without limitation, the reasonable fees and expenses of Milbank, Tweed, Hadley & McCloy LLP, special New York counsel to JPMCB) in connection with (i) the negotiation, preparation, execution and delivery of this Agreement and the other Loan Documents and the extension of credit hereunder and (ii) the negotiation or preparation of any modification, supplement or waiver of any of the terms of this Agreement or any of the other Loan Documents (whether or not consummated); (b) all reasonable out-of-pocket costs and expenses of the Lenders and the Administrative Agent (including, without limitation, the reasonable fees and expenses of legal counsel) in connection with (i) any Default and any enforcement or collection proceedings resulting therefrom, including, without limitation, all manner of participation in or other involvement with (x) bankruptcy, insolvency, receivership, foreclosure, winding up or liquidation proceedings, (y) judicial or regulatory proceedings and (z) workout, restructuring or other negotiations or proceedings (whether or not the workout, restructuring or transaction contemplated thereby is consummated) and (ii) the enforcement of this Section 11.03; and (c) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any governmental or revenue authority in respect of this Agreement or any of the other Loan Documents or any other document referred to herein or therein and all costs, expenses, taxes, assessments and other charges incurred in connection with any filing, registration, recording or perfection of any security interest contemplated by any Security Document or any other document referred to therein.

The Borrowers hereby jointly and severally agree to indemnify the Administrative Agent, each Lender, each of their affiliates and their respective directors, officers, employees, trustees, investment advisors, attorneys and agents (collectively, the "Indemnified Parties") from, and hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them (including, without limitation, any and all losses, liabilities, claims, damages or expenses incurred by the Administrative Agent to any Lender, whether or not the Administrative Agent or any Lender is a party thereto) arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to the extensions of credit hereunder or any actual or proposed use by the Borrowers or any of their Subsidiaries of the proceeds of any of the extensions of credit hereunder, including, without limitation, the reasonable fees and disbursements of counsel incurred in connection with any such investigation or litigation or other proceedings (but excluding any such losses, liabilities, claims, damages or expenses incurred by reason of the gross negligence or willful misconduct of the Person to be indemnified). No Indemnified Party shall be liable on any theory of liability for any special, indirect, consequential or punitive damages (including, without limitation, any loss of profits, business or anticipated savings).

11.04 Amendments, Etc. Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be modified or supplemented only by an

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instrument in writing signed by the Borrowers and the Majority Lenders, or by the Borrowers and the Administrative Agent acting with the consent of the Majority Lenders, and any provision of this Agreement may be waived by the Majority Lenders or by the Administrative Agent acting with the consent of the Majority Lenders; provided that:

(a) no modification, supplement or waiver shall:

(i) increase the Commitment of any Lender, without the written consent of such Lender;

(ii) reduce the principal amount of any Loan or Reimbursement Obligation or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby;

(iii) postpone the scheduled date of payment of the principal amount of any Loan or Reimbursement Obligation, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration or reduction of any Commitment, or postpone the ultimate expiration date of any Letter of Credit beyond the Revolving Credit Commitment Termination Date or commitment termination date for the relevant Incremental Facility Revolving Credit Commitments, as applicable, without the written consent of each Lender affected thereby;

(iv) change Section 4.02 or 4.07 in a manner that would alter the pro rata sharing of payments required thereby, without in each case the written consent of each Lender affected thereby;

(v) alter the manner in which payments or prepayments of principal, interest or other amounts hereunder shall be applied between or among the Lenders or Classes of Loans without the written consent of the Majority Lenders of each Class affected thereby, or alter in any other manner the obligation of the Borrowers to prepay Loans hereunder without the consent of the Majority Lenders of each Class affected thereby;

(vi) change any of the provisions of this Section 11.04 or the percentage in the definition of "Majority Lenders", or modify in any other manner the number or percentage of the Lenders required to make any determinations or waive any rights hereunder or to modify any provision hereof, without the written consent of each Lender; or

(vii) waive any of the conditions precedent set forth in Section 6 applicable to the initial extension of credit hereunder, without the written consent of each Lender; and

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(b) any modification or supplement of Section 10 hereof, or of any of the rights or duties of the Administrative Agent hereunder, shall require the consent of the Administrative Agent.

Anything in this Agreement to the contrary notwithstanding, no waiver or modification of any provision of this Agreement that has the effect (either immediately or at some later time) of enabling the Borrowers to satisfy a condition precedent to the making of a Loan of any Class shall be effective against the Lenders of such Class for the purposes of the Commitments of such Class unless the Majority Lenders of such Class shall have concurred with such waiver or modification, and no waiver or modification of any provision of this Agreement or any other Loan Document that could reasonably be expected to adversely affect the Lenders of any Class shall be effective against the Lenders of such Class unless the Majority Lenders of such Class shall have concurred with such waiver or modification.

11.05 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.06 Assignments and Participations.

(a) Assignments Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto (including any Affiliate of any Issuing Lender that issues any Letter of Credit) and their respective successors and assigns permitted hereby, except that (i) no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by a Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 11.06. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Lender that issues any Letter of Credit), Participants (to the extent provided in paragraph (e) below) and, to the extent expressly contemplated hereby, the Affiliates and the respective directors, officers, employees, agents and advisors of each of the Administrative Agent, the Issuing Lenders, the Lenders and each of their Affiliates) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders.

(i) Assignments Generally. Subject to the conditions set forth in clause (ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolving Credit Commitment or Incremental Facility Revolving Credit Commitment, and the Loans and Letter of Credit Interest, at the time held by it) with the prior written consent (such consent not to be unreasonably withheld) of:

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(A) the Borrowers, provided that no consent of the Borrowers shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default under paragraph (a), (f) or (g) of Section 9.01 hereof shall have occurred and is continuing, any other assignee;

(B) the Administrative Agent, provided that no consent of the Administrative Agent shall be required for (w) an assignment of any Term Loans or Incremental Term Loans to a Lender, an Affiliate or a Lender or an Approved Fund, (x) an assignment of any Revolving Loans or Revolving Credit Commitments to an assignee that is a Lender with a Revolving Credit Commitment immediately prior to giving effect to such assignment, (y) an assignment of any Incremental Facility Revolving Credit Commitments to an assignee that is a Lender with an Incremental Facility Revolving Credit Commitment immediately prior to giving effect to such assignment or (z) an assignment of any Incremental Facility Term Loan Commitments to an assignee that is a Lender with an Incremental Facility Term Loan Commitment immediately prior to giving effect to such assignment; and

(C) each Issuing Bank, in the case of an assignment of all or a portion of (x) a Revolving Credit Commitment or any Revolving Credit Lender's obligations in respect of its Letter of Credit Interest thereunder or (y) an Incremental Facility Revolving Credit Commitment providing for Letters of Credit, or any Incremental Facility Revolving Credit Lender's obligations in respect of its Letter of Credit Interest thereunder.

(ii) Certain Conditions to Assignments. Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment, Loans or Letter of Credit Interest of any Class, the amount of the Commitment, Loans or Letter of Credit Interest of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 or, in the case of a Term Loan or Incremental Facility Term Loan, \$1,000,000 (provided, that all amounts assigned shall be aggregated in calculating the \$1,000,000 minimum in the event of simultaneous assignments to or from two or more Affiliated Approved Funds) unless the Borrowers and the Administrative Agent otherwise consent, provided that no such consent of the Borrowers shall be required if an Event of Default under paragraph (a), (f) or (g) or Section 9.01 hereof has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of

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all the assigning Lender's rights and obligations in respect of one Class of Commitments, Loans or Letter of Credit Interest;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of U.S. \$3,500 (provided, that only one such fee shall be payable in the event of simultaneous assignments to or from one or more Affiliated Approved Funds); and

(D) the assignee, if it shall not already be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(iii) Effectiveness of Assignments. Subject to acceptance and recording thereof pursuant to paragraph (c) below, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to Section 5 hereof and the rights referred to in Section 11.07 hereof ). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 11.06 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (e) below.

(c) Maintenance of Register by the Administrative Agent. The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at one of its offices in New York City a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and Reimbursement Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrowers, the Administrative Agent, the Issuing Lenders and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers, the Issuing Lenders or any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Acceptance of Assignments by Administrative Agent. Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) above and any written consent to such assignment required by said paragraph (b), the Administrative Agent

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shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph (d).

(e) Participations. Any Lender may, without the consent of the Borrowers, the Administrative Agent or the Issuing Lenders, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitments and the Loans and Letter of Credit Interests held by it); provided that (i) such Lender's obligations under this Agreement and the other Loan Documents shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Administrative Agent, the Issuing Lenders and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and the other Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement or any other Loan Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 11.04 hereof that affects such Participant. Subject to paragraph (f) below, the Borrowers agree that each Participant shall be entitled to the benefits of Section 5.01, 5.05, 5.06 and 5.07 hereof to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) above. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 4.07(b) hereof as though it were a Lender, provided such Participant agrees to be subject to Section 4.07(b) hereof as though it were a Lender hereunder.

(f) Limitations on Rights of Participants. A Participant shall not be entitled to receive any greater payment under Section 5.01, 5.06 or 5.07 hereof than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrowers' prior written consent. A Participant that would be a Lender that is not a U.S. Person if it were a Lender shall not be entitled to the benefits of Section 5.07 hereof unless the Borrowers are notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrowers, to comply with Section 5.07 hereof as though it were a Lender.

(g) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any such pledge or assignment to a Federal Reserve Bank, and this Section 11.06 hereof shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such assignee for such Lender as a party hereto.

(h) Provision of Information to Assignees and Participants. A Lender may furnish any information concerning the Borrowers or any of their Subsidiaries in the possession of such Lender from time to time to assignees and participants (including prospective assignees and participants), subject, however, to the provisions of Section 11.12(b) hereof.

(i) No Assignments to the Borrowers or Affiliates. Anything in this Section 11.06 to the contrary notwithstanding, no Lender may assign or participate any interest in any Loan or Reimbursement Obligation held by it hereunder to the Borrowers or any of their Affiliates or Subsidiaries without the prior consent of each Lender.

11.07 Survival. The obligations of the Borrowers under Sections 5.01, 5.05, 5.06, 5.07 and 11.03 hereof, and the obligations of the Lenders under Section 10.05 hereof, shall survive the repayment of the Loans and Reimbursement Obligations and the termination of the Commitments and, in the case of any Lender that may assign any interest in its Commitments, Loans or Letter of Credit Interest hereunder, shall survive the making of such assignment, notwithstanding that such assigning Lender may cease to be a "Lender" hereunder. In addition, each representation and warranty made, or deemed to be made by a notice of any extension of credit (whether by means of a Loan or a Letter of Credit), herein or pursuant hereto shall survive the making of such representation and warranty, and no Lender shall be deemed to have waived, by reason of making any extension of credit hereunder (whether by means of a Loan or a Letter of Credit), any Default that may arise by reason of such representation or warranty proving to have been false or misleading, notwithstanding that such Lender or the Administrative Agent may have had notice or knowledge or reason to believe that such representation or warranty was false or misleading at the time such extension of credit was made.

11.08 Captions. The table of contents and captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

11.09 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

11.10 Governing Law; Submission to Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York. Each Borrower hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of the Supreme Court of the State of New York sitting in New York County (including its Appellate Division), and of any other appellate court in the State of New York, for the purposes of all legal proceedings arising out of or relating to this Agreement or the transactions contemplated hereby. Each Borrower hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum.

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11.11 Waiver of Jury Trial. EACH OF THE BORROWERS, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

11.12 Treatment of Certain Information; Confidentiality.

(a) Disclosure to Certain Affiliates. The Borrowers acknowledge that from time to time financial advisory, investment banking and other services may be offered or provided to the Borrowers or one or more of their Subsidiaries (in connection with this Agreement or otherwise) by any Lender or by one or more subsidiaries or affiliates of such Lender and the Borrowers hereby authorize each Lender to share any information delivered to such Lender by the Borrowers and their Subsidiaries pursuant to this Agreement, or in connection with the decision of such Lender to enter into this Agreement, to any such subsidiary or affiliate, it being understood that any such subsidiary or affiliate receiving such information shall be bound by the provisions of paragraph (b) below as if it were a Lender hereunder. Such authorization shall survive the repayment of the Loans and Reimbursement Obligations and the termination of the Commitments.

(b) Confidentiality Generally. Each Lender and the Administrative Agent agrees (on behalf of itself and each of its affiliates, directors, officers, employees and representatives) to use reasonable precautions to keep confidential, in accordance with their customary procedures for handling confidential information of the same nature and in accordance with safe and sound banking practices (or, if such Lender is not a bank, in accordance with safe and sound lending practices), any non-public information supplied to it by any Obligor pursuant to this Agreement or any other Loan Document that is identified by the Borrowers as being confidential at the time the same is delivered to the Lenders or the Administrative Agent, provided that nothing herein shall limit the disclosure of any such information (i) after such information shall have become public (other than through a violation of this Section 11.12), (ii) to the extent required by statute, rule, regulation or judicial process, (iii) to counsel for any of the Lenders or the Administrative Agent, (iv) to bank examiners (or any other regulatory authority, or quasi-regulatory body, including the National Association of Insurance Commissioners (NAIC), having jurisdiction over any Lender or the Administrative Agent), or to auditors or accountants, (v) to the Administrative Agent or any other Lender (or to J.P. Morgan Securities Inc.), (vi) in connection with any litigation to which any one or more of the Lenders or the Administrative Agent is a party, or in connection with the enforcement of rights or remedies hereunder or under any other Loan Document, (vii) to a subsidiary or affiliate of such Lender as provided in paragraph (a) above, (viii) to any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrowers and their obligations or (ix) to any assignee or participant (or prospective assignee or participant) so

Credit Agreement

long as such assignee or participant (or prospective assignee or participant) first executes and delivers to the respective Lender a Confidentiality Agreement substantially in the form of Exhibit I hereto (or executes and delivers to such Lender an acknowledgement to the effect that it is bound by the provisions of this Section 11.12(b), which acknowledgement may be included as part of the respective assignment or participation agreement pursuant to which such assignee or participant acquires an interest in the Loans or Letter of Credit Interest hereunder); provided, further, that obligations of any assignee that has executed a Confidentiality Agreement in the form of Exhibit I hereto shall be superseded by this Section 11.12 upon the date upon which such assignee becomes a Lender hereunder pursuant to Section 11.06(b) hereof.

Credit Agreement



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

BORROWERS

MEDIACOM ILLINOIS LLC  
MEDIACOM INDIANA LLC  
MEDIACOM IOWA LLC  
MEDIACOM MINNESOTA LLC  
MEDIACOM WISCONSIN LLC  
MEDIACOM ARIZONA LLC  
MEDIACOM CALIFORNIA LLC  
MEDIACOM DELAWARE LLC  
MEDIACOM SOUTHEAST LLC

By: Mediacom LLC, Member  
By: Mediacom Communications Corporation,  
Member

By: /s/ Mark E. Stephan

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Name: Mark E. Stephan  
Title: Executive Vice President,  
Chief Financial Officer and  
Treasurer

Credit Agreement

ZYLSTRA COMMUNICATIONS CORP.

By: /s/ Mark E. Stephan

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Name: Mark E. Stephan  
Title: Executive Vice President,  
Chief Financial Officer and  
Treasurer

c/o Mediacom LLC  
100 Crystal Road  
Middletown, New York 10941

Attention: Mark Stephan

Telecopier No.: (845) 695-2639  
Telephone No.: (845) 695-2600

Credit Agreement

ADMINISTRATIVE AGENT

JPMORGAN CHASE BANK,  
as Administrative Agent

By: /s/ Robert Anastasio

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Name: Robert Anastasio  
Title: Vice President

Address for Notices to  
JPMorgan Chase Bank as Administrative Agent:

JPMorgan Chase Bank  
1111 Fannin Street, 10th Floor  
Houston, Texas 77002-8069  
Attention: Loan and Agency Services Group

Telephone No.: 713-750-2102

Telecopier No.: 713-750-2782

Credit Agreement

JPMORGAN CHASE BANK

By: /s/Robert Anastasio

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Name: Robert Anastasio  
Title: Vice President

Credit Agreement

BANK OF AMERICA, N.A.

By: /s/Todd Shipley

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Name: Todd Shipley

Title: Managing Director

Credit Agreement

Citibank, N.A.

By: /s/John P. Judge

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Name: John P. Judge  
Title: Vice President

Credit Agreement

Credit Suisse First Boston, acting through its  
Cayman Islands branch

By: /s/Thomas Hall

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Name: Thomas Hall  
Title: Vice President

By: /s/Doreen Barr

-----  
Name: Doreen Barr  
Title: Associate

Credit Agreement

Wachovia Bank, N.A.

By: /s/John D. Brady

-----  
Name: John D. Brady  
Title: Director

Credit Agreement



Harris Nesbitt Financing, Inc.

By: /s/Sarah Kim

-----  
Name: Sarah Kim

Title: Managing Director

Credit Agreement

GOLDMAN SACHS CREDIT PARTNERS L.P.

By: /s/William Archer

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Name: William Archer

Title: Authorized Signatory

Credit Agreement

SUNTRUST BANK

By: /s/Jeffrey E. Hauser

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Name: Jeffrey E. Hauser  
Title: Managing Director

Credit Agreement

Allied Irish Banks Plc. as Lender

By: /s/Rima Terradista

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Name: Rima Terradista  
Title: Senior Vice President

By: /s/Roisin O'Connell

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Name: Roisin O'Connell  
Title: Assistant Vice President

Credit Agreement

Credit Industriel et Commercial

By: /s/Marcus Edward

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Name: Marcus Edward  
Title: Vice President

By: /s/Anthony Rock

-----  
Name: Anthony Rock  
Title: Vice President

Credit Agreement

GENERAL ELECTRIC CAPITAL CORPORATION

By: /s/Robert M. Kadlick

-----  
Name: Robert Kadlick

Title: Duly Authorized Signatory

Credit Agreement

KZH CRESCENT-3 LLC

By: /s/Hi Hua

-----  
Name: Hi Hua

Title: Authorized Agent

Credit Agreement

KZH CypressTree-1 LLC

By: /s/Hi Hua

-----  
Name: Hi Hua

Title: Authorized Agent

Credit Agreement



KZH PONDVIEW LLC

By: /s/Susan Lee

-----  
Name: Susan Lee

Title: Authorized Agent

Credit Agreement

KZH SOLEIL LLC

By: /s/Susan Lee

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Name: Susan Lee

Title: Authorized Agent

Credit Agreement

KZH SOLEIL-2 LLC

By: /s/Susan Lee

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Name: Susan Lee

Title: Authorized Agent

Credit Agreement

KZH Sterling LLC

By: /s/Hi Hua

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Name: Hi Hua

Title: Authorized Agent

Credit Agreement

NATEXIS BANQUES POPULAIRES

By: /s/Evan S. Kraus

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Name: Evan S. Kraus  
Title: Vice President

By: /s/Cynthia E. Sachs

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Name: Cynthia E. Sachs  
Title: VP Group Manager

Credit Agreement

STANWICH LOAN FUNDING LLC

By: /s/Diana M. Himes

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Name: Diana M. Himes

Title: Assistant Vice President

Credit Agreement

UBS AG Stamford Branch

By: /s/Pamela Oh

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Name: Pamela Oh  
Title: Associate Director  
Banking Products  
Services, US

By: /s/Anthony M. Joseph

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Name: Anthony M. Joseph  
Title: Associate Director  
Banking Products  
Services, US

Credit Agreement

## CERTIFICATIONS

I, Rocco B. Commisso, certify that:

- (1) I have reviewed this report on Form 10-Q of Mediacom Communications Corporation;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information;
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 9, 2004

By: /s/ Rocco B. Commisso

**Rocco B. Commisso**

Chief Executive Officer

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## CERTIFICATIONS

I, Mark E. Stephan, certify that:

- (1) I have reviewed this report on Form 10-Q of Mediacom Communications Corporation;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information;
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 9, 2004

By: /s/ Mark E. Stephan

**Mark E. Stephan**

Executive Vice President and Chief Financial  
Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Mediacom Communications Corporation (the "Company") on Form 10-Q for the period ended September 30, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Rocco B. Commisso, Chief Executive Officer and Mark E. Stephan, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 9, 2004

By: /s/ Rocco B. Commisso  
**Rocco B. Commisso**  
Chief Executive Officer

By: /s/ Mark E. Stephan  
**Mark E. Stephan**  
Chief Financial Officer